

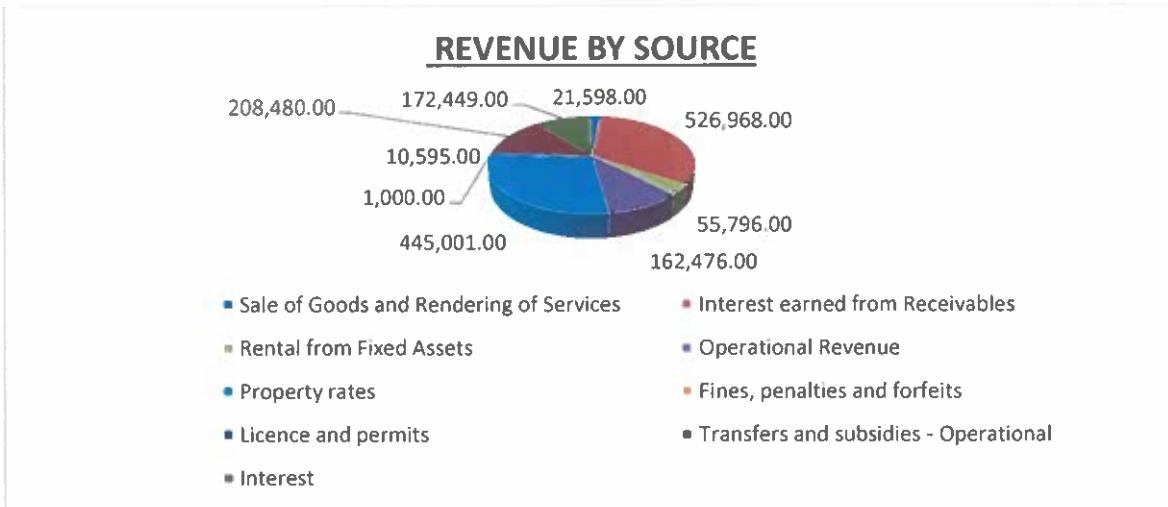
resulting in unmetered consumption therefore the meter reader cannot read actual readings. The municipality is currently busy with a water meter audit and where there are no meters, meters are currently being installed. All properties must be considered on the General Valuation Roll, and the same applies to all service charges like sanitation and refuse as it is also showing an under-recovery compared to the YTD budget.

- Sale of Goods and Rendering of Services is Interest earned from Receivables is showing a variance of minus 51% due to the increase in debt over 90 days not being serviced.
- Interest from Current and Non-current Assets shows a negative variance of 71%, and operational revenue is showing a variance of 23% as a result of slow recovery on incidental cash surpluses and commission: transaction handling fees.

Non-Exchange Revenue

- Property Rates is showing a minus variance of 167% which is an improvement.
- Fines, penalties and forfeits is showing a negative variance of 75%, due to the under-recovery on fines: Law Enforcement.
- Transfers and subsidies – Operational are showing a negative variance of 91%.
- Operational Revenue shows no movement for the month under review.
- Gains and disposal of assets, shows a negative variance of 100%.

Indicated in Chart 1 below is the weighting of the YTD Actual on billed Revenue per Source as a percentage of total operational revenue as at 30 August 2025. The main contributors of the municipality's revenue are Transfers and subsidies-operational (63.85%), Service chargers (21.84%) and Property rates (11.42%).



4.2 Operating Expenditure by Type

0 - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

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		39,753	45,983	—	3,596	7,396	7,664	(268)	-3%	45,983
Remuneration of councillors		5,945	4,326	—	457	857	721	136	19%	4,326
Bulk purchases - electricity		19,435	21,151	—	1,937	3,941	3,525	416	12%	21,151
Inventory consumed		1,877	4,535	—	106	209	756	(547)	-72%	4,535
Debt impairment		—	—	—	—	—	—	—	—	—
Depreciation and amortisation		9,286	11,220	—	—	—	1,870	(1,870)	-100%	11,220
Interest		6,598	10,660	—	699	1,320	1,777	(457)	-26%	10,660
Contracted services		11,982	11,603	—	323	521	1,934	(1,413)	-73%	11,603
Transfers and subsidies		261	—	—	7	18	—	18	#DIV/0!	—
Inrecoverable debts written off		24,614	10,224	—	—	—	1,704	(1,704)	-100%	10,224
Operational costs		13,426	13,579	—	1,101	3,038	2,263	775	34%	13,579
Losses on Disposal of Assets		—	—	—	—	—	—	—	—	—
Other Losses		1,136	—	—	—	—	—	—	—	—
Total Expenditure		134,313	133,280	—	8,226	17,299	22,213	(4,915)	-22%	133,280

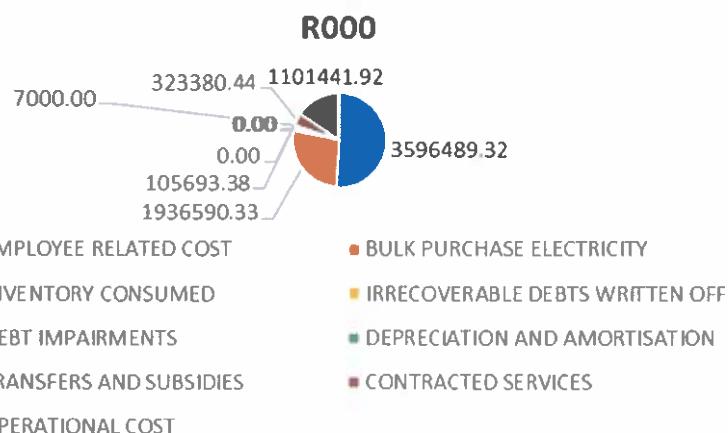
Comparison against YTD Budget

As indicated in the Table above, as of 30 August 2025 current YTD expenditure shows an unsatisfactory variance of minus -22%. The YTD actual amounted to R17 299 against the YTD Budget of R133 280 million.

- Employee related costs show an underspending variance of -3%, due to the YTD actual being slightly less than projected. Post-retirement benefit obligations are not factored in and will only be finalised as part of year – end procedures.
- Remuneration of councillors is showing an 19% variance, slightly higher than the projected expenditure%.

- Bulk purchase – Electricity is showing a variance of 12% and all invoices to date has been captured on the system.
- Inventory consumed is showing an unsatisfactory variance of minus 72%. Expenditure on inventory consumed needs to be monitored closely and remedial action be taken to ensure that funds are spent effectively with good value for money and that funds will be fully spent at year-end.
- Depreciation and impairment on assets - Depreciation is a decrease in asset value throughout based on the estimated asset life span. Impairment is the provision made in the annual financial statement that shows an unexpected decrease in the performance of an asset. Currently the system does not make provision for the calculation of the asset depreciation and impairment. Both depreciation and impairment are only calculated at year end through the proposed journals.
- Interest is showing a variance of - 26% due to delay in paying creditors.
- Contracted services have a variance of minus 73%; it includes the professional services or other services offered by the consultants and other companies and a signed service level agreement with the service providers are in place. All SLA are reviewed on a regular basis to ensure that the service is carried out as outlined in the SLA.
- Operational cost is showing a positive variance of 34% as a result various line items under operational cost being spent.

**CHART 2 EXPENDITURE BY TYPE YTD ACTUAL AS
TOTAL EXPENDITURE AS AT 31 AUGUST 2025**



Also indicated in Chart 2 above is the weighting of the YTD Actual on Expenditure by Type as a % of total operational expenditure as at 31 August 2025. The main cost drivers of the municipality are Employee related costs, Operational Costs and Bulk purchases-electricity.

Electricity bulk purchases and small accounts.

The municipality purchases the electricity from Eskom to provide electricity services to some of the wards within the municipal jurisdiction. The municipality does not supply electricity in all wards. For the month of August, the Municipality owes ESKOM an amount of R 1,138,675.89. As part of the Debt Relief conditions the municipality is bound to make a monthly payment on current accounts and pay off an amount of R12million over a period of 12 months. No payment for the month of August 2025 was made to Eskom on bulk purchases.

Vanderkloof water user association – The amount due for the month under review equals to R75 813.55. No payment has been made and no payment arrangement has been agreed upon by the municipality and the Water association.

4.3 Capital expenditure

Table C5 Monthly Budget Statement – Capital Expenditure – August 2025

Description	2024/25		Budget Year 2025/26						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure & funds sources									
Capital expenditure	5,158	15,858	-	-	-	1,322	(1,322)	-100%	15,858
Capital transfers recognised	2,220	15,858	-	2,999	4,398	2,643	1,755	65%	15,858
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	7,220	15,858	-	2,999	4,398	2,643	1,755	66%	15,858

As indicated above, the YTD Actual on capital expenditure as at end of August 2025 amounted to R4 398 million and -66% spent when compared to the YTD budget of R2,643million and 100% spent when compared to the Original Budget of R15 858. The total YTD capex is funded from Capital grants R4 398 million. Capex is extremely low and major intervention is required for the financial year. Contract management also needs to be monitored more closely, placing emphasis on the performance of appointed service providers and addressing issues of non-performance immediately. The capital expenditure report shown in Annexure A, Table C5 has been prepared on the prescribed monthly C-schedule, and is categorised by municipal vote and functional classification.

