

**QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st
DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY**

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Part 1: Section 1: Budget Statement

1.1 Mayor's Report

Purpose

The purpose of this report is to comply with Section 52 (d) of the Municipal Finance Management Act (MFMA No.56 of 2003) and the requirements Municipal budgeting and reporting requirements (MBRR) as promulgated in Government Gazette No 32141 of 17 April 2009.

Section 52(d) of the MFMA read together with Regulation 31 of the Municipal Budget and Reporting Regulations state that the Mayor of a municipality must, within 30 days after the end of each quarter submit a report to the Council on the implementation of the budget and the financial state of affairs of the municipality. Regulation 31 of the MBRR further states that the report in question must be prepared in accordance with format and content of the prescribed Schedule C of the MBRR.

Discussion

Moses Kotane Local Municipality complies the MFMA Section 71 and 52(d) in-year monitoring reports in the prescribed format as per the Municipal Budget and Reporting Regulations.

Monthly reporting

Monthly financial reporting as per DoRA and MFMA requirements to Council, National & Provincial Departments and other stakeholders have been adequately adhered to for the period under review.

1.2. Resolutions

The following recommendation will be presented to Council for its resolution when the in-year report is tabled.

Recommendations:

- That the Council considers the quarterly budget statement, performance assessment report and supporting documentation for the quarter ending 31 December 2025.
- That the Section 52 (d) report be submitted to Provincial and National Treasury as prescribed.

1.3. Executive Summary

The purpose of this report is to submit the Financial Quarterly Report in terms of Section 52(d) of the Municipal Finance Management Act, 2003 (Act 56 of 2003) for the 2nd Quarter of the 2025/2026 financial year.

The Municipal Budget and Reporting Regulation No. 31 states that the quarterly budget statement report on the implementation of the budget and state of financial affairs of the municipality as required by Section 52 (d) must be –

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- a) In the format specified in Schedule C and include all required tables, charts and explanatory notes, taking into account any guidelines issued by the Minister in terms of section 168 (1) of the MFMA.
- b) Consistent with the monthly budget statements for the September, December, March and June as applicable; and
- c) Submit to the National Treasury and relevant Provincial Treasury within 5 days of tabling of the report in Council.

The executive summary of the monthly statement must cover at least the following:

- a) The municipality’s consolidated performance, in relation to both the approved annual budget and the latest approved adjustments budget, with specific reference to the in-year report tables, charts and explanations.
- b) Any material variances from service delivery and budget implementation plan.
- c) Any remedial or corrective steps taken or to be taken to ensure that the projected revenue and expenditure remain within the approved budget.

The contents of this reports is indicative of all financial transactions, including debtors, expenditure, revenue, investments, grants, cash flow and the budget implementation status as guided by MFMA and the relevant Regulations.

Moses Kotane Local Municipality’s financial performance is discussed below from the performance against the approved budget. The report provides a synopsis of the financial status of the municipality.

The table below indicates the Financial Performance for the quarter ending 31st December 2025, reflecting the actual performance against the allocated budget.

1.4. Performance against the Operating Budget

ACTUAL vs ORIGINAL BUDGET as at 31 DECEMBER 2025				
(R'000)	2025/2026 BUDGET	YTD ACTUAL	AVAILABLE BUDGET	% SPENT
TOTAL REVENUE	1,136,908	699,218	437,691	62%
TOTAL EXPENDITURE	1,453,744	531,706	922,038	37%
CAPITAL EXPENDITURE	225,068	83,469	141,599	37%

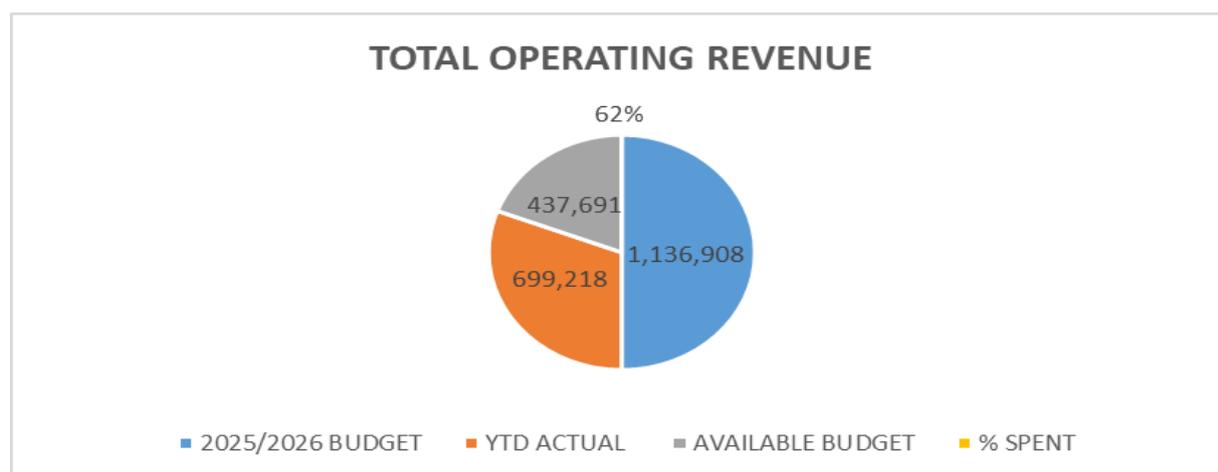
Operating revenue generated as at the reporting period amount to R699.2 million which translates to 62% when compared to the allocated budget. Year to date expenditure for the same period amounts to R531.7 million or 37% of the appropriated expenditure budget.

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Operating Revenue

The table below reflects operating revenue performance per revenue item. Over performance was recorded on interest earned on investment and operating grants.

OPERATING REVENUE					
Revenue Sources	2025/26 Budget	Actual	Year to date	Available	% Spent
R'000					
DECEMBER 2025					
Property Rates	174,056	14,434	86,553	87,502	50%
Service charges - water revenue	198,188	15,698	91,695	106,493	46%
Service charges - sanitation revenue	5,180	391	1,791	3,389	35%
Service charges - refuse revenue	14,109	1,144	6,945	7,164	49%
Interest earned - external investments	13,097	817	4,364	8,733	33%
Interest earned - outstanding debtors	96,057	7,201	41,777	54,279	43%
Traffic Fines	1,899			1,899	0%
Licence Applications	3,328	42	264	3,065	8%
Transfers recognised - operational	627,463	204,991	464,428	163,035	74%
Rental of facilities and equipment	101		15	86	15%
Other revenue	3,431	217	1,385	2,046	40%
TOTAL REVENUE	1,136,908	244,935	699,218	437,691	62%



The total revenue generated as at 31 December 2025 amounts to R699.2 million or 62% against the total budget of R1,136 billion. Of the total amount generated to date, 34% relates to own revenue while operational grants contributed 66%. This indicates that the municipality relies on government grants to fund its day to day expenses.

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The table below reflects the performance of grants received in the 2nd quarter of the financial year.

GRANT PERFORMANCE					
31-Dec-25					
DESCRIPTION (R'000)	BUDGET	RECEIVED	CONDITIONS SPEND	% Spending / Budget	% Spending/ Received
EQUITABLE SHARE	615,410	459,844	287,143	47%	62%
MIG CAPITAL PROJECTS	175,068	75,278	47,292	27%	63%
WSIG CAPITAL PROJECTS	50,000	40,000	35,968	72%	90%
FMG GRANT	2,000	2,000	764	38%	38%
EPWP	1,895	1,327	1,213	64%	91%
PMU	7,000	7,000	2,268	32%	32%
LIBRARY	1,158	1,157	338	29%	29%
TOTAL	852,531	586,606	374,987	44%	64%

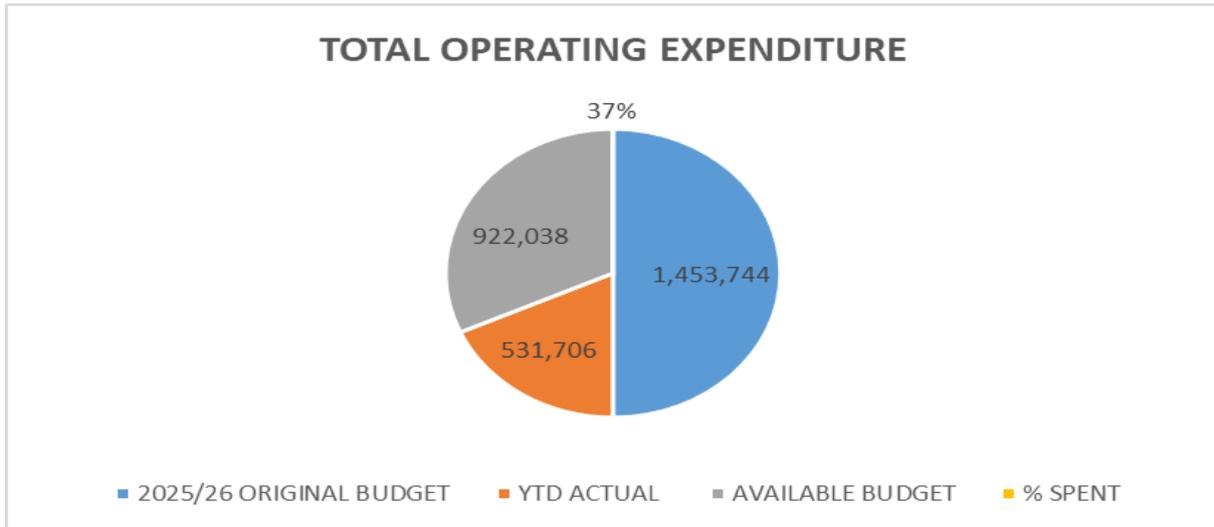
Total grant spending for the reporting period amount to R374.9 million which translate to 44% when compared to the budget. Underspensing is noted on MIG and Library grants which achieved 27% and 29% respectively. Acceleration plan is in place to improve the spending and ensure that grants fully spend by the end of the year.