5. In-year budget statement tables

The financial results for the period under review are included in Annexure A, consisting of the following C-schedule tables.

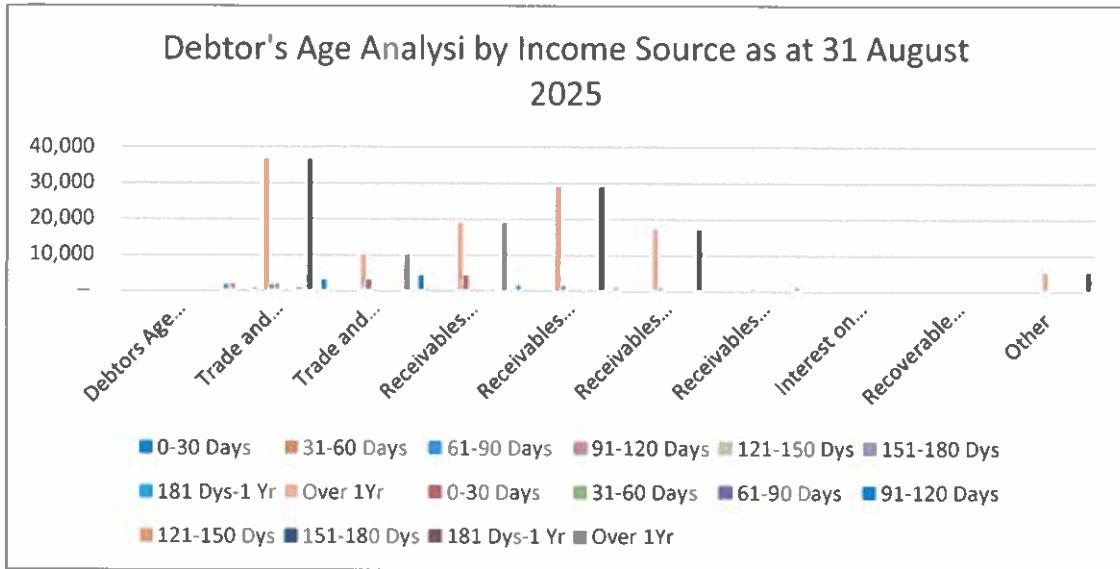
- a) Table C1: Summary
- b) Table C2: Financial Performance (Functional Classification)
- c) Table C3: Financial Performance (Revenue and Expenditure by Municipal vote)
- d) Table C4: Financial Performance (Revenue and Expenditure)
- e) Table C5: Capital Expenditure by vote, functional classification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

6. Debtors' Analysis

Interest on arrear accounts is the outstanding amounts calculated by a certain interest rate, normally 10% calculated by the system as per the policy and this interest rate is calculated on different service items. Interest on area accounts starts with 30-60 ageing and going forward to more than 120 days.

6 - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 August

Description	NT Code	Budget Year 2025/26										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts I.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days+1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	1,413	1,707	374	392	359	569	351	36,454	41,620	38,126	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	2,833	408	358	278	259	241	213	9,792	14,383	10,784	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	4,021	580	404	354	392	384	380	16,734	25,300	29,284	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	1,207	432	417	413	408	405	401	28,834	32,517	30,461	-	-
Receivables from Exchange Transactions - Waste Management	1600	692	247	240	238	235	233	230	16,929	19,043	17,865	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	15	6	6	6	6	6	6	713	762	736	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fraudless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	21	2	2	102	8	8	8	5,056	5,266	5,182	-	-
Total By Income Source	2000	10,202	3,391	1,800	1,823	1,668	1,848	1,589	116,512	138,031	123,437	-	-
2024/25 - totals only		8253129	2227817	2010079	2027867	2078624	1883831	1747164		134,427	121,836	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	2,935	302	131	131	136	130	132	9,909	13,005	10,437	-	-
Commercial	2300	346	42	64	63	39	31	20	1,610	2,414	1,963	-	-
Households	2400	6,915	3,044	1,605	1,627	1,492	1,683	1,436	104,709	122,502	110,937	-	-
Other	2500	6	2	2	2	2	2	2	94	110	100	-	-
Total By Customer Group	2600	10,202	3,391	1,800	1,823	1,668	1,848	1,589	116,512	138,031	123,437	-	-

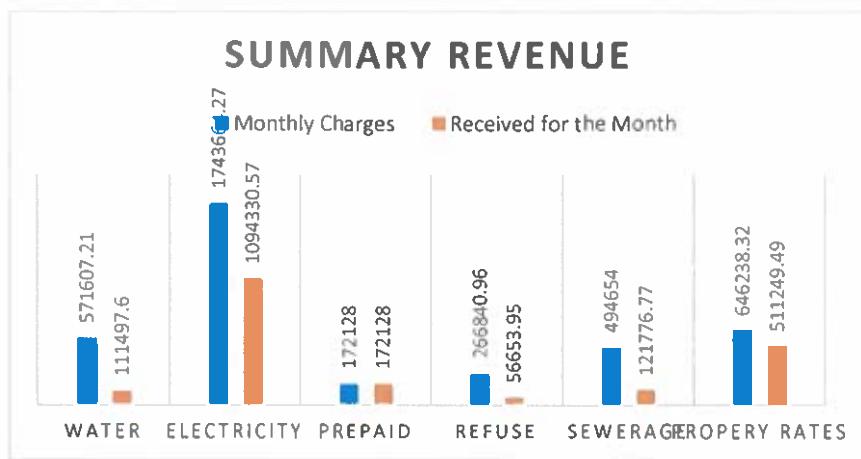


To-date, the municipality is owed R 138 831 million and the debt over 90 days stand at R 123,437 million. In accordance with the above tables, it is evident that there was no improvement in collection. Currently, the households' debtors constitute highest portion of the total debtor's book however the total debtor's book has been handed over to an external company for collection on behalf of the municipality. The monitoring of the progress status of the appointed company (Khumalo Masondo Attorney's Inc) is monitored on a continuous basis. Some of the consumers accounts are billed on an estimated billing readings and still need to be attended to. Reason for these estimates are meters that are covered by the soil, cements and uninstalled meters. The municipality should move in the direction of installing smart meters and constant maintenance should be prioritized on infrastructure.

Revised collection rate

A2 TURNOVER (OUTSTANDING RATES AND SERVICES) (nr 3 (1) (b))							
Services	Total Outstanding	Budgeted Income for the Year	Actual Income received	Turnover %	Monthly Charges	Received for the Month	% received
WATER	41571561.63	6311000	179308.36	15%	571607.21	111497.6	20%
ELECTRICITY	13947822.49	25343000	2113992.71	182%	1743664.27	1094330.57	63%
PREPAID		0	531536		172128	172128	100%
REFUSE	19011780.53	4208000	115950.59	22%	266840.96	56653.95	21%
SEWERAGE	32374003.8	3302000	237154.21	10%	494654	121776.77	25%
PROPERTY RATES	25201374.25	10021000	813104.02	40%	646238.32	511249.49	79%
TOTAL	132106542.7	49185000	3991045.89	37%	3895132.76	2067636.38	53%

The above figures depict the financial performance movement from August 2025 and total revenue for the month of August 2025 amounts to R2067636.38. To-date the municipality has performed the total revenue collection by 53%.



Property rates

The property rates as indicated on the graph shows an inconsistent fluctuation of collection rate. For the month of August 2025, the municipality collected about 79% and has a turnover of 40%.

Electricity (Conventional and pre-paid)

Electricity comprises of pre-paid and conventional electricity meter boxes. The municipality generates more revenue from pre-paid electricity sold at the municipality pay point of sale and the electricity vendors. For the month of August 2025, electricity sales amounted to R1 266 458.57 including the pre-paid sales.

Water

Revenue on water services billed amounts to R571 607.21 for the month of August 2025 and to-date the municipality collected for water services R111 497.60 for the month. Reason for the difference between the actual and billed amount is because majority of the consumers are not paying, and that can be because of accounts not reaching them or meters that are covered by the soil, cements, uninstalled meters and faulty meters resulting in unmetered consumption therefore the meter reader cannot read actual readings.

Refuse

Refuse is the collection of rubbish in all areas within Thembelihle and a certain refuse bill is required as part of the services rendered. Currently there is a refuse collection schedule that

guides the employees in executing the refuse job. For the month of August 2025, the municipality billed R266 840.96 and actual collection amounts to R566 53.95 although billing on refuse has been consistent since the beginning of the financial year.

Sanitation

This is the provision of sewerage network to households and there are two different types of sewerage network, namely:

- Sceptic tanks
- Manhole's network

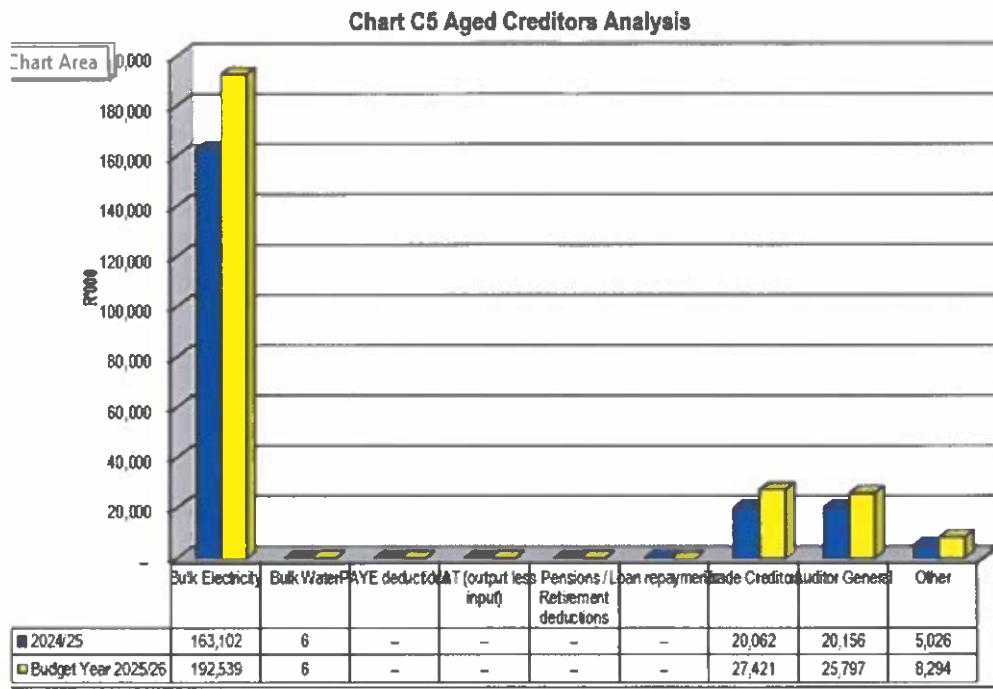
Sceptic tank is a cash service given to consumers where a call will be logged through the call centre and the consumer will make a payment at the cashier's point and keep proof of payment for the service paid.

Manhole services is the sewerage network that sucks all the waste water to the sewerage pump station and subsequently to the waste water treatment plant for recycling. For the month of August 2025, the municipality billed R494 654 actual received is R121 776.77 and this includes the conventional and cash transactions for the sceptic sanitation tank.

7. Creditors' Analysis

0 - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

Description R thousands	NT Code	Budget Year 2025/26								Prior year totals for chart (same period)
		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	
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	2,971	2,970	2,906	2,176	2,215	1,923	12,336	165,039	192,539
Bulk Water	0200	-	-	-	-	-	-	-	6	6
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	1,187	984	4,289	581	540	539	3,317	15,984	27,421
Auditor General	0800	298	92	90	92	89	103	6,178	18,855	25,797
Other	0900	111	73	1,522	600	639	587	332	4,431	8,294
Medical Aid deductions	0950	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	4,568	4,119	8,807	3,450	3,483	3,152	22,164	204,314	254,056
										208,352



Auditor General – The municipality has a payment arrangement with the AG on paying the total balance with 48 months. A payment of R550 000,00 was made from the equitable share received in December 2024. As for the month under review, no payment was made to honour the payment arrangement.

Eskom – As at 30 July 2025, the total outstanding debt owed to Eskom amount to more than R173 million. According to the June 2025 invoice, the outstanding balance for the month under review is R1 927 748.55. The municipality is part of the Debt Relief program and has not fully complied with the conditions attached to it and a notice of intend to terminate or remove the municipality from the program was received from National Treasury. No payments were made for the month under review on bulk accounts.

Vanderkloof water user association – As at 31 August 2025 the outstanding debt owed to the association amounts to R3 988 973.61. The invoice for August 2025 amounts to R75 286 and no payment nor payment arrangement has been made. I recommend that management make a payment arrangement to service this debt and commence to participate in the debt relief.

PAYE and Pension – statutory deductions are paid over monthly to the relevant institutions on or before seventh of the new month, however for the month of August 2025 no payment

was made on PAYE. It must be noted that the municipality has a payment agreement with CRF pension fund to pay an amount of R10 024.11 on receipt of each equitable share. For the month under review no payment was made.

Trade creditors – all suppliers are registered on the municipality's database and it is a prerequisite for these suppliers to be registered on the Central Supplier Database (CSD).

Other creditors – includes Sundry creditors which were unpaid as at 31 August 2025.

8. Investment portfolio analysis

The bellow table consist of the total investments balances as at end of August 2025. The total balance amounts to **R3 178 570.76** and these amounts is in the investment's accounts for capital projects purposes. All these transactions will eventually be transferred and recognised to revenue when the invoices are due for payment for a consultant or contractor.

No.	Investment Portfolio Analysis	Closing Balance
1.	INEP	R 1 192 925.95
2.	Operational Grants	R 1 183 500.00
3.	WSIG	R0
4.	MIG	R 1 000.00
5	EEDSM	R 801 144.84
	TOTAL	R 3 178 570.76

9. Allocation and grant receipts and expenditure

0 - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M02 August

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:											
Operating Transfers and Grants											
National Government:											
Equitable Share	1,2	44,407	42,542	—	1	13,921	7,090	6,831	98.3%	42,542	
Expanded Public Works Programme Integrated Grant		40,409	30,960	—	—	13,920	6,493	7,427	114.4%	38,960	
Infrastructure Skills Development Grant		978	—	—	1	1	—	—	#DIV/0!	—	
Local Government Financial Management Grant		19	58	—	—	—	—	10	-100.0%	58	
Municipal Disaster Recovery Grant		3,000	3,000	—	—	—	500	(500)	-100.0%	3,000	
Municipal Infrastructure Grant		—	—	—	—	—	—	—	—	—	
Municipal Systems Improvement Grant		—	524	—	—	—	87	(87)	-100.0%	524	
Other transfers and grants [insert description]		—	—	—	—	—	—	—	—	—	
Provincial Government:		—	—	—	—	—	—	—	—	—	
Other transfers and grants [insert description]		—	—	—	—	—	—	—	—	—	
District Municipality:		—	—	—	—	—	—	—	—	—	
[insert description]		—	—	—	—	—	—	—	—	—	
Other grant providers:		—	—	—	—	—	—	—	—	—	
Northern Cape Arts and Cultural Council		1,090	1,230	—	—	—	205	(205)	-100.0%	1,230	
Other grant providers:		1,090	1,230	—	—	—	205	(205)	-100.0%	1,230	
Total Operating Transfers and Grants	5	45,497	43,772	—	1	13,921	7,295	6,626	90.8%	43,772	
Capital Transfers and Grants											
National Government:											
Energy Efficiency and Demand Side Management Grant		6,289	15,858	—	—	1,609	2,643	(1,034)	-39.1%	15,858	
Integrated National Electrification Programme Grant		1,787	2,000	—	—	—	333	(333)	-100.0%	2,000	
Municipal Infrastructure Grant		—	3,910	—	—	—	652	(652)	-100.0%	3,910	
Regional Bulk Infrastructure Grant		158	9,948	—	—	1,609	1,658	(49)	-2.9%	9,948	
Water Services Infrastructure Grant		—	—	—	—	—	—	—	—	—	
Other capital transfers [insert description]		4,384	—	—	—	—	—	—	—	—	
Provincial Government:		—	—	—	—	—	—	—	—	—	
[insert description]		—	—	—	—	—	—	—	—	—	
District Municipality:		—	—	—	—	—	—	—	—	—	
[insert description]		—	—	—	—	—	—	—	—	—	
Other grant providers:		—	—	—	—	—	—	—	—	—	
[insert description]		—	—	—	—	—	—	—	—	—	
Total Capital Transfers and Grants	5	6,289	15,858	—	—	1,609	2,643	(1,034)	-39.1%	15,858	
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	51,785	59,630	—	1	15,531	9,938	5,592	56.3%	59,630	

Operational and Capital grants received for the month under review.

No grants were received for the month under review.

Operational and Capital grant spend for the month under review.

0 - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M02 August

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:											
Equitable Share	44,407	42,542	—	—	1	13,921	7,090	6,831	96.3%	42,542	
Expanded Public Works Programme Integrated Grant	40,409	38,960	—	—	—	13,920	6,493	7,427	114.4%	38,960	
Infrastructure Skills Development Grant	978	—	—	—	1	—	—	1	#DIV/0!	—	
Local Government Financial Management Grant	19	58	—	—	—	—	—	10	(10) -100.0%	58	
Municipal Disaster Recovery Grant	3,000	3,000	—	—	—	—	500	(500)	-100.0%	3,000	
Municipal Infrastructure Grant	—	—	—	—	—	—	—	—	—	—	
Municipal Systems Improvement Grant	3	—	524	—	—	—	87	(87)	-100.0%	524	
Other transfers and grants [insert description]											
Provincial Government:											
Other transfers and grants [insert description]	4	—	—	—	—	—	—	—	—	—	
District Municipality:											
[insert description]	—	—	—	—	—	—	—	—	—	—	
Other grant providers:											
Northern Cape Arts and Cultural Council	1,090	1,230	—	—	—	—	205	(205)	-100.0%	1,230	
1,090	1,230	—	—	—	—	205	(205)	-100.0%	1,230	—	
Total Operating Transfers and Grants	5	45,497	43,772	—	—	1	13,921	7,295	6,626	90.8%	43,772
Capital Transfers and Grants											
National Government:											
Energy Efficiency and Demand Side Management Grant	6,289	15,858	—	—	—	1,609	2,643	(1,034)	-39.1%	15,858	
Integrated National Electrification Programme Grant	1,767	2,000	—	—	—	—	333	(333)	-100.0%	2,000	
Municipal Infrastructure Grant	—	3,910	—	—	—	—	652	(652)	-100.0%	3,910	
Regional Bulk Infrastructure Grant	158	9,948	—	—	—	1,609	1,658	(49)	-2.9%	9,948	
Water Services Infrastructure Grant	—	—	—	—	—	—	—	—	—	—	
Other capital transfers [insert description]	4,364	—	—	—	—	—	—	—	—	—	
Provincial Government:											
[insert description]	—	—	—	—	—	—	—	—	—	—	
District Municipality:											
[insert description]	—	—	—	—	—	—	—	—	—	—	
Other grant providers:											
[insert description]	—	—	—	—	—	—	—	—	—	—	
Total Capital Transfers and Grants	5	6,289	15,858	—	—	1,609	2,643	(1,034)	-39.1%	15,858	
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	51,785	59,630	—	—	15,531	9,938	5,592	56.3%	59,630	