Operating Expenditure

OPERATING EXPENDITURE					
Expenditure Item	2025/26 Budget	Actual	Year to date	Available	% Spent
R'000	DECEMBER 2025				
Employee Related Cost and Allowance of Cou	405,431	5,181	159,771	245,660	39%
Contracted Services	204,518	30,211	90,891	113,627	44%
Operational Cost	105,455	13,921	47,077	58,378	45%
Inventory	189,153	73,146	93,974	95,179	50%
Bulk Purchases Electricity	46,620	2,493	19,563	27,057	42%
Interest on External Loans	2,597	192	520	2,077	20%
Operating Leases	3,500			3,500	0%
Debt Impairment	309,909	51,220	51,220	258,689	17%
Bad debts Written Off	-	43	1,181	(1,181)	
Depreciation	186,561	11,160	67,508	119,053	36%
TOTAL EXPENDITURE	1,453,744	187,566	531,706	922,038	37%

Total operating expenditure incurred as at 31st December 2025 amounted to R 531.7 which equates 37% of the total budget of R1.4 billion.

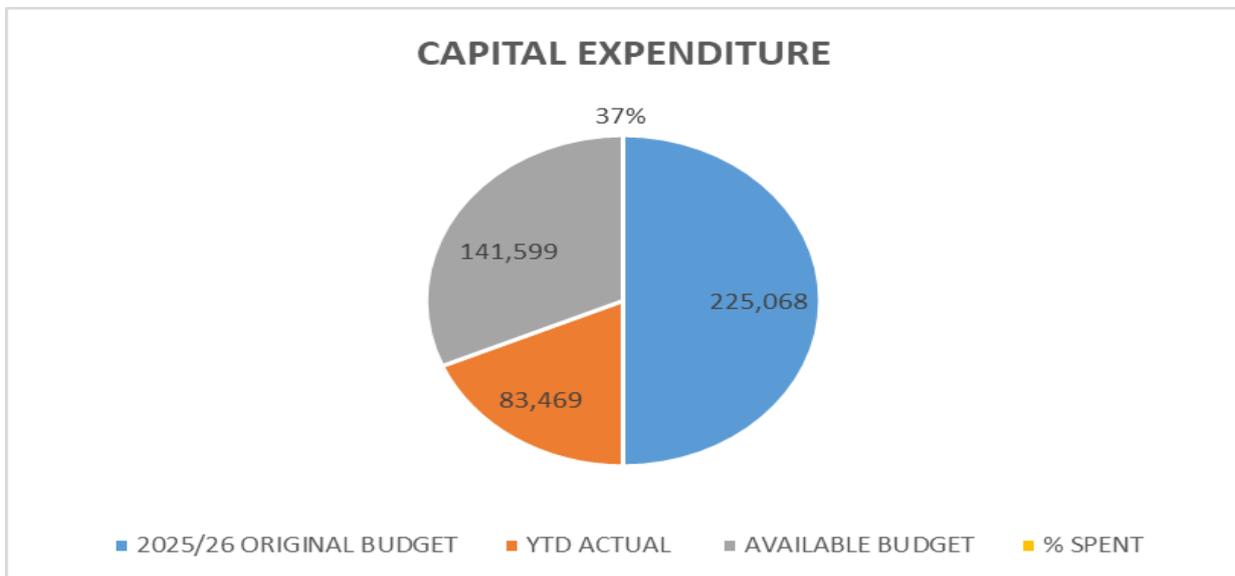
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1.5. Capital Expenditure

The table below reflects capital expenditure as at the 2nd quarter of 2025/2026 financial year.

ACTUAL vs ORIGINAL BUDGET as at 31 DECEMBER 2025				
(R'000)	2025/26 ORIGINAL BUDGET	YTD ACTUAL	AVAILABLE BUDGET	% SPENT
CAPITAL EXPENDITURE	225,068	83,469	141,599	37%



The capital expenditure reported for the period under review amounts to R83.4 million or 37% of allocated budget of R225 million. The performance reflected above is VAT inclusive. It must further be noted that the year to date spending of what is reflected on the C-schedule is VAT exclusive. The capital budget is mainly funded from MIG and WSIG grants for the current financial year.

Expenditure was mainly incurred on roads followed by water and sanitation projects.

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1.6. Material Variances From SDBIP

Overperformance on operating revenue resulted from receipt of equitable share tranches received in July 2025 and December 2025 respectively.

Operating expenditure performance is below the SDBIP due to understated employee related costs which resulted from a technical glitch experienced during the integration of salaries from PAYDAY system.

1.7. Remedial Corrective Steps

A correcting journal will be processed to rectify the understatement on the operating expenditure.

Irrecoverable debt written off will be provided for accordingly during the main adjustment budget period in February 2026.

Strict expenditure and cash flow management will be enforced to save costs in order to improve the budget status of the municipality. SCM processes, without compromising compliance, will also be expedited to ensure that capital grants are fully spent at year end to avoid roll overs or reverting funds to the National coffers.

In-year monitoring reports will be utilised as an early warning system and corrective measures be taken to curb non-compliance.

Section 2 - In-Year Budget Statement Tables

If a municipality does not have any municipalities, the in-year budget statement tables must consist of the following tables:

- (a) Table C1 Monthly Budget Statement Summary
- (b) Table C2 Monthly Budget Statement -Financial Performance (standard classification)
- (c) Table C3 Monthly Budget Statement- Financial Performance (revenue and expenditure by municipal vote)
- (d) Table C4 Monthly Budget Statement-Financial Performance (revenue and expenditure)
- (e) Table C5 Monthly Budget Statement- Capital Expenditure (municipal vote, standard classification and funding)
- (f) Table C6 Monthly Budget Statement- Financial Position
- (g) Table C7 Monthly Budget Statement Cash Flow

If a municipality does have one or more municipal entities, the adjustments budget tables must consist of -

- (a) The tables mentioned above, and
- (b) The tables in the Second Attachment to this Schedule, namely-
 - (i) Table C1 Consolidated Monthly Budget Statement Summary
 - (ii) Table C2 Consolidated Monthly Budget Statement -Financial Performance (standard classification)

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(iii) Table C3 Consolidated Monthly Budget Statement- Financial Performance (revenue and expenditure by municipal vote)

(iv) Table C4 Consolidated Monthly Budget Statement -Financial Performance (revenue and expenditure)

(v) Table C5 Consolidated Monthly Budget Statement- Capital Expenditure (municipal vote, standard classification and funding)

(vi) Table C6 Consolidated Monthly Budget Statement- Financial Position

(vii) Table C7 Consolidated Monthly Budget Statement -Cash Flow

Supporting information and explanations of trends and anomalies must be presented for each table where such presentation will assist with the information contained in the tables.

2.1 Table C1: Monthly Budget Statements Summary

The table below comprises of a summary information from the statement of financial performance, capital expenditure and funding, financial position, cash flow debtors and creditors.

NW375 Moses Kotane - Table C1 Monthly Budget Statement Summary - M06 December

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	165,035	174,056	174,056	14,434	86,553	87,028	(474)	-1%	174,056
Service charges	211,134	217,477	217,477	17,233	100,431	108,739	(8,307)	-8%	217,477
Investment revenue	13,235	13,097	13,097	817	4,364	6,548	(2,185)	-33%	13,097
Transfers and subsidies - Operational	610,284	627,463	627,463	204,991	464,428	313,731	150,697	0	627,463
Other own revenue	116,770	104,816	104,816	7,460	43,441	52,408	(8,967)	-17%	104,816
Total Revenue (excluding capital transfers and contributions)	1,116,457	1,136,908	1,136,908	244,935	699,218	568,454	130,764	23%	1,136,908
Employee costs	320,836	373,102	373,102	1,049	144,927	186,552	(41,625)	-22%	373,102
Remuneration of Councilors	30,671	32,329	32,329	4,132	14,844	16,165	(1,320)	-8%	32,329
Depreciation and amortisation	135,999	186,561	186,561	11,160	67,508	93,281	(25,772)	-28%	186,561
Interest	4,616	2,597	2,597	192	520	1,299	(778)	-60%	2,597
Inventory consumed and bulk purchases	194,197	235,773	235,773	75,638	113,537	117,887	(4,349)	-4%	235,773
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	608,700	623,382	623,382	95,395	190,369	311,691	(121,322)	-39%	623,382
Total Expenditure	1,295,020	1,453,744	1,453,744	187,566	531,706	726,874	(195,167)	-27%	1,453,744
Surplus/(Deficit)	(178,562)	(316,836)	(316,836)	57,369	167,511	(158,420)	325,931	-206%	(316,836)
Transfers and subsidies - capital (monetary)	215,615	225,068	225,068	40,390	83,260	112,534	##	-26%	225,068
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	37,053	(91,768)	(91,768)	97,759	250,771	(45,886)	296,657	-647%	(91,768)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	37,053	(91,768)	(91,768)	97,759	250,771	(45,886)	296,657	-647%	(91,768)
Capital expenditure & funds sources									
Capital expenditure	48,976	225,068	225,068	37,555	74,074	112,534	(38,460)	-34%	225,068
Capital transfers recognised	47,963	225,068	225,068	37,350	73,865	112,534	(38,669)	-34%	225,068
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	1,014	-	-	205	209	-	209	#DIV/0!	-
Total sources of capital funds	48,976	225,068	225,068	37,555	74,074	112,534	(38,460)	-34%	225,068
Financial position									
Total current assets	317,493	264,535	264,535	-	447,447	-	-	-	264,535
Total non current assets	3,338,908	3,492,726	3,492,726	-	3,345,474	-	-	-	3,492,726
Total current liabilities	357,366	217,306	217,306	-	243,114	-	-	-	217,306
Total non current liabilities	51,480	47,989	47,989	-	51,480	-	-	-	47,989
Community wealth/Equity	3,197,553	3,583,734	3,583,734	-	3,498,327	-	-	-	3,583,734
Cash flows									
Net cash from (used) operating	741,355	130,142	130,142	151,910	415,483	65,071	(350,412)	-539%	130,142
Net cash from (used) investing	(37,113)	(258,828)	(258,828)	(37,555)	(74,065)	(129,414)	(55,349)	43%	(258,828)
Net cash from (used) financing	(14,817)	(9,987)	(9,987)	(3,614)	(4,994)	(4,020)	4,020	-81%	(9,987)
Cash/cash equivalents at the month/year end	733,012	329,602	329,602	387,970	387,970	398,938	10,969	3%	(83,108)
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	85,252	40,657	40,232	36,485	31,743	31,988	183,948	#####	1,852,698
Creditors Age Analysis									
Total Creditors	2,509	-	-	-	-	-	-	-	2,509

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY

2.2 Table C2: Monthly Budget Statement-Financial Performance (Standard classification)

This table reflects the operating budget (Financial Performance) in the standard classifications. Financed Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structure used by the different institutions.

The main functions are Government and Administration, Community and Public Safety, Economic and Environmental and Trading Services.

It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote.

NW375 Moses Kotane - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

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										
<i>Governance and administration</i>		613,938	629,847	629,847	200,536	475,065	314,923	160,142	51%	629,847
Executive and council		23,620	24,888	24,888	176	24,206	12,444	11,762	95%	24,888
Finance and administration		590,318	604,959	604,959	200,360	450,859	302,479	148,379	49%	604,959
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		17,416	24,435	24,435	627	3,778	12,218	(8,439)	-69%	24,435
Community and social services		12,978	1,208	1,208	100	365	604	(239)	-40%	1,208
Sport and recreation		24	18,000	18,000	485	3,150	9,000	(5,850)	-65%	18,000
Public safety		4,413	5,227	5,227	42	264	2,613	(2,350)	-90%	5,227
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		67,668	92,312	92,312	24,568	42,432	46,156	(3,724)	-8%	92,312
Planning and development		5,684	7,312	7,312	846	2,360	3,656	(1,296)	-35%	7,312
Road transport		61,984	85,000	85,000	23,722	40,072	42,500	(2,428)	-6%	85,000
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		633,051	615,382	615,382	59,595	261,202	307,691	(46,489)	-15%	615,382
Energy sources		6,563	7,000	7,000	-	423	3,500	(3,077)	-88%	7,000
Water management		490,202	468,370	468,370	31,881	131,321	234,185	(102,864)	-44%	468,370
Waste water management		30,492	31,358	31,358	26,570	27,970	15,679	12,291	78%	31,358
Waste management		105,794	108,653	108,653	1,144	101,489	54,327	47,163	87%	108,653
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1,332,072	1,361,976	1,361,976	285,325	782,478	680,988	101,490	15%	1,361,976
Expenditure - Functional										
<i>Governance and administration</i>		420,732	441,308	441,308	67,171	194,212	220,655	(26,443)	-12%	441,308
Executive and council		109,096	103,912	103,912	9,491	53,264	51,956	1,308	3%	103,912
Finance and administration		305,295	331,088	331,088	57,680	137,625	165,545	(27,919)	-17%	331,088
Internal audit		6,342	6,308	6,308	-	3,322	3,154	168	5%	6,308
<i>Community and public safety</i>		139,239	148,457	148,457	14,312	61,724	74,229	(12,504)	-17%	148,457
Community and social services		43,450	40,717	40,717	2,765	15,909	20,359	(4,449)	-22%	40,717
Sport and recreation		47,605	56,966	56,966	2,987	22,781	28,483	(5,702)	-20%	56,966
Public safety		48,184	50,773	50,773	8,560	23,034	25,387	(2,353)	-9%	50,773
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		65,683	129,969	129,969	3,956	30,434	64,985	(34,551)	-53%	129,969
Planning and development		24,141	55,208	55,208	922	11,180	27,604	(16,424)	-59%	55,208
Road transport		41,542	74,760	74,760	3,033	19,253	37,380	(18,127)	-48%	74,760
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		666,176	730,495	730,495	102,127	243,894	365,248	(121,354)	-33%	730,495
Energy sources		51,358	63,956	63,956	4,457	26,301	31,978	(5,678)	-18%	63,956
Water management		518,638	553,818	553,818	84,075	182,668	276,909	(94,241)	-34%	553,818
Waste water management		38,748	54,288	54,288	2,242	9,255	27,144	(17,889)	-66%	54,288
Waste management		57,432	58,433	58,433	11,353	25,670	29,217	(3,546)	-12%	58,433
<i>Other</i>		3,190	3,516	3,516	-	1,443	1,758	(315)	-18%	3,516
Total Expenditure - Functional	3	1,295,020	1,453,744	1,453,744	187,566	531,706	726,874	(195,167)	-27%	1,453,744
Surplus/ (Deficit) for the year		37,053	(91,768)	(91,768)	97,759	250,771	(45,886)	296,657	-6.465137	(91,768)

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY

2.3 Table C3: Monthly Budget Statement-Financial Performance

NW375 Moses Kotane - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06

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										
Vote 01 - Municipal Council	1	23,620	24,888	24,888	176	24,206	12,444	11,762	94.5%	24,888
Vote 02 - Office Of The Accounting Officer		-	-	-	-	-	-	-	-	-
Vote 03 - Budget And Treasury Office		589,701	604,309	604,309	200,214	450,483	302,154	148,329	49.1%	604,309
Vote 04 - Corporate Services		617	650	650	146	376	325	51	15.6%	650
Vote 05 - Community Services		123,210	133,089	133,089	1,771	105,268	66,544	38,723	58.2%	133,089
Vote 06 - Planning & Development		198	312	312	11	92	156	(65)	-41.4%	312
Vote 07 - Infrastructure & Technical Services		594,726	598,728	598,728	83,007	202,053	299,364	(97,311)	-32.5%	598,728
Vote 08 -		-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1,332,072	1,361,976	1,361,976	285,325	782,478	680,988	101,490	14.9%	1,361,976
Expenditure by Vote										
Vote 01 - Municipal Council	1	92,178	85,651	85,651	7,740	47,562	42,825	4,737	11.1%	85,651
Vote 02 - Office Of The Accounting Officer		28,947	30,688	30,688	1,751	11,638	15,344	(3,706)	-24.2%	30,688
Vote 03 - Budget And Treasury Office		185,057	202,483	202,483	50,161	85,015	101,242	(16,227)	-16.0%	202,483
Vote 04 - Corporate Services		101,748	111,629	111,629	7,542	45,517	55,815	(10,298)	-18.5%	111,629
Vote 05 - Community Services		205,815	215,407	215,407	26,415	91,411	107,704	(16,293)	-15.1%	215,407
Vote 06 - Planning & Development		22,492	48,360	48,360	141	9,654	24,180	(14,527)	-60.1%	48,360
Vote 07 - Infrastructure & Technical Services		658,782	759,526	759,526	93,816	240,910	379,763	(138,854)	-36.6%	759,526
Vote 08 -		-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1,295,020	1,453,744	1,453,744	187,566	531,706	726,874	(195,167)	-26.9%	1,453,744
Surplus/ (Deficit) for the year	2	37,053	(91,768)	(91,768)	97,759	250,771	(45,886)	296,657	-646.5%	(91,768)

Table C3 reflects the municipality's revenue and expenditure by municipal vote.