As indicated in the table above the YTD grant expenditure amounts to R1 609million spent against the original capital grant allocation of R15 858million. It should be noted that grant

expenditure excludes VAT which will be recognized at year-end in the Statement of Financial performance, when all conditions of the grant have been met.

Rollover Grant: Expenditure – No application was submitted.

10. Councillors allowances and employee benefits

0 - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August

Summary of Employee and Councillor remuneration R thousands	Ref	2024/25		Budget Year 2025/26						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
		1	A	B	C					D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		4,589	3,879	–	388	724	646	77	12%	3,879
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		193	–	–	10	21	–	21	#DIV/0!	–
Motor Vehicle Allowance		–	–	–	–	–	–	–	–	–
Cellphone Allowance		485	447	–	37	74	74	(0)	-1%	447
Housing Allowances		–	–	–	–	–	–	–	–	–
Other benefits and allowances		669	–	–	21	38	–	38	#DIV/0!	–
Sub Total - Councillors		5,945	4,326	–	457	857	721	136	19%	4,326
% Increase	4		-27.2%							-27.2%
Senior Managers of the Municipality										
Basic Salaries and Wages		2,670	4,344	–	300	602	724	(122)	-17%	4,344
Pension and UIF Contributions		4	2	–	2	4	0	4	1042%	2
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		70	264	–	14	39	44	(5)	-11%	264
Cellphone Allowance		88	148	–	13	28	25	1	4%	148
Housing Allowances		–	–	–	0	–	–	0	#DIV/0!	–
Other benefits and allowances		417	–	–	3	5	–	5	#DIV/0!	–
Payments in lieu of leave		242	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations		2	–	–	–	–	–	–	–	–
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		61	170	–	9	16	28	(12)	-44%	170
Acting and post related allowance		(15)	–	–	–	8	–	6	#DIV/0!	–
In kind benefits		–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		3,537	4,928	–	341	699	821	(123)	-15%	4,928
% increase	4		39.3%							39.3%
Other Municipal Staff										
Basic Salaries and Wages		25,577	27,756	–	2,475	4,967	4,626	341	7%	27,756
Pension and UIF Contributions		4,583	6,063	–	418	853	1,010	(158)	-16%	6,063
Medical Aid Contributions		1,414	1,468	–	116	239	245	(6)	-2%	1,468
Overtime		1,642	1,706	–	100	322	284	37	13%	1,706
Performance Bonus		2,129	1,778	–	86	190	296	(107)	-36%	1,778
Motor Vehicle Allowance		142	–	–	0	0	–	0	#DIV/0!	–
Cellphone Allowance		301	221	–	29	54	37	17	46%	221
Housing Allowances		37	33	–	2	5	6	(1)	-15%	33
Other benefits and allowances		1,221	23	–	1	2	4	(2)	-45%	23
Payments in lieu of leave		327	1,179	–	27	27	196	(169)	-86%	1,179
Long service awards		–	210	–	–	39	35	4	12%	210
Post-retirement benefit obligations		2	(1,362)	558	–	–	93	(93)	-100%	558
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		204	–	–	–	–	–	–	–	–
In kind benefits		–	60	–	–	–	10	(10)	-100%	60
Sub Total - Other Municipal Staff		36,215	41,055	–	3,255	6,697	6,842	(145)	-2%	41,055
% increase	4		13.4%							13.4%
Total Parent Municipality		45,698	50,309	–	4,053	8,252	8,385	(132)	-2%	50,309

As depicted in the Table above, Employee related costs show an overspending variance of 10%. Post – retirement benefit obligations will be finalized as part of year – end procedures. It should be noted that the disclosure under performance bonus, is the annual bonuses that is budgeted for and paid out to employees. We do have individuals acting on vacant position from time to time, but all such acting allowances forms part of basic salary line item. Councillors Remuneration is showing a satisfactory variance of minus 32% when compared to the YTD Budget.

The municipality should also ensure that critical positions to compliment capacity on the ground is expedited and filled with qualified personnel. The overtime policy was developed and approved by Council. There are some challenges with the implementation, especially pertaining to time-off in lieu of Overtime remuneration.

The BTO office recommends the following:

- ✓ The monitoring of daily tasks/assignments.
- ✓ Finding means to actually verify work performed, even if this means that for the first few questionable overtimes work that managers/supervisors actually go out to the site, if possible.
- ✓ Using the vehicle tracking reports to ascertain the timespan at a particular site.
- ✓ Request a detailed description of the nature of work done and insist on the exact site where work was performed being specified.
- ✓ The adherence to the overtime policy stipulations, is imperative in order to address the issues on overtime.

11. Material variances to the service delivery and budget implementation plan

Material variances pertaining to financial performance are primarily addressed in the executive summary under Section 4.1 to 4.3 or emphasised elsewhere in this Monthly Budget Statement. Any other material variances to the SDBIP will be included in the quarterly Section 52 (d) report for the period ending 30 August 2025.

12. Capital programme performance

Please refer to notes on Capital Expenditure in the Executive Summary. Section 4.3.

Chart C1 2025/26 Capital Expenditure Monthly Trend: actual v target

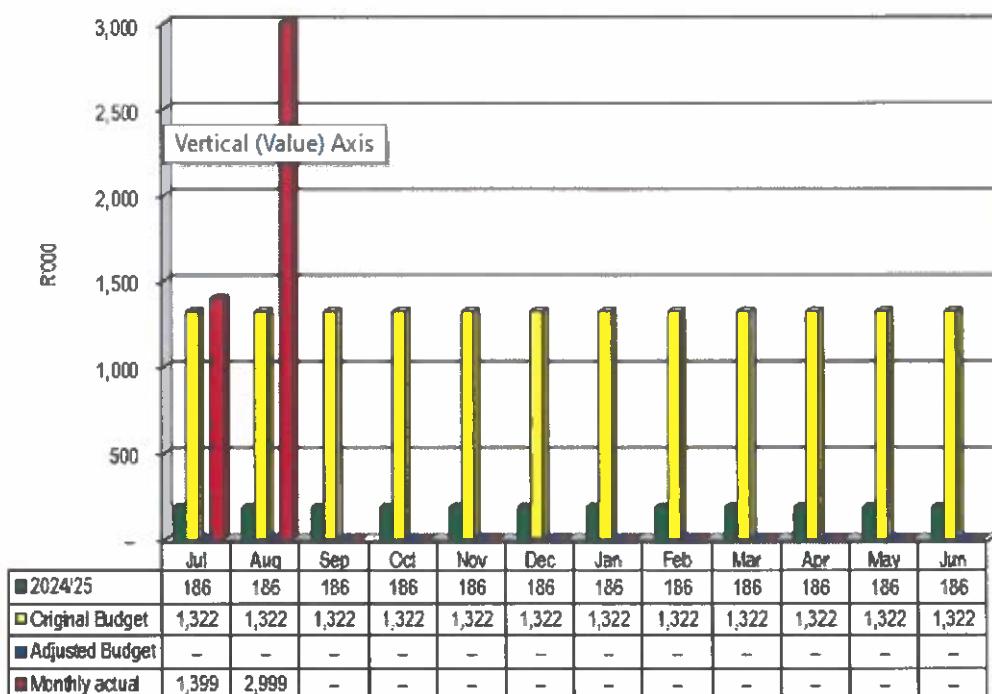
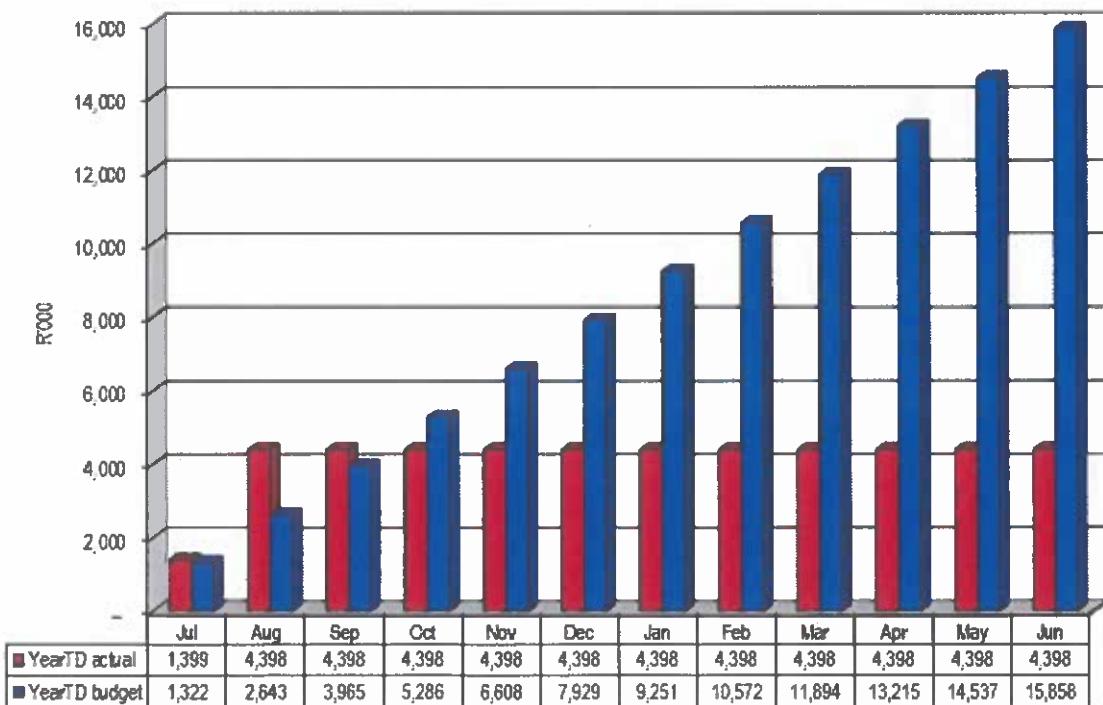