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY

2.4. Table C4: Financial Performance (Revenue & Expenditure)

NW375 Moses Kotane - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

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										
Revenue										
Exchange Revenue										
Service charges - Electricity		-	-	-	-	-	(0)	0	-100%	-
Service charges - Water		192,964	198,188	198,188	15,698	91,695	99,094	(7,399)	-7%	198,188
Service charges - Waste Water Management		4,879	5,180	5,180	391	1,791	2,590	(799)	-31%	5,180
Service charges - Waste management		13,292	14,109	14,109	1,144	6,945	7,055	(110)	-2%	14,109
Sale of Goods and Rendering of Services		722	1,418	1,418	16	284	709	(424)	-60%	1,418
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		59,933	60,358	60,358	3,423	19,977	30,179	(10,202)	-34%	60,358
Interest from Current and Non Current Assets		13,235	13,097	13,097	817	4,364	6,548	(2,185)	-33%	13,097
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		25	101	101	-	15	50	(35)	-70%	101
Licence and permits		2,588	3,328	3,328	42	264	1,664	(1,401)	-84%	3,328
Special rating levies		-	-	-	-	-	-	-	-	-
Operational Revenue		3,193	2,014	2,014	201	1,101	1,007	94	9%	2,014
Non-Exchange Revenue										
Property rates		165,035	174,056	174,056	14,434	86,553	87,028	(474)	-1%	174,056
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1,826	1,899	1,899	-	-	949	(949)	-100%	1,899
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		610,284	627,463	627,463	204,991	464,428	313,731	150,697	48%	627,463
Interest		36,388	35,698	35,698	3,778	21,800	17,849	3,951	22%	35,698
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		11,863	-	-	-	-	-	-	-	-
Other Gains		232	-	-	-	-	-	-	-	-
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		1,116,457	1,136,908	1,136,908	244,935	699,218	568,454	130,764	23%	1,136,908
Expenditure By Type										
Employee related costs		320,836	373,102	373,102	1,049	144,927	186,552	(41,625)	-22%	373,102
Remuneration of councillors		30,671	32,329	32,329	4,132	14,844	16,165	(1,320)	-8%	32,329
Bulk purchases - electricity		36,173	46,620	46,620	2,493	19,563	23,310	(3,747)	-16%	46,620
Inventory consumed		158,024	189,153	189,153	73,146	93,974	94,577	(602)	-1%	189,153
Debt impairment		314,542	309,909	309,909	51,220	51,220	154,955	(103,735)	-67%	309,909
Depreciation and amortisation		135,999	186,561	186,561	11,160	67,508	93,281	(25,772)	-28%	186,561
Interest		4,616	2,597	2,597	192	520	1,299	(778)	-60%	2,597
Contracted services		165,960	204,518	204,518	30,211	90,891	102,259	(11,368)	-11%	204,518
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		1,641	-	-	43	1,181	-	1,181	#DIV/0!	-
Operational costs		112,564	108,955	108,955	13,355	46,511	54,477	(7,966)	-15%	108,955
Losses on Disposal of Assets		13,469	-	-	-	-	-	-	-	-
Other Losses		525	-	-	566	566	-	566	#DIV/0!	-
Total Expenditure		1,295,020	1,453,744	1,453,744	187,566	531,706	726,874	(195,167)	-27%	1,453,744
Surplus/(Deficit)		(178,562)	(316,836)	(316,836)	57,369	167,511	(158,420)	325,931	(0)	(316,836)
Transfers and subsidies - capital (monetary allocations)		215,615	225,068	225,068	40,390	83,260	112,534	(29,274)	(0)	225,068
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		37,053	(91,768)	(91,768)	97,759	250,771	(45,886)	296,657	(0)	(91,768)
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		37,053	(91,768)	(91,768)	97,759	250,771	(45,886)	296,657	(0)	(91,768)
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		37,053	(91,768)	(91,768)	97,759	250,771	(45,886)	296,657	(0)	(91,768)
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		37,053	(91,768)	(91,768)	97,759	250,771	(45,886)	296,657	(0)	(91,768)

Revenue

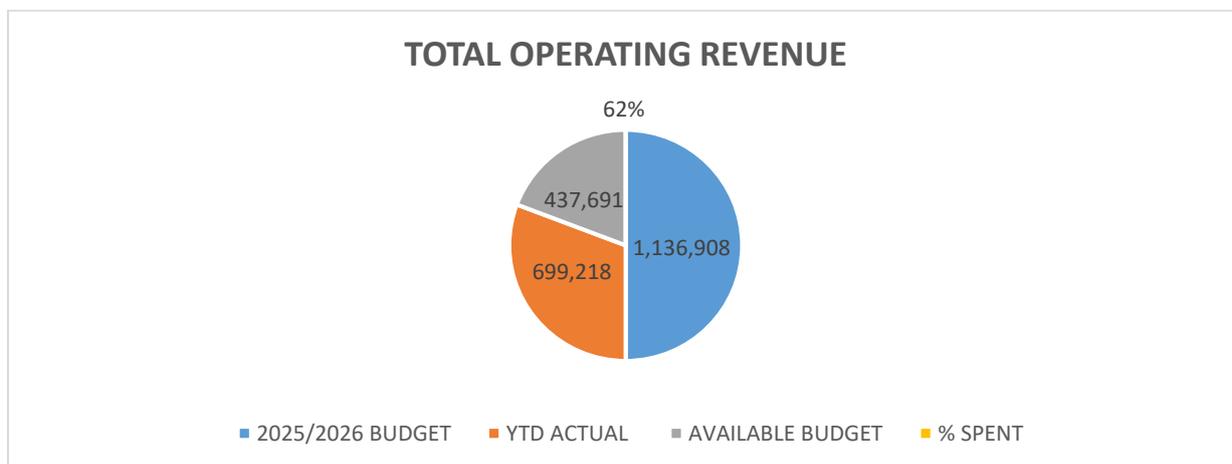
- a) Budgeted operating revenue for the 2025/2026 financial year to R1,136 billion.
- b) Total year to date operating revenue amount to R699.2 million.
- c) Year to date operating revenue comprises of own revenue and grants at 34% and 66% respectively. The municipality depends on government grants to fund its operations.
- d) Own revenue generated for the reporting period amount to R234.7 million. Own revenue is mainly derived from property rates and service charges which

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY

contributed R186.9 million or 80% of the total own revenue generated for the reported period.

- e) Interest earned on outstanding debtors amount to R41.7 million which translates to 22% of the billed amount. Low revenue collection remains a challenge for Moses Kotane.

Graphical Illustration of operating revenue against the approved budget

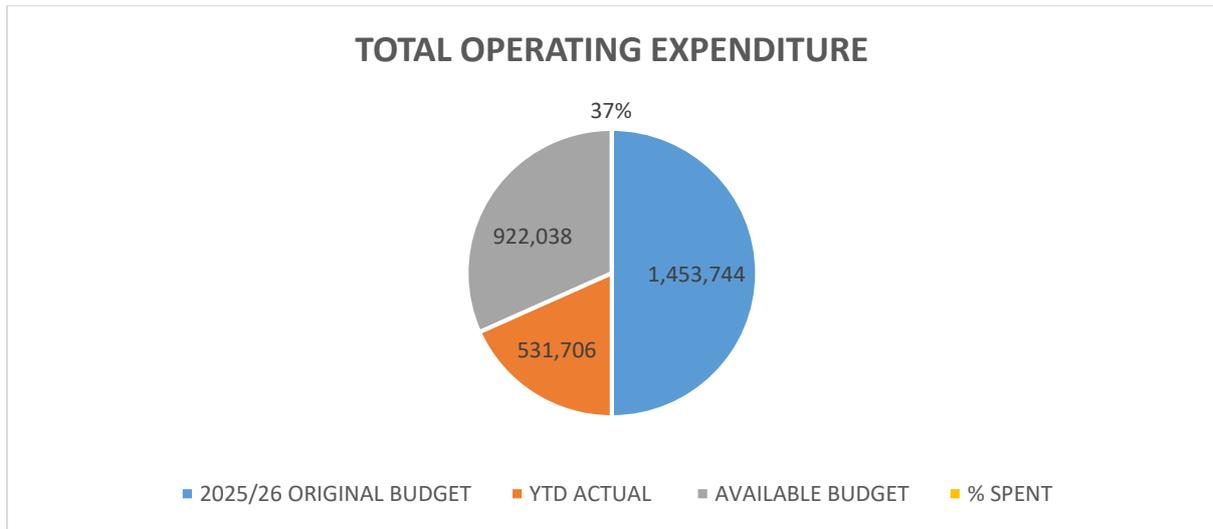


Expenditure

- (a) Operating expenditure incurred for the reporting period amount to R187.5 million, translating to year to date spending of R531.7 million or 37% against the operating expenditure budget.
- (b) Underspending on operating expenditure occurred as a result of employee related costs not being fully integrated to financial system, this will be corrected next reporting period. Furthermore, debt impairment and depreciation adversely contributed to the underspending. A journal will therefore be processed to rectify the understatement.
- (c) Contracted services and operation cost have spent 44% and 42% respectively, this is attributed to cost reduction that have been implemented to improve budget funding position.

**QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st
DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY**

Graphical Illustration of operating expenditure against the approved budget



QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY

2.5. Table C5: Capital Expenditure by Vote

NW375 Moses Kotane - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

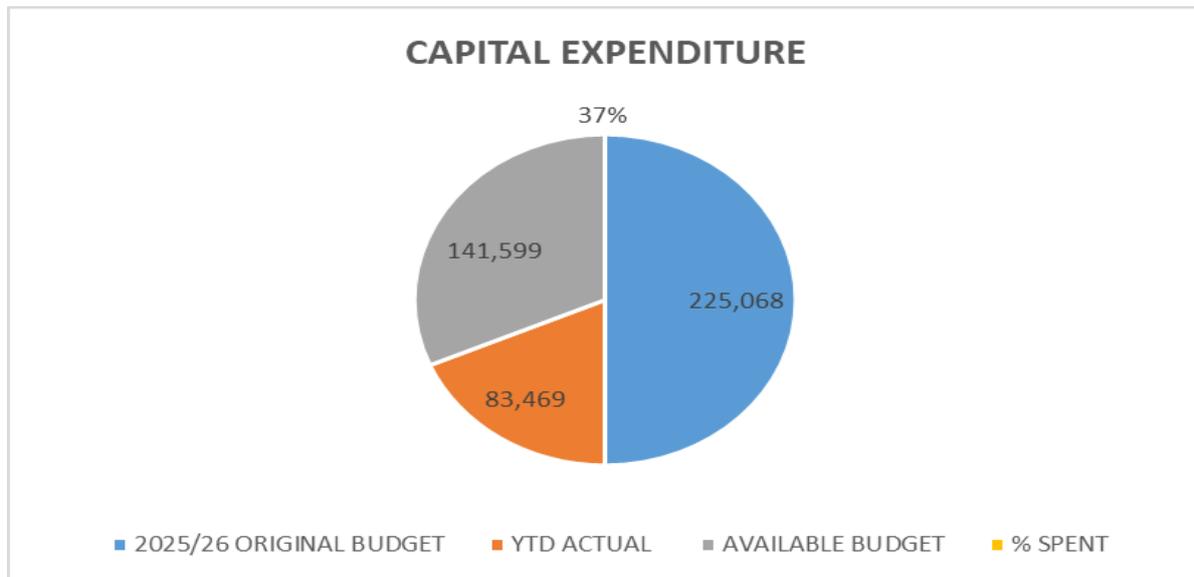
Vote Description	Ref	2024/25			Budget Year 2025/26					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 01 - Municipal Council		-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Accounting Officer		-	-	-	-	-	-	-	-	-
Vote 03 - Budget And Treasury Office		678	-	-	205	209	-	209	#DIV/0!	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		2,863	18,000	18,000	422	2,731	9,000	(6,270)	-70%	18,000
Vote 06 - Planning & Development		-	-	-	-	-	-	-	-	-
Vote 07 - Infrastructure & Technical Services		45,435	207,068	207,068	36,928	71,135	103,534	(32,399)	-31%	207,068
Vote 08 -		-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	48,976	225,068	225,068	37,555	74,074	112,534	(38,460)	-34%	225,068
Single Year expenditure appropriation	2									
Vote 01 - Municipal Council		-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Accounting Officer		-	-	-	-	-	-	-	-	-
Vote 03 - Budget And Treasury Office		-	-	-	-	-	-	-	-	-
Vote 04 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 05 - Community Services		-	-	-	-	-	-	-	-	-
Vote 06 - Planning & Development		-	-	-	-	-	-	-	-	-
Vote 07 - Infrastructure & Technical Services		-	-	-	-	-	-	-	-	-
Vote 08 -		-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	-	-	-	-	-	-	-	-
Total Capital Expenditure		48,976	225,068	225,068	37,555	74,074	112,534	(38,460)	-34%	225,068
Capital Expenditure - Functional Classification										
Governance and administration		678	-	-	205	209	-	209	#DIV/0!	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		678	-	-	205	209	-	209	#DIV/0!	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		336	16,000	16,000	422	2,731	8,000	(5,270)	-66%	16,000
Community and social services		336	16,000	16,000	422	2,731	8,000	(5,270)	-66%	16,000
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		3,264	85,000	85,000	21,803	36,021	42,500	(6,479)	-15%	85,000
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		3,264	85,000	85,000	21,803	36,021	42,500	(6,479)	-15%	85,000
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		44,699	124,068	124,068	15,125	35,114	62,034	(26,920)	-43%	124,068
Energy sources		-	7,000	7,000	-	328	3,500	(3,172)	-91%	7,000
Water management		42,171	88,068	88,068	8,647	17,595	44,034	(26,439)	-60%	88,068
Waste water management		-	27,000	27,000	6,478	17,191	13,500	3,691	27%	27,000
Waste management		2,527	2,000	2,000	-	-	1,000	(1,000)	-100%	2,000
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	48,976	225,068	225,068	37,555	74,074	112,534	(38,460)	-34%	225,068
Funded by:										
National Government		47,963	225,068	225,068	37,350	73,865	112,534	(38,669)	-34%	225,068
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		47,963	225,068	225,068	37,350	73,865	112,534	(38,669)	-34%	225,068
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		1,014	-	-	205	209	-	209	#DIV/0!	-
Total Capital Funding		48,976	225,068	225,068	37,555	74,074	112,534	(38,460)	-34%	225,068

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY

Capital budget for 2025/2026 financial year amount to R225 million. The budget is mainly funded by National grants, i.e. MIG and WSIG. Expenditure reported as at December 2025 amount to R74 million, VAT exclusive. (VAT inclusive amount – R83.4 million). Capital spending to date accounts for 37% against the appropriated budget.

Spending was mainly incurred on roads, followed by water and sanitation.

Graphical Illustration of capital expenditure against the approved budget



**QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st
DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY**

2.6. Table C6: Financial Position

NW375 Moses Kotane - Table C6 Monthly Budget Statement - Financial Position - M06 December

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		55,565	619	619	100,104	619
Trade and other receivables from exchange transactions		75,828	121,731	121,731	156,794	121,731
Receivables from non-exchange transactions		96,581	99,947	99,947	111,861	99,947
Current portion of non-current receivables						
Inventory		32,437	23,430	23,430	16,331	23,430
VAT		31,990	13,519	13,519	37,616	13,519
Other current assets		25,092	5,289	5,289	24,741	5,289
Total current assets		317,493	264,535	264,535	447,447	264,535
Non current assets						
Investments		-	-	-	-	-
Investment property		161,643	153,482	153,482	161,643	153,482
Property, plant and equipment		3,164,924	3,326,552	3,326,552	3,172,613	3,326,552
Biological assets						
Living and non-living resources						
Heritage assets		14	14	14	14	14
Intangible assets		12,328	12,678	12,678	11,204	12,678
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets						
Total non current assets		3,338,908	3,492,726	3,492,726	3,345,474	3,492,726
TOTAL ASSETS		3,656,402	3,757,261	3,757,261	3,792,921	3,757,261
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		2,703	1,107	1,107	(6,310)	1,107
Consumer deposits		758	605	605	762	605
Trade and other payables from exchange transactions		275,871	209,171	209,171	117,157	209,171
Trade and other payables from non-exchange transactions		9,740	-	-	48,658	-
Provision		59,988	6,423	6,423	57,372	6,423
VAT		8,305	-	-	25,476	-
Other current liabilities		-	-	-	-	-
Total current liabilities		357,366	217,306	217,306	243,114	217,306
Non current liabilities						
Financial liabilities		9,029	603	603	9,029	603
Provision		42,450	47,386	47,386	42,450	47,386
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		-	-	-	-	-
Total non current liabilities		51,480	47,989	47,989	51,480	47,989
TOTAL LIABILITIES		408,846	265,295	265,295	294,594	265,295
NET ASSETS	2	3,247,556	3,491,967	3,491,967	3,498,327	3,491,967
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		3,197,553	3,583,734	3,583,734	3,498,327	3,583,734
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	3,197,553	3,583,734	3,583,734	3,498,327	3,583,734

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY

The cash balance of the municipality stood at a favourable balance of R124 million as at the end of the midterm. It must be noted that the municipality is experiencing a challenge with the balance sheet and cash flow reporting, wherein not all bank balances are reflected on the schedule. However, we are currently rectifying all misstatements on our C-Schedule. The process will be concluded by the end of the fourth quarter.

2.7. Table C7: Cash Flow

NW375 Moses Kotane - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2024/25			Budget Year 2025/26					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
1										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		63,602	90,509	90,509	1,726	29,898	45,255	(15,357)	-34%	90,509
Service charges		27,379	82,666	82,666	14,725	59,388	41,333	18,055	44%	82,666
Other revenue		(357,136)	42,032	42,032	83,579	(214,421)	21,016	(235,438)	-1120%	42,032
Transfers and Subsidies - Operational		604,194	627,463	627,463	203,423	464,328	313,732	150,596	48%	627,463
Transfers and Subsidies - Capital		222,552	225,068	225,068	-	122,278	112,534	9,744	9%	225,068
Interest		21,892	19,678	19,678	1,441	7,154	9,839	(2,685)	-27%	19,678
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		158,872	(957,274)	(957,274)	(152,984)	(53,141)	(478,637)	(425,496)	89%	(957,274)
Interest		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		741,355	130,142	130,142	151,910	415,483	65,071	(350,412)	-539%	130,142
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		11,863	-	-	-	9	-	9	#DIV/0!	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		(48,976)	(258,828)	(258,828)	(37,555)	(74,074)	(129,414)	(55,340)	43%	(258,828)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(37,113)	(258,828)	(258,828)	(37,555)	(74,065)	(129,414)	(55,349)	43%	(258,828)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		(13,805)	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		(94)	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		(1)	-	-	-	-	-	-	-	-
Payments										
Repayment of borrowing		(917)	(9,987)	(9,987)	(3,614)	(9,014)	(4,994)	4,020	-81%	(9,987)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(14,817)	(9,987)	(9,987)	(3,614)	(9,014)	(4,994)	4,020	-81%	(9,987)
NET INCREASE/ (DECREASE) IN CASH HELD		689,425	(138,673)	(138,673)	110,741	332,405	(69,336)			(138,673)
Cash/cash equivalents at beginning:		43,587	468,275	468,275	277,228	55,565	468,275			55,565
Cash/cash equivalents at month/year end:		733,012	329,602	329,602	387,970	387,970	398,938			(83,108)

Due to the challenges highlighted on the statement of Financial Position, the above cash flow statement does not reflect a true cash position of the municipality. The municipality closed the period with a favourable cash balance of R124 million. The municipality is working hand in hand with the system vendor to improve credibility of the information. There is an improvement wherein suppliers and employees have accurately for the first time in December 2025.

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY

Part 2: Supporting Documents

Section 3: Performance Indicators

3.1 Supporting Table SC2

NW375 Moses Kotane - Supporting Table SC2 Monthly Budget Statement - performance indicators - M06 December

Description of financial indicator	Basis of calculation	Ref	2024/25	Budget Year 2025/26			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.3%	13.0%	13.0%	2.2%	2.4%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		9.3%	5.9%	5.9%	4.8%	5.9%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	88.8%	121.7%	121.7%	184.0%	121.7%
Liquidity Ratio	Monetary Assets/Current Liabilities		15.5%	0.3%	0.3%	41.2%	0.3%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		17.7%	20.0%	20.0%	42.0%	20.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		28.7%	32.8%	32.8%	20.7%	32.8%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		5.9%	8.6%	8.6%	5.7%	8.6%
Interest & Depreciation	I&D/Total Revenue - capital revenue		12.6%	16.6%	16.6%	1.7%	3.1%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY

Section 4 – Aged Debtors’ Analysis

The debtor's analysis comprises of debtors age analysis by income sources and debtors age analysis by customer group.

4.1 Supporting Table SC3

NW375 Moses Kotane - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2025/26										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts L.T.o Council Policy	
		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	Total over 90 days			
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	44,084	20,847	20,510	17,006	12,717	13,879	81,239	678,548	888,829	803,389	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Non-exchange Transactions - Property Rates	1400	23,030	11,021	10,964	10,946	10,384	7,490	44,522	418,977	537,335	492,319	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	872	381	403	372	397	376	2,263	9,395	14,459	12,803	-	-	
Receivables from Exchange Transactions - Waste Management	1600	2,620	1,296	1,317	1,315	1,314	1,353	7,317	40,563	57,095	51,863	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	
Interest on Arrear Debtor Accounts	1810	14,259	6,960	6,877	6,698	6,591	8,686	47,724	224,731	322,525	294,429	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	388	152	161	149	340	205	882	30,177	32,455	31,754	-	-	
Total By Income Source	2000	85,252	40,657	40,232	36,485	31,743	31,988	183,948	1,402,392	1,852,698	1,686,556	-	-	
2024/25 - totals only		140828688	121727548	41121741	41910327	32560007	32417598	175771897	#####	1,634,797	1,331,119	0	0	
Debtors Age Analysis By Customer Group														
Organs of State	2200	16,531	7,846	7,774	8,151	7,917	7,623	44,435	234,827	335,105	302,954	-	-	
Commercial	2300	27,186	13,729	12,732	11,387	6,793	4,856	26,823	357,787	461,294	407,646	-	-	
Households	2400	41,250	18,981	19,618	16,850	16,847	19,354	112,116	803,964	1,048,980	969,131	-	-	
Other	2500	285	101	108	97	186	154	575	5,813	7,320	6,826	-	-	
Total By Customer Group	2800	85,252	40,657	40,232	36,485	31,743	31,988	183,948	1,402,392	1,852,698	1,686,556	-	-	

The municipality has noted the following challenges:

The above tables reflect gross debtors’ book of the municipality. The balance at the end of the reporting month amounts to R1.852 billion. Of the total balance, 91% is older than 90 days, rendering it difficult to collect. It must be noted that the debtors’ book balance has increased by R19.1 million from the balance reported in the preceding month

The value reflected on the Financial Position will not reconcile to the Debtor's Age Analysis shown on Supporting Table SC3 as the balance is inclusive of debt impairment. Furthermore, the statement financial Position reflects the net consumer debtors and other debtor classifications which do not form part of the consumer debtors, whereas the age analysis only includes those consumer amounts which have become due prior to debt impairment.

Section 5 - Aged Creditors Analysis

5.1 Supporting Table SC4

NW375 Moses Kotane - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	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	Total		
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	2,509	-	-	-	-	-	-	-	-	2,509	12,730
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
Medical Aid deductions	0950	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	2,509	-	-	-	-	-	-	-	-	2,509	12,730

The creditors balance for December 2025 amount to R2.5 million. Total outstanding creditors are payable to trade creditors.

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY

Section 6 - Investment Portfolio Analysis

The investment portfolio analysis must include information consistent with the requirements of the Municipal Investment Regulations.

6.1 Table SC5: Investments Portfolio

NW375 Moses Kotane - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

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										-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST	2									-	-	-	-	-

INVESTMENTS MOSES KOTANE 2025/2026							
SUMMARY OF INVESTMENTS							
ACCOUNT	TYPE OF	BALANCE	BANK	DEPOSIT	INTEREST	WITHDREW	BALANCE
NUMBER	INVESTMENT	01/07/2025	CHARGES		CAPITALIZED		31/12/2025
228810957(002)	CALL MKLM MAIN STANDARD BANK	930 171.04	0.00	0.00	31 327.60	0.00	961 498.64
2062250801	12 MONTHS CEEDED ESCOM	502 452.95	0.00	0.00	45 845.73	0.00	548 298.68
228810957(004)	CALL - MIG STANDARD BANK	127 083.00	0.00	102 278 000.00	940 769.55	66 350 280.00	36 995 572.55
228810957(003)	CALL WSIG GRANT	4 138 235.83	0.00	40 000 000.00	724 851.99	34 595 882.47	10 267 205.35
228810957(001)	CALL FLEET	411 345.49	0.00	0.00	13 747.29	0.00	425 092.78
BALANCE		6 109 288.31	0.00	142 278 000.00	1 756 542.16	100 946 162.47	49 197 668.00

The investment reported as at 31 December 2025 amount to R49.1 million. An additional investment reconciliation has been attached since the municipality's investment information could not be updated on the reporting system.

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY

Section 7- Allocation and grant receipts and expenditure

7.1 Supporting Table SC6

NW375 Moses Kotane - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

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										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		608,679	626,305	626,305	204,892	464,090	313,152	150,937	48.2%	626,305
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		600,070	615,410	615,410	203,423	459,844	307,705	152,139	49.4%	615,410
Expanded Public Works Programme Integrated Grant		1,124	1,895	1,895	176	1,213	947	266	28.0%	1,895
Local Government Financial Management Grant		2,000	2,000	2,000	459	764	1,000	(236)	-23.6%	2,000
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	3	5,486	7,000	7,000	834	2,268	3,500	(1,232)	-35.2%	7,000
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		1,604	1,158	1,158	99	338	579	(241)	-41.6%	1,158
Capacity Building and Other Grants		1,604	1,158	1,158	99	338	579	(241)	-41.6%	1,158
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
National Library South Africa		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	610,284	627,463	627,463	204,991	464,428	313,731	150,697	48.0%	627,463
Capital Transfers and Grants										
National Government:		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	-	-	-	-	-	-	-	-	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	610,284	627,463	627,463	204,991	464,428	313,731	150,697	48.0%	627,463

The disclosure on allocation and grant receipts and expenditure must reflect particulars of –

- a) Allocation and grant receipts and expenditure against each allocation or grant; and
- b) Any change in allocations and a result.
 - i. An adjustments of the national, provincial government, district, Local municipalities and
 - ii. Changes in grants from other providers

The following grants were received to date;

- Equitable Shares – R459.8 million
- WSIG – R 40 million
- MIG – R 75.2 million
- EPWP – R 1.3 million
- FMG – R 2 million
- Library R1.1 million

Of the total conditional grants received, the municipality has spent a total of R374.9 million which equates 64% against the received funds.

The approved roll overs for MIG and WSIG amounts to R7.6 million and will be incorporated in the main adjustment budget.

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY

7.2 Supporting Table SC7 (1)

The below attached table shows the expenditure per grant (operating and capital)

NW375 Moses Kotane - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

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										
Operating expenditure of Transfers and Grants										
National Government:		550,076	626,305	626,305	106,376	291,368	313,154	(21,785)	-7.0%	626,305
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		542,424	615,410	615,410	105,788	287,143	307,706	(20,563)	-6.7%	615,410
Expanded Public Works Programme Integrated Grant		1,403	1,895	1,895	176	1,256	948	309	32.6%	1,895
Local Government Financial Management Grant		1,165	2,000	2,000	413	718	1,000	(282)	-28.2%	2,000
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		5,085	7,000	7,000	-	2,251	3,500	(1,249)	-35.7%	7,000
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
National Library South Africa		-	-	-	-	-	-	-	-	-
North West Provincial Arts and Culture Council		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		550,076	626,305	626,305	106,376	291,368	313,154	(21,785)	-7.0%	626,305
Capital expenditure of Transfers and Grants										
National Government:		47,963	225,068	225,068	37,350	73,865	112,534	(38,669)	-34.4%	225,068
Municipal Infrastructure Grant		47,963	175,068	175,068	23,098	42,338	87,534	(45,196)	-51.6%	175,068
Water Services Infrastructure Grant		0	50,000	50,000	14,252	31,527	25,000	6,527	26.1%	50,000
Provincial Government:		-	-	-	-	-	-	-	-	-
Infrastructure Grant		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Investment Unit		-	-	-	-	-	-	-	-	-
National Small Business Council		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		47,963	225,068	225,068	37,350	73,865	112,534	(38,669)	-34.4%	225,068
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		598,039	851,373	851,373	143,726	365,233	425,688	(60,454)	-14.2%	851,373

**QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st
DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY**

Section 8- Expenditure on councillor and board members allowances and employee benefits