Chart C2 2025/26 Capital Expenditure: YTD actual v YTD target



Other supporting documents

Additionally, information or supporting documentation for August 2025.

1. Monthly Debt Relief Non-Compliance/Intend to terminate letter accompanied by the Municipal.
2. Eskom Invoices and Proof of payments for the month under review
3. Collection rate Report.
4. Indigent Monthly report

13. Conclusion

I recommend that all the expenditure movements be discussed with the respective sections, so that line managers could be abreast with the expenditure movements to-date.

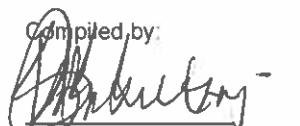
Recommendations

It is recommended that the Mayoral Committee take note of:

1. Monthly budget statement of August 2025.
2. The non-compliance emanating from the municipality's debt relief self-assessment as well as the Provincial Treasury's independent assessment set out in Condition 6.1 on the non-compliance letter.
3. The following remedial actions necessary to improve the municipality's compliance in terms of the Debt Relief Conditions:
4. As per recommendations:
 - After receipt of the water meter audit by Inzalo EMS, accounts be corrected.
 - Implement the credit control & debt collection policy
 - Establish new accounts where there are no accounts
 - Source funding for the installation of smart meters for both water and electricity
 - Constantly and consistently investigate and address areas contributing to water and electricity losses and take corrective measures.
 - Improve and increase registration of indigents on a monthly basis
 - Adopt and implement cost-containment policy rigorously and consistently

Quality Certificate

Compiled by:



Remofilwe Babeotswejang
Chief Financial Officer

Kealeboga Gaborone, the Municipal Manager of Thembelihle

Local Municipality hereby certify that-

- Section 71 reporting for the month of August 2025 of Thembelihle Local Municipality has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Municipal Manager of Thembelihle Local Municipality

Signature

Date 15/09/2025

Acknowledgement receipt of section 71 report: Mayor

Marnus Stanley Viljoen, the Mayor of Thembelihle

Local Municipality hereby acknowledge the receipt of the section 71 report for the month of August

of _____

Signature:

Date: _____

Signature: _____

Date: _____

0 - Table C1 Monthly Budget Statement Summary - M02 August

Description R thousands	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
Financial Performance									
Property rates	8,101	10,021	—	445	4,468	1,670	2,797	167%	10,021
Service charges	26,969	39,164	—	2,665	5,865	6,527	(662)	-10%	39,164
Investment revenue	156	392	—	—	19	65	(46)	-71%	392
Transfers and subsidies	Operational	48,755	43,772	—	1	13,921	7,295	6,626	0
Other own revenue		12,431	23,751	—	1,066	1,991	3,958	(1,987)	-50%
Total Revenue (excluding capital transfers and contributions)	96,412	117,100	—	4,177	26,264	19,517	6,747	35%	117,100
Employee costs	39,753	45,983	—	3,596	7,396	7,664	(268)	-3%	45,983
Remuneration of Councillors	5,945	4,326	—	457	657	721	136	19%	4,326
Depreciation and amortisation	9,286	11,220	—	—	—	1,870	(1,870)	-100%	11,220
Interest	6,568	10,660	—	699	1,320	1,777	(457)	-26%	10,660
Inventory consumed and bulk purchases	21,312	25,686	—	2,042	4,150	4,281	(131)	-3%	25,686
Transfers and subsidies		261	—	—	7	18	—	—	—
Other expenditure		51,158	35,405	—	1,425	3,559	5,901	(2,342)	-40%
Total Expenditure	134,313	133,280	—	8,226	17,299	22,213	(4,915)	-22%	133,280
Surplus/(Deficit)	(37,901)	(16,180)	—	(4,048)	8,965	(2,697)	11,662	-432%	(16,180)
Transfers and subsidies - capital (monetary)	6,289	15,858	—	—	1,809	2,643	888	-39%	15,858
Transfers and subsidies - capital (in-kind)	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions	(31,612)	(322)	—	(4,048)	10,575	(53)	10,628	-19891%	(322)
Share of surplus/ (deficit) of associates	—	—	—	—	—	—	—	—	—
Surplus (Deficit) for the year	(31,612)	(322)	—	(4,048)	10,575	(53)	10,628	-19891%	(322)
Capital expenditure & fund sources									
Capital expenditure	5,158	15,858	—	—	—	1,322	(1,322)	-100%	15,858
Capital transfers recognised	2,228	15,858	—	2,999	4,398	2,643	1,755	66%	15,858
Borrowing	—	—	—	—	—	—	—	—	—
Internally generated funds	—	—	—	—	—	—	—	—	—
Total sources of capital funds	2,228	15,858	—	2,999	4,398	2,643	1,755	66%	15,858
Financial position									
Total current assets	60,511	(11,562)	—	—	17,970	—	—	—	(11,562)
Total non current assets	253,353	301,529	—	—	4,398	—	—	—	301,529
Total current liabilities	167,152	165,075	—	—	11,796	—	—	—	165,075
Total non current liabilities	86,765	2,476	—	—	—	—	—	—	2,476
Community wealth/Equity	107,310	122,737	—	—	(3)	—	—	—	122,737
Cash flows									
Net cash from (used) operating	(80,476)	321	—	3,932	144	3,579	3,435	96%	321
Net cash from (used) investing	—	(15,858)	—	—	—	(2,643)	(2,643)	100%	(15,858)
Net cash from (used) financing	—	—	—	—	—	—	—	—	—
Cash/cash equivalents at the month/year end	(80,256)	(15,318)	—	3,932	144	1,155	1,011	88%	(15,318)
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Ds	151-180 Ds	181 Ds-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	10,202	3,391	1,800	1,823	1,668	1,846	1,589	116,512	138,831
Creditors Age Analysis									
Total Creditors	4,568	4,119	8,807	3,450	3,483	3,152	22,164	204,314	254,056