8.1 Supporting Table SC8

NW375 Moses Kotane - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Employee and Council 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	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		23,040	23,864	23,864	3,817	12,931	11,932	999	8%	23,864
Pension and UIF Contributions		3,209	3,322	3,322	(6)	(37)	1,661	(1,698)	-102%	3,322
Medical Aid Contributions		289	314	314	(3)	(21)	157	(178)	-113%	314
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		3,173	3,204	3,204	259	1,559	1,602	(43)	-3%	3,204
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		959	1,625	1,625	66	412	812	(400)	-49%	1,625
Sub Total - Councillors		30,671	32,329	32,329	4,132	14,844	16,165	(1,320)	-8%	32,329
% increase	4		5.4%	5.4%						5.4%
Senior Managers										
Basic Salaries and Wages		2,958	9,950	9,950	-	988	4,975	(3,986)	-80%	9,950
Pension and UIF Contributions		617	1,774	1,774	-	35	887	(852)	-96%	1,774
Medical Aid Contributions		-	165	165	-	-	82	(82)	-100%	165
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		238	281	281	-	96	140	(44)	-31%	281
Motor Vehicle Allowance		541	541	541	-	225	271	(45)	-17%	541
Other benefits and allowances		0	1	1	-	0	1	(1)	-98%	1
Sub Total - Senior Managers		4,354	12,711	12,711	-	1,345	6,356	(5,011)	-79%	12,711
% increase	4		191.9%	191.9%						191.9%
Other Municipal Staff										
Basic Salaries and Wages		213,589	245,997	245,997	754	98,273	122,999	(24,725)	-20%	245,997
Pension and UIF Contributions		39,416	47,739	47,739	278	19,549	23,870	(4,320)	-18%	47,739
Medical Aid Contributions		17,688	21,559	21,559	17	7,803	10,779	(2,977)	-28%	21,559
Overtime		18,552	18,420	18,420	-	8,947	9,210	(263)	-3%	18,420
Performance Bonus		14,977	18,204	18,204	-	5,954	9,102	(3,148)	-35%	18,204
Motor Vehicle Allowance		770	1,193	1,193	-	338	596	(259)	-43%	1,193
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		853	901	901	-	399	451	(52)	-11%	901
Other benefits and allowances		3,982	5,123	5,123	-	1,704	2,561	(857)	-33%	5,123
Payments in lieu of leave		4,035	-	-	-	-	-	-	-	-
Long service awards		1,079	-	-	-	-	-	-	-	-
Acting and post related allowances		1,542	1,255	1,255	-	615	627	(12)	-2%	1,255
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		316,482	360,391	360,391	1,049	143,582	180,196	(36,614)	-20%	360,391
% increase	4		13.9%	13.9%						13.9%
Total Parent Municipality		351,507	405,431	405,431	5,181	159,771	202,717	(42,945)	-21%	405,431
			15.3%	15.3%						15.3%
Unpaid salary, allowances & benefits in arrears:										
TOTAL SALARY, ALLOWANCE S & BENEFITS		351,507	405,431	405,431	5,181	159,771	202,717	(42,945)	-21%	405,431
% increase	4		15.3%	15.3%						15.3%
TOTAL MANAGERS AND STAFF		320,836	373,102	373,102	1,049	144,927	186,552	(41,625)	-22%	373,102

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY

The disclosure on councillor and board members allowances and employee benefits must include a comparison of actual

Expenditure and budgeted expenditure on -

- (a) Councillor allowances
- (b) Board member allowances; and
- (c) Employee benefits

Section 9: Actual & Revised Targets for Cash Receipts

9.1 Supporting Table SC9

NW375 Moses Kotane - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M06 December

Description	Ref	Budget Year 2025/26												2025/26 Medium Term Revenue & Expenditure Framework				
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	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																		
Property rates		1,562	14,915	6,600	4,244	850	1,726	7,542	7,542	7,542	7,542	7,542	22,899	90,509	94,801	99,027		
Service charges - Electricity revenue																		
Service charges - Water revenue		(7,640)	(6,003)	(35,982)	86,395	6,812	14,311	6,326	6,326	6,326	6,326	6,326	(13,609)	75,918	81,205	82,705		
Service charges - Waste Water Management		206	140	149	353	69	389	164	164	164	164	164	(159)	1,968	2,101	2,131		
Service charges - Waste Management		47	54	16	22	23	24	398	398	398	398	398	2,602	4,780	4,984	5,105		
Rental of facilities and equipment		3	4	1	3	4		8	8	8	8	8	44	101	103	103		
Interest earned - external investments		206	1,030	1,387	701	222	817	1,091	1,091	1,091	1,091	1,091	3,276	13,097	13,482	13,921		
Interest earned - outstanding debtors		345	829	640	261	91	623	548	548	548	548	548	1,049	6,582	11,890	14,496		
Dividends received																		
Fines, penalties and forfeits		29	14	8	9	32	64	30	30	30	30	30	54	361	377	386		
Licences and permits		29	49	49	57	37	42	277	277	277	277	277	1,678	3,328	3,478	3,628		
Agency services																		
Transfers and Subsidies - Operational		256,421	2,474		1,157	853	203,423	52,289	52,289	52,289	52,289	52,289	(98,308)	627,463	641,339	671,243		
Other revenue		(328,326)	22,198	49,739	(88,672)	46,732	83,473	3,187	3,187	3,187	3,187	3,187	237,165	38,242	41,234	43,237		
Cash Receipts by Source		(77,117)	35,705	22,608	4,530	55,727	304,893	71,862	71,862	71,862	71,862	71,862	156,690	862,348	894,994	935,982		
Other Cash Flows by Source																		
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		60,434			15,000	46,844		18,756	18,756	18,756	18,756	18,756	9,012	225,068	243,443	255,796		
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departments, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)																		
Proceeds on Disposal of Fixed and Intangible Assets					9								(9)					
Short term loans																		
Borrowing long term/refinancing																		
Increase (decrease) in consumer deposits																		
VAT Control (receipts)							2,907	2,907	2,907	2,907	2,907	2,907	20,350	34,886	37,734	39,648		
Decrease (increase) in non-current receivables																		
Decrease (increase) in non-current investments																		
Total Cash Receipts by Source		(16,683)	35,705	22,608	19,539	102,571	304,893	93,525	93,525	93,525	93,525	93,525	186,043	1,122,302	1,176,170	1,231,427		
Cash Payments by Type																		
Employee related costs		335	100	(305)	656	(4,701)	5,390	31,092	31,092	31,092	31,092	31,092	216,168	373,102	390,640	411,851		
Remuneration of councillors		(107)	36	(111)	(102)	(529)	353	2,694	2,694	2,694	2,694	2,694	19,319	32,329	33,633	34,925		
Interest																		
Bulk purchases - Electricity		1,582	453	20	1,293	59	284	3,885	3,885	3,885	3,885	3,885	23,504	46,620	48,252	49,458		
Acquisitions - water & other inventory		51,589						13,763	13,763	13,763	13,763	13,763	44,750	165,153	181,669	205,285		
Contracted services							89,748						(89,748)					
Transfers and subsidies - other municipalities																		
Transfers and subsidies - other																		
Other expenditure		(216,109)	49,256	18,272	17,768	(26,032)	53,686	28,339	28,339	28,339	28,339	28,339	301,534	340,070	337,017	343,480		
Cash Payments by Type		(162,711)	49,846	17,875	19,615	(31,204)	149,461	79,773	79,773	79,773	79,773	79,773	515,528	957,274	991,210	1,045,000		
Other Cash Flows/Payments by Type																		
Capital assets			9,248	7,238	20,029	4	37,555	21,569	21,569	21,569	21,569	21,569	76,909	258,828	279,969	294,165		
Repayment of borrowing					4,498	901	3,614	832	832	832	832	832	(3,188)	9,987	1,109	603		
Other Cash Flows/Payments			1,035	4,722		980	3,523						(10,259)					
Total Cash Payments by Type		(162,711)	60,129	29,835	44,142	(29,319)	194,152	102,174	102,174	102,174	102,174	102,174	578,991	1,226,089	1,272,279	1,338,768		
NET INCREASE/(DECREASE) IN CASH HELD		146,028	(24,424)	(7,227)	(24,603)	131,890	110,741	(8,649)	(8,649)	(8,649)	(8,649)	(8,649)	(392,947)	(103,787)	(96,109)	(108,341)		
Cash/cash equivalents at the month/year beginning:		55,565	201,593	177,169	169,942	145,338	277,228	387,970	379,321	370,672	362,023	353,374	344,725	55,565	(48,223)	(144,331)		
Cash/cash equivalents at the month/year end:		201,593	177,169	169,942	145,338	277,228	387,970	379,321	370,672	362,023	353,374	344,725	(48,223)	(48,223)	(144,331)	(252,672)		

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY

9.2 Supporting Table SC1

NW375 Moses Kotane - Supporting Table SC1 Material variance explanations - M06 December

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue			
	Transfers and subsidies	48%	Receipt of Equitable share franchises	Budget will be corrected during adjustment budget phase to align with the payment schedule.
	Interest on current & non current assets	-33%	Reduced Bank balances - inflation linked	Adjustment budget will be considered.
	Fines	-100%	Lack of seamless integration between the two systems	A journal will be processed at the end of the year to account for the revenue derived from issuing
	Sanitation	-31%	Correction journal processed to rectify debtors accounts	Adjustment budget will be considered.
2	Expenditure By Type			
	Interest - finance cost	-60%	Portion of Vehicle lease end in September	Budget will be revised accordingly
	Debt Impairment and Depreciation		Debtors and assets were not fully impaired	Calculation will be performed and a journal will be processed to the system.
	Irrecoverable debt	100%	No budget was allocated for the item.	Budget will be allocated during adjustment period budget to avoid unauthorised expenditure.
3				
4	Financial Position			
	Cash		Not all the bank accounts balances are included on C6.	The system vendor is being engaged to assist with the mapping to rectify the discrepancy.
5	Cash Flow			
	Payment to suppliers and employees		Incorrect mapping of vole numbers	Current month mapped accurately. Year to date will be verified and corrected.
	Other revenue and opening balance			
6	Measureable performance			
7	Municipal Entities			

Section 10: Capital Programme Performance

10. Supporting table SC12

The table below reflects capital from July 2025 to December 2025.