14. Annexure A: C-schedules

0 - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August

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 1 - Executive Council		39,520	37,640	—	13,848	13,848	3,137	10,711	341.5%	37,640
Vote 2 - Public Safety		—	—	—	—	—	—	—	—	—
Vote 3 - Office of Financial Management		18,620	19,155	—	4,590	4,590	1,596	2,993	187.5%	19,155
Vote 4 - Corporate Services		1,451	12,330	—	676	676	1,027	(352)	-34.2%	12,330
Vote 5 - Road Transport		1,137	9,948	—	—	—	829	(829)	-100.0%	9,948
Vote 6 - Community & Social Services		—	—	—	—	—	—	—	—	—
Vote 7 - Planning & Development		—	524	—	—	—	44	(44)	-100.0%	524
Vote 8 - Budget & Treasury		(4)	—	—	—	—	—	—	—	—
Vote 9 - Electricity		17,481	32,273	—	1,951	1,951	2,689	(738)	-27.5%	32,273
Vote 10 - Water		8,582	9,914	—	471	471	826	(355)	-43.0%	9,914
Vote 11 - Waste Water Management		(100)	5,672	—	412	412	473	(61)	-12.9%	5,672
Vote 12 - Waste Management		770	5,502	—	295	295	459	(163)	-35.6%	5,502
Vote 13 - [NAME OF VOTE 13]		—	—	—	—	—	—	—	—	—
Vote 14 - [NAME OF VOTE 14]		—	—	—	—	—	—	—	—	—
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—
Total Revenue by Vote	2	87,457	132,958	—	22,242	22,242	11,080	11,162	100.7%	132,958
Expenditure by Vote	1									
Vote 1 - Executive Council		9,665	9,007	—	560	560	751	(190)	-25.4%	9,007
Vote 2 - Public Safety		—	—	—	—	—	—	—	—	—
Vote 3 - Office of Financial Management		27,325	39,810	—	2,067	2,067	3,317	(1,250)	-37.7%	39,810
Vote 4 - Corporate Services		14,981	18,526	—	1,207	1,207	1,544	(337)	-21.8%	18,526
Vote 5 - Road Transport		7,251	14,211	—	980	980	1,184	(204)	-17.3%	14,211
Vote 6 - Community & Social Services		—	—	—	—	—	—	—	—	—
Vote 7 - Planning & Development		604	—	—	—	—	—	—	—	—
Vote 8 - Budget & Treasury		29	81	—	—	—	7	(7)	-100.0%	81
Vote 9 - Electricity		23,632	34,848	—	2,372	2,372	2,904	(532)	-18.3%	34,848
Vote 10 - Water		8,517	10,845	—	604	604	904	(300)	-33.2%	10,845
Vote 11 - Waste Water Management		1,056	2,234	—	64	64	186	(122)	-65.7%	2,234
Vote 12 - Waste Management		3,044	3,718	—	266	266	310	(44)	-14.3%	3,718
Vote 13 - [NAME OF VOTE 13]		—	—	—	—	—	—	—	—	—
Vote 14 - [NAME OF VOTE 14]		—	—	—	—	—	—	—	—	—
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—
Total Expenditure by Vote	2	96,105	133,280	—	8,120	8,120	11,106	(2,987)	-26.9%	133,280
Surplus/ (Deficit) for the year	2	(8,648)	(322)	—	14,122	14,122	(27)	14,149	#####	(322)

0 - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

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		16,346	25,343	-	1,612	3,699	4,224	(525)	-12%	25,343
Service charges - Water		4,866	6,311	-	459	943	1,052	(108)	-10%	6,311
Service charges - Waste Water Management		3,765	4,208	-	387	796	701	95	13%	4,208
Service charges - Waste management		1,992	3,302	-	207	427	550	(124)	-22%	3,302
Sale of Goods and Rendering of Services		193	274	-	29	35	46	(11)	-23%	274
Agency services		679	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6,736	12,727	-	527	1,043	2,121	(1,078)	-51%	12,727
Interest from Current and Non Current Assets		156	392	-	-	19	65	(46)	-71%	392
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	312	-	-	-	52	(52)	-100%	312
Rental from Fixed Assets		716	699	-	57	101	117	(16)	-14%	699
Licence and permits		-	-	-	-	-	-	-	-	-
Special rating levies		-	-	-	-	-	-	-	-	-
Operational Revenue		1,458	2,281	-	262	466	380	86	23%	2,281
Non-Exchange Revenue										
Property rates		8,101	10,021	-	445	4,468	1,670	2,797	167%	10,021
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		21	65	-	1	3	11	(8)	-75%	65
Licence and permits		416	456	-	18	26	76	(50)	-66%	456
Transfers and subsidies - Operational		48,755	43,772	-	1	13,921	7,295	6,626	91%	43,772
Interest		1,763	1,936	-	172	319	323	(4)	-1%	1,936
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	5,000	-	-	-	833	(833)	-100%	5,000
Other Gains		450	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		96,412	117,100	-	4,177	26,264	19,517	8,747	35%	117,100
Expenditure By Type										
Employee related costs		39,753	45,983	-	3,596	7,396	7,664	(268)	-3%	45,983
Remuneration of councillors		5,945	4,326	-	457	857	721	136	19%	4,326
Bulk purchases - electricity		19,435	21,151	-	1,937	3,941	3,525	416	12%	21,151
Inventory consumed		1,877	4,535	-	106	209	756	(547)	-72%	4,535
Debt impairment		-	-	-	-	-	-	-	-	-
Depreciation and amortisation		9,286	11,220	-	-	-	1,870	(1,870)	-100%	11,220
Interest		6,598	10,660	-	699	1,320	1,777	(457)	-26%	10,660
Contracted services		11,982	11,603	-	323	521	1,934	(1,413)	-73%	11,603
Transfers and subsidies		261	-	-	7	18	-	18	#DIV/0!	-
Irrecoverable debts written off		24,614	10,224	-	-	-	1,704	(1,704)	-100%	10,224
Operational costs		13,426	13,579	-	1,101	3,038	2,263	775	34%	13,579
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		1,136	-	-	-	-	-	-	-	-
Total Expenditure		134,313	133,280	-	8,226	17,299	22,213	(4,915)	-22%	133,280
Surplus/(Deficit)		(37,901)	(16,180)	-	(4,048)	6,965	(2,697)	11,662	(0)	(16,180)
Transfers and subsidies - capital (monetary allocations)		6,289	15,858	-	-	1,609	2,643	(1,034)	(0)	15,858
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(31,612)	(322)	-	(4,048)	10,575	(53)	10,628	(0)	(322)
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after Income tax		(31,612)	(322)	-	(4,048)	10,575	(53)	10,628	(0)	(322)
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(31,612)	(322)	-	(4,048)	10,575	(53)	10,628	(0)	(322)
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(31,612)	(322)	-	(4,048)	10,575	(53)	10,628	(0)	(322)

0 - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M02 August

Vote Description	Ref	2024/25		Budget Year 2023/26						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<u>Multi-Year expenditure appropriation</u>	2									
Vote 1 - Executive Council		-	-	-	-	-	-	-	-	
Vote 2 - Public Safety		-	-	-	-	-	-	-	-	
Vote 3 - Office of Financial Management		-	-	-	-	-	-	-	-	
Vote 4 - Corporate Services		-	-	-	-	-	-	-	-	
Vote 5 - Road Transport		3,708	-	-	-	-	-	-	-	
Vote 6 - Community & Social Services		-	-	-	-	-	-	-	-	
Vote 7 - Planning & Development		-	9,948	-	-	-	829	(829)	-100%	
Vote 8 - Budget & Treasury		-	-	-	-	-	-	493	(493)	
Vote 9 - Electricity		-	5,910	-	-	-	-	-	-	
Vote 10 - Water		-	-	-	-	-	-	-	-	
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	
Vote 12 - Waste Management		-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	
Total Capital Multi-year expenditure	4,7	3,708	15,858	-	-	-	-	1,322	(1,322)	-100%
<u>Single Year expenditure appropriation</u>	2									
Vote 1 - Executive Council		-	-	-	-	-	-	-	-	
Vote 2 - Public Safety		-	-	-	-	-	-	-	-	
Vote 3 - Office of Financial Management		-	-	-	-	-	-	-	-	
Vote 4 - Corporate Services		-	-	-	-	-	-	-	-	
Vote 5 - Road Transport		-	-	-	-	-	-	-	-	
Vote 6 - Community & Social Services		-	-	-	-	-	-	-	-	
Vote 7 - Planning & Development		-	-	-	-	-	-	-	-	
Vote 8 - Budget & Treasury		-	-	-	-	-	-	-	-	
Vote 9 - Electricity		1,449	-	-	-	-	-	-	-	
Vote 10 - Water		-	-	-	-	-	-	-	-	
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	
Vote 12 - Waste Management		-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	
Total Capital single-year expenditure	4	1,449	-	-	-	-	-	-	-	
Total Capital Expenditure		5,158	15,858	-	-	-	-	1,322	(1,322)	-100%
Capital Expenditure - Functional Classification										
Governance and administration		-	-	-	-	-	-	-	-	
Executive and council		-	-	-	-	-	-	-	-	
Finance and administration		-	-	-	-	-	-	-	-	
Internal audit		-	-	-	-	-	-	-	-	
Community and public safety		-	-	-	-	-	-	-	-	
Community and social services		-	-	-	-	-	-	-	-	
Sport and recreation		-	-	-	-	-	-	-	-	
Public safety		-	-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	
Economic and environmental services		361	9,948	-	2,430	3,829	1,658	2,171	131%	
Planning and development		361	9,948	-	2,430	3,829	1,658	2,171	131%	
Road transport		-	-	-	-	-	-	-	-	
Environmental protection		-	-	-	-	-	-	-	-	
Trading services		1,867	5,910	-	569	569	985	(416)	-42%	
Energy sources		1,449	5,910	-	569	569	985	(416)	-42%	
Water management		3,690	-	-	-	-	-	-	-	
Waste water management		(3,272)	-	-	-	-	-	-	-	
Waste management		-	-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	-	
Total Capital Expenditure - Functional Classification	3	2,228	15,858	-	2,999	4,398	2,643	1,755	66%	
Funded by:										
National Government		2,228	15,858	-	2,999	4,398	2,643	1,755	66%	
Provincial Government		-	-	-	-	-	-	-	-	
District Municipality		-	-	-	-	-	-	-	-	
Transfers and subsidies - capital (monetary allocations) (Nat / Prov / Dept)		-	-	-	-	-	-	-	-	
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions		-	-	-	-	-	-	-	-	
Transfers recognised - capital		2,228	15,858	-	2,999	4,398	2,643	1,755	66%	
Borrowing	5	-	-	-	-	-	-	-	-	
Internally generated funds		-	-	-	-	-	-	-	-	
Total Capital Funding		2,228	15,858	-	2,999	4,398	2,643	1,755	66%	

0 - Table C6 Monthly Budget Statement - Financial Position - M02 August

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		52	(15,318)	-	9,604	(15,318)
Trade and other receivables from exchange transactions		20,530	3,754	-	3,569	3,754
Receivables from non-exchange transactions		2,826	-	-	3,290	-
Current portion of non-current receivables		-	-	-	-	-
Inventory		79	2	-	-	2
VAT		45,075	-	-	1,506	-
Other current assets		(52)	-	-	-	-
Total current assets		68,511	(11,562)	-	17,970	(11,562)
Non current assets						
Investments		-	-	-	-	-
Investment property		22,970	23,148	-	-	23,148
Property, plant and equipment		227,994	278,346	-	4,398	278,346
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		2,305	-	-	-	-
Intangible assets		83	36	-	-	36
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
Total non current assets		253,353	301,529	-	4,398	301,529
TOTAL ASSETS		321,864	289,967	-	22,368	289,967
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		3,224	-	-	-	-
Consumer deposits		843	783	-	6	783
Trade and other payables from exchange transactions		140,541	147,229	-	2,502	147,229
Trade and other payables from non-exchange transactions		3,324	-	-	8,353	-
Provision		4,046	13,567	-	-	13,567
VAT		15,173	3,497	-	935	3,497
Other current liabilities		-	-	-	-	-
Total current liabilities		167,152	165,075	-	11,796	165,075
Non current liabilities						
Financial liabilities		443	2,476	-	-	2,476
Provision		78,508	-	-	-	-
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		7,813	-	-	-	-
Total non current liabilities		86,765	2,476	-	-	2,476
TOTAL LIABILITIES		253,917	167,551	-	11,796	167,551
NET ASSETS	2	67,946	122,416	-	10,572	122,416
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		107,310	122,737	-	(3)	122,737
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	107,310	122,737	-	(3)	122,737

0 - Table C7 Monthly Budget Statement - Cash Flow - M02 August

Description	Ref	2024/25		Budget Year 2025/26					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates		6.953	—	—	—	—	1,159	(1,159)	-100%
Service charges		29,885	—	—	—	—	4,981	(4,981)	-100%
Other revenue		2,281	—	—	—	—	380	(380)	-100%
Transfers and Subsidies - Operational		43,190	—	—	—	—	7,198	(7,198)	-100%
Transfers and Subsidies - Capital		15,858	—	—	—	—	2,643	(2,643)	-100%
Interest		13,431	—	—	2	3	2,239	(2,236)	-100%
Dividends		—	—	—	—	—	—	—	—
Payments									
Suppliers and employees		(80,476)	(100,618)	—	3,930	144	(13,244)	(13,385)	101%
Interest		—	(10,660)	—	—	—	(1,777)	(1,777)	100%
Transfers and Subsidies		—	—	—	—	—	—	—	—
NET CASH FROM/(USED) OPERATING ACTIVITIES		(80,476)	321	—	3,932	144	3,579	3,435	96%
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		—	—	—	—	—	—	—	—
Decrease (increase) in non-current receivables		—	—	—	—	—	—	—	—
Decrease (increase) in non-current investments		—	—	—	—	—	—	—	—
Payments									
Capital assets		—	(15,858)	—	—	—	(2,643)	(2,643)	100%
NET CASH FROM/(USED) INVESTING ACTIVITIES		—	(15,858)	—	—	—	(2,643)	(2,643)	100%
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		—	—	—	—	—	—	—	—
Borrowing long term/refinancing		—	—	—	—	—	—	—	—
Increase (decrease) in consumer deposits		—	—	—	—	—	—	—	—
Payments									
Repayment of borrowing		—	—	—	—	—	—	—	—
NET CASH FROM/(USED) FINANCING ACTIVITIES		—	—	—	—	—	—	—	—
NET INCREASE/ (DECREASE) IN CASH HELD		(80,476)	(15,537)	—	3,932	144	936		(15,537)
Cash/cash equivalents at beginning:		220	219	—	—	—	219	—	—
Cash/cash equivalents at month/year end:		(80,256)	(15,318)	—	3,932	144	1,155		(15,537)

15. Annexure B

16.2.1 Monthly – Restriction of Free Basic Service to Indigent Households



Municipal Debt Relief - Monthly Reporting - Indigent Households Information (MFMA Circular 124 (Condition 6.6))
 Instruction - complete only odd 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 2020 Budget		Current Year 2020/2021		2020/2021 - Monthly Monitoring											
		Baseline	Adopted Budget	Adjusted Budget	Full Year Forecast	M01	M02	M03	M04	M05	M06	M07	M08	M09	M10	M11	M12
Indigent Households service details																	
Water (Include All Indigent households who are Eskom supplied areas)	1	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Indigent HHs with paid water meter during	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Indigent HHs with paid water meter (but not in drought)	3	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Indigent HHs using public tap (at least once per month)	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Indigent HHs with other water supply (at least once per month)	5	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Total no. of Indigent HHs receiving Minimum Service Level and Above sub-total	6	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Indigent HHs using public tap (< min service level)	7	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Indigent HHs with other water supply (< min service level)	8	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Indigent HHs with No water supply	9	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total no. of Indigent HHs receiving - Below Minimum Service Level sub-total	10	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Total number of registered indigent households	11	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Status of Water meters																	
Number of Indigent HHs with prepaid Water	12	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Number of Indigent HHs with core metered Water	13	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Number of Indigent HHs NOT metered currently - Water	14	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Number of Indigent HHs with NO Water meter	15	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total number of registered indigent households	16	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Status of unlimited supply of Water																	
Number of Indigent HHs with core unlimited metered Water where the municipality is NOT physically restricting Water to the national free basic limit of 6 kilolitres per month	17	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Number of Indigent HHs NOT metered currently receiving unlimited supply - Water	18	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total number of registered indigent households receiving unlimited supply - Water	19	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Of the Total Number of registered indigent households - Water the Number of HHs billed for consumption above the 6 kilolitres	20	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Category (Include All Indigent households who are Eskom supplied areas)																	
Indigent HHs in Electricity (at least one service level)	21	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Indigent HHs in Electricity (prepaid water service level)	22	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total no. of Indigent HHs receiving Minimum Service Level and Above sub-total	23	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Indigent HHs with Electricity (at least one service level)	24	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Indigent HHs with Electricity (prepaid water service level)	25	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total no. of Indigent HHs receiving - Below Minimum Service Level sub-total	26	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Total number of registered indigent households	27	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Status of Electricity																	
Number of Indigent HHs with core electricity (prepaid)	28	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Number of Indigent HHs with core electricity (metered)	29	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Number of Indigent HHs NOT metered currently - Electricity	30	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Number of Indigent HHs with other energy sources - Electricity	31	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total no. of Indigent HHs receiving - Below Minimum Service Level sub-total	32	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Total number of registered indigent households	33	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Cost of Free Basic Services provided to ALL Households																	
Water (5 litres per household per month)	34	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Electricity Active energy (50 kWh per household per month)	35	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Cost of Free Basic Services provided to ALL Households in - Internal Format	36	923	1,600	—	1,600	156	337	—	—	—	—	—	—	—	—	—	—
Residential Category	37	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Water (5 litres per household per month)	38	15,000	15,000	—	15,000	15,000	15,000	—	—	—	—	—	—	—	—	—	—
Electricity Active energy (50 kWh per household per month)	39	6	6	—	6	6	6	—	—	—	—	—	—	—	—	—	—
Sanitation (5 litres of free sanitation service to indigent households)	40	6	6	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Electricity Active energy (in excess of 50 kWh per indigent household per month)	41	169	169	—	169	169	169	—	—	—	—	—	—	—	—	—	—
Resale (in excess of one removal a week for indigent households)	42	50	50	—	50	50	50	—	—	—	—	—	—	—	—	—	—
Municipal Housing rental rebates	43	90	90	—	90	90	90	—	—	—	—	—	—	—	—	—	—
Housing top structure subsidies	44	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other	45	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total revenue cost of subsidised services provided	46	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Residential Category																	
Property rates (R 1000 per month)	47	15,000	15,000	—	15,000	15,000	15,000	—	—	—	—	—	—	—	—	—	—
Water (5 litres per household per month)	48	6	6	—	6	6	6	—	—	—	—	—	—	—	—	—	—
Sanitation (5 litres of free sanitation service to indigent households)	49	6	6	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Electricity Active energy (in excess of 50 kWh per indigent household per month)	50	169	169	—	169	169	169	—	—	—	—	—	—	—	—	—	—
Resale (in excess of one removal a week for indigent households)	51	50	50	—	50	50	50	—	—	—	—	—	—	—	—	—	—
Municipal Housing rental rebates	52	90	90	—	90	90	90	—	—	—	—	—	—	—	—	—	—
Housing top structure subsidies	53	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other	54	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

In the table above is the Indigent information for the month under review of August 2025. The municipality is experiencing challenges in the restricting/interrupting of water supply and intervention is required from technical department. This should improve when the introduction of smart prepaid meters project.

16.2.3 Monthly Revenue Collection Reporting

Municipal Debt Relief - Monthly Revenue Collection Reporting (condition 6.7)

Province

Northern Cape	NC076	August
Average collection rate (MFMA Circular 124 condition 6)		

NB - Collection rate principle applied (Cash collection)

Collection Rate Assessment			Q1	10 April - Reporting for March to April						11 May - Reporting for April to May						Q2
Total Revenue Collection		Q1		Billing for Month	Collection for Month	% Collection	Billing for Month	Collection for Month	% Collection	Billing for Month	Collection for Month	% Collection	Billing for Month	Collection for Month	% Collection	
1 Collection for whole demarcation				2 100 000	1 000 000	50.00%	4 100 000	2 000 000	48.80%	6 100 000	3 000 000	49.14%	8 100 000	4 000 000	49.38%	
2 Collection and Exports supplied areas				1 000 000	500 000	50.00%	2 000 000	1 000 000	50.00%	3 000 000	1 500 000	50.00%	4 000 000	2 000 000	50.00%	
3 Collection Property Rates				1 000 000	500 000	50.00%	2 000 000	1 000 000	50.00%	3 000 000	1 500 000	50.00%	4 000 000	2 000 000	50.00%	
4 Total average collection Electricity (Municipal supplied areas)				1 000 000	500 000	50.00%	2 000 000	1 000 000	50.00%	3 000 000	1 500 000	50.00%	4 000 000	2 000 000	50.00%	
5 Total average collection Water				1 000 000	500 000	50.00%	2 000 000	1 000 000	50.00%	3 000 000	1 500 000	50.00%	4 000 000	2 000 000	50.00%	
6 Total average collection Wastewater				1 000 000	500 000	50.00%	2 000 000	1 000 000	50.00%	3 000 000	1 500 000	50.00%	4 000 000	2 000 000	50.00%	
7 Total average collection Refuse				1 000 000	500 000	50.00%	2 000 000	1 000 000	50.00%	3 000 000	1 500 000	50.00%	4 000 000	2 000 000	50.00%	
8 Total average collection Interest				1 000 000	500 000	50.00%	2 000 000	1 000 000	50.00%	3 000 000	1 500 000	50.00%	4 000 000	2 000 000	50.00%	
9 Total average collection				1 000 000	500 000	50.00%	2 000 000	1 000 000	50.00%	3 000 000	1 500 000	50.00%	4 000 000	2 000 000	50.00%	
Complete This Section				10 April						11 May						
Service	Current Status	Actual Status	Q1	Billing for Month	Collection for Month	% Collection	Billing for Month	Collection for Month	% Collection	Billing for Month	Collection for Month	% Collection	Billing	Collection	% Collection	Q1
Property Rates Tax	Partial Exempt and Municipal supplied	Partial		#DIV/0!	66,578	17,003	49,49%	20,105	59,612	33,327	26,105	56%	126,190	50,410	40%	40%
Electricity	Partial Exempt and Municipal supplied	Partial		#DIV/0!	210,787	216,435	0	131%	213,395	175,962	37,433	82%	424,182	452,293	107%	107%
Water	Partial Exempt and Municipal supplied	Partial		#DIV/0!	66,578	17,083	49,49%	20,105	110,450	14,719	95,111	13%	177,028	31,813	18%	18%
Refuse	Partial Exempt and Municipal supplied	Partial		#DIV/0!	50,494	13,878	36,617	27%	41,140	11,305	37,802	23%	99,602	25,143	25%	25%
Waste Water	Partial Exempt and Municipal supplied	Partial		#DIV/0!	88,349	28,037	60,312	32%	87,832	21,198	66,634	24%	136,181	49,235	36%	28%
Interest	Partial Exempt and Municipal supplied	Partial		#DIV/0!	107,641	3,567	104,074	3%	110,077	7,669	102,407	7%	217,710	31,316	15%	5%
Property Rates Tax	Partial Exempt and Municipal supplied	Partial		#DIV/0!	217,420	171,412	46,000	79%	20,248	838	19,431	4%	237,668	372,250	65,015	72%
Electricity	Partial Exempt and Municipal supplied	Partial		#DIV/0!	1,335,900	581,203	354,703	73%	184,308	91,592	92,716	50%	3,320,214	1,027,795	447,419	71%
Water	Partial Exempt and Municipal supplied	Partial		#DIV/0!	108,256	69,354	38,902	64%	59,577	2,940	56,582	5%	167,778	72,194	95,461	43%
Refuse	Partial Exempt and Municipal supplied	Partial		#DIV/0!	18,831	35,208	3,623	91%	43,959	3,024	40,935	7%	32,790	38,232	44,551	46%
Waste Water	Partial Exempt and Municipal supplied	Partial		#DIV/0!	90,836	74,240	16,596	82%	74,995	2,466	72,509	3%	165,831	76,736	89,105	46%
Interest	Partial Exempt and Municipal supplied	Partial		#DIV/0!	21,222	13,884	7,338	65%	106,647	2,025	96,622	2%	119,869	15,809	120,960	13%
Property Rates Tax	Partial Exempt and Municipal supplied	Partial		#DIV/0!	54,406	6,384	48,073	12%	52,931	6,432	46,500	12%	107,334	12,815	94,321	12%
Electricity	Partial Exempt and Municipal supplied	Partial		#DIV/0!	9,447	8,100	1,341	86%	9,722	8,316	1,407	86%	18,189	16,412	7,147	85%
Water	Partial Exempt and Municipal supplied	Partial		#DIV/0!	134,055	14,475	119,579	11%	81,131	21,049	60,083	26%	215,186	15,524	179,663	17%
Refuse	Partial Exempt and Municipal supplied	Partial		#DIV/0!	59,291	3,760	55,321	0%	35,824	9,986	25,838	28%	95,115	13,745	11,370	14%
Waste Water	Partial Exempt and Municipal supplied	Partial		#DIV/0!	102,964	10,556	92,407	10%	65,689	27,151	41,538	40%	171,053	17,207	113,946	22%
Interest	Partial Exempt and Municipal supplied	Partial		#DIV/0!	105,333	2,712	102,620	3%	144,392	7,414	137,578	5%	250,325	10,116	240,199	4%
Property Rates Tax	Partial Exempt and Municipal supplied	Partial		#DIV/0!	40,510	1,112	39,999	3%	20,248	838	19,411	4%	60,759	3,950	50,809	3%
Electricity	Partial Exempt and Municipal supplied	Partial		#DIV/0!	1,354	1,912	0	141%	184,308	91,592	92,716	50%	135,642	93,508	92,157	50%
Water	Partial Exempt and Municipal supplied	Partial		#DIV/0!	115,341	5,317	110,924	5%	59,522	2,940	56,582	5%	178,863	8,257	166,808	5%
Refuse	Partial Exempt and Municipal supplied	Partial		#DIV/0!	58,175	3,038	55,137	5%	41,959	3,024	40,935	7%	102,184	6,062	96,077	6%
Waste Water	Partial Exempt and Municipal supplied	Partial		#DIV/0!	99,103	2,655	96,447	3%	74,995	2,466	72,509	3%	174,958	5,141	168,956	3%
Interest	Partial Exempt and Municipal supplied	Partial		#DIV/0!	194,898	539	194,360	0%	98,647	2,025	96,622	2%	293,543	2,564	290,341	1%
Property Rates Tax	Exempt	Exempt		#DIV/0!	20,492	929	19,563	5%	38,945	1,333	37,612	3%	59,437	2,267	57,175	4%
Electricity	Exempt	Exempt		#DIV/0!	193,561	189,130	4,231	98%	892	1,024	0	115%	194,453	193,254	4,099	98%
Water	Exempt	Exempt		#DIV/0!	71,069	2,755	68,318	4%	120,805	5,436	115,369	4%	191,874	8,191	183,664	4%
Refuse	Exempt	Exempt		#DIV/0!	44,714	3,119	41,595	7%	51,339	1,426	52,113	3%	58,753	4,345	53,709	5%
Waste Water	Exempt	Exempt		#DIV/0!	76,158	3,238	73,120	4%	92,158	3,032	89,127	3%	164,316	6,270	162,446	4%
Interest	Exempt	Exempt		#DIV/0!	95,761	3,636	92,123	4%	193,262	194	195,000	0%	291,023	3,330	287,193	1%
Property Rates Tax	Exempt	Exempt		#DIV/0!	3,246,153	88,465	3,157,688	3%	18,040	303,619	0	1603%	1,264,193	91,084	2,672,109	12%
Electricity	Exempt	Exempt		#DIV/0!	...	...	...	...	...	...	...	...	...	...	#DIV/0!	
Water	Exempt	Exempt		#DIV/0!	...	...	...	...	...	...	...	...	...	...	#DIV/0!	
Refuse	Exempt	Exempt		#DIV/0!	...	...	...	...	...	...	...	...	...	...	#DIV/0!	
Waste Water	Exempt	Exempt		#DIV/0!	...	...	...	...	...	...	...	...	...	...	#DIV/0!	
Interest	Exempt	Exempt		#DIV/0!	64,803	10,952	53,810	17%	89,338	10,110	79,128	11%	354,043	21,043	332,978	14%