NW375 Moses Kotane - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 December

Month	2024/25				Budget Year 2025/26				
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	8,901	18,756	18,756	-	-	18,756	18,756	100.0%	0%
August	5,461	18,756	18,756	9,248	9,248	37,511	28,263	75.3%	4%
September	23,087	18,756	18,756	7,238	7,238	56,267	49,029	87.1%	3%
October	24,189	18,756	18,756	20,029	20,029	75,023	54,994	73.3%	9%
November	17,738	18,756	18,756	4	4	93,778	93,774	100.0%	0%
December	7,794	18,756	18,756	37,555	37,555	112,534	74,979	66.6%	17%
January	6,308	18,756	18,756	-	-	131,290	131,290	100.0%	0%
February	8,768	18,756	18,756	-	-	150,045	150,045	100.0%	0%
March	8,559	18,756	18,756	-	-	168,801	168,801	100.0%	0%
April	11,637	18,756	18,756	-	-	187,557	187,557	100.0%	-
May	8,783	18,756	18,756	-	-	206,312	206,312	100.0%	-
June	50,879	18,756	18,756	-	-	225,068	225,068	100.0%	-
Total Capital expenditure	182,102	225,068	225,068	74,074					

**QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st
DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY**

10.2 Supporting Table SC13

Supporting Table SC13 include the following:

- (a) SC13a: Capital Expenditure on new assets by asset class
- (b) SC13b: Capital Expenditure on renewal of existing assets by asset class
- (c) SC13c: Expenditure on repairs and maintenance by asset class
- (d) SC13d: Expenditure on depreciation by asset class
- (e) SC13e: Expenditure on upgrading of existing assets by asset class

10.2.1 Supporting Table SC13a

NW375 Moses Kotane - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class -

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 new assets by Asset Class/Sub-class										
Infrastructure		44,699	84,100	84,100	13,003	22,805	42,050	19,245	45.8%	84,100
Roads Infrastructure		-	1,500	1,500	-	-	750	750	100.0%	1,500
Roads		-	1,500	1,500	-	-	750	750	100.0%	1,500
Electrical Infrastructure		-	7,000	7,000	-	328	3,500	3,172	90.6%	7,000
LV Networks		-	7,000	7,000	-	328	3,500	3,172	90.6%	7,000
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		42,171	63,600	63,600	8,561	15,124	31,800	16,676	52.4%	63,600
Water Treatment Works		23,598	-	-	-	-	-	-	-	-
Bulk Mains		-	9,000	9,000	3,069	7,261	4,500	(2,761)	-61.3%	9,000
Distribution		18,573	39,600	39,600	4,705	7,076	19,800	12,724	64.3%	39,600
Distribution Points		-	15,000	15,000	787	787	7,500	6,713	89.5%	15,000
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	10,000	10,000	4,441	7,353	5,000	(2,353)	-47.1%	10,000
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	10,000	10,000	4,441	7,353	5,000	(2,353)	-47.1%	10,000
Solid Waste Infrastructure		2,527	2,000	2,000	-	-	1,000	1,000	100.0%	2,000
Landfill Sites		2,527	2,000	2,000	-	-	1,000	1,000	100.0%	2,000
Furniture and Office Equipment		678	-	-	205	209	-	(209)	#DIV/0!	-
Furniture and Office Equipment		678	-	-	205	209	-	(209)	#DIV/0!	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		336	-	-	-	-	-	-	-	-
Transport Assets		336	-	-	-	-	-	-	-	-
Total Capital E	1	45,712	84,100	84,100	13,207	23,014	42,050	19,037	45.3%	84,100

**QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st
DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY**

10.2.2 Supporting Table SC13b

NW375 Moses Kotane - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets

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		-	15,000	15,000	6,847	6,847	7,500	653	8.7%	15,000
Roads Infrastructure		-	15,000	15,000	6,847	6,847	7,500	653	8.7%	15,000
Roads		-	15,000	15,000	6,847	6,847	7,500	653	8.7%	15,000
Libraries								-		
Cemeteries/Crematoria		-	4,468	4,468	-	-	2,234	2,234	100.0%	4,468
Unimproved Property								-		
Other assets		-	2,000	2,000	-	-	1,000	1,000	100.0%	2,000
Operational Buildings		-	2,000	2,000	-	-	1,000	1,000	100.0%	2,000
Laboratories								-		
Training Centres		-	2,000	2,000	-	-	1,000	1,000	100.0%	2,000
Policing and Protection								-		
Zoological plants and animals								-		
Total Capital E	1	-	21,468	21,468	6,847	6,847	10,734	3,887	36.2%	21,468

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY

10.2.3 Supporting Table SC13c

NW375 Moses Kotane - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset

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								
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		48,930	65,374	65,374	6,936	29,078	32,687	3,609	11.0%	65,374
Roads Infrastructure		394	3,300	3,300	215	215	1,650	1,436	87.0%	3,300
Roads		394	3,000	3,000	215	215	1,500	1,286	85.7%	3,000
Road Structures										
Road Furniture		–	300	300	–	–	150	150	100.0%	300
Electrical Infrastructure		375	100	100	–	–	50	50	100.0%	100
MV Networks										
LV Networks		375	100	100	–	–	50	50	100.0%	100
Capital Spares										
Water Supply Infrastructure		29,963	36,500	36,500	4,260	22,361	18,250	(4,111)	-22.5%	36,500
Dams and Weirs										
Boreholes										
Reservoirs		–	6,500	6,500	–	–	3,250	3,250	100.0%	6,500
Pump Stations										
Water Treatment Works		29,963	30,000	30,000	4,260	22,361	15,000	(7,361)	-49.1%	30,000
Sanitation Infrastructure		5,029	2,000	2,000	311	578	1,000	422	42.2%	2,000
Pump Station										
Reticulation										
Waste Water Treatment Works		5,029	2,000	2,000	311	578	1,000	422	42.2%	2,000
Solid Waste Infrastructure		13,169	23,474	23,474	2,150	5,925	11,737	5,812	49.5%	23,474
Landfill Sites		13,169	23,474	23,474	2,150	5,925	11,737	5,812	49.5%	23,474
Waste Transfer Stations		–	–	–	–	–	–	–		–
Community Assets		30	350	350	2	4	175	171	97.5%	350
Community Facilities		–	100	100	–	–	50	50	100.0%	100
Libraries										
Cemeteries/Crematoria		–	100	100	–	–	50	50	100.0%	100
Police										
Capital Spares										
Sport and Recreation Facilities		30	250	250	2	4	125	121	96.5%	250
Indoor Facilities										
Outdoor Facilities		30	250	250	2	4	125	121	96.5%	250
Capital Spares										
Unimproved Property										
Other assets		6,468	8,600	8,600	1,693	3,756	4,300	544	12.7%	8,600
Operational Buildings		6,468	8,600	8,600	1,693	3,756	4,300	544	12.7%	8,600
Municipal Offices		6,468	8,600	8,600	1,693	3,756	4,300	544	12.7%	8,600
Intangible Assets		7,125	9,000	9,000	1,165	1,962	4,500	2,538	56.4%	9,000
Servitudes										
Licences and Rights		7,125	9,000	9,000	1,165	1,962	4,500	2,538	56.4%	9,000
Computer Software and Applications		7,125	9,000	9,000	1,165	1,962	4,500	2,538	56.4%	9,000
Computer Equipment		34	50	50	–	2	25	23	91.3%	50
Computer Equipment		34	50	50	–	2	25	23	91.3%	50
Machinery and Equipment		–	100	100	–	–	50	50	100.0%	100
Machinery and Equipment		–	100	100	–	–	50	50	100.0%	100
Transport Assets		3,775	14,750	14,750	2,275	5,392	7,375	1,983	26.9%	14,750
Transport Assets		3,775	14,750	14,750	2,275	5,392	7,375	1,983	26.9%	14,750
Policing and Protection										
Zoological plants and animals										
Total Repairs and Maintenance	1	66,362	98,224	98,224	12,071	40,194	49,112	8,918	18.2%	98,224

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY

10.2.4 Supporting Table SC13d

NW375 Moses Kotane - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M06 December

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									
Depreciation by Asset Class/Sub-class										
Infrastructure		104,019	141,156	141,156	8,323	49,940	70,578	20,638	29.2%	141,156
Roads Infrastructure		34,881	53,345	53,345	2,234	13,403	26,672	13,269	49.7%	53,345
Roads		34,881	53,345	53,345	2,234	13,403	26,672	13,269	49.7%	53,345
Storm water Infrastructure		5,019	5,927	5,927	423	2,540	2,963	423	14.3%	5,927
Drainage Collection		5,019	5,927	5,927	423	2,540	2,963	423	14.3%	5,927
Storm water Conveyance		-	-	-	-	-	-	-		-
Attenuation		-	-	-	-	-	-	-		-
Electrical Infrastructure		3,724	4,251	4,251	312	1,871	2,125	255	12.0%	4,251
Power Plants		3,724	4,251	4,251	312	1,871	2,125	255	12.0%	4,251
Water Supply Infrastructure		57,599	74,316	74,316	5,101	30,607	37,158	6,551	17.6%	74,316
Bulk Mains		-	-	-	-	-	-	-		-
Distribution		57,593	74,316	74,316	5,101	30,607	37,158	6,551	17.6%	74,316
Sanitation Infrastructure		2,134	2,542	2,542	179	1,072	1,271	199	15.6%	2,542
Waste Water Treatment Works		2,134	2,542	2,542	179	1,072	1,271	199	15.6%	2,542
Solid Waste Infrastructure		662	776	776	74	447	388	(59)	-15.2%	776
Landfill Sites		662	776	776	74	447	388	(59)	-15.2%	776
Community Assets		16,647	24,672	24,672	1,384	8,302	12,336	4,034	32.7%	24,672
Community Facilities		16,647	24,672	24,672	1,384	8,302	12,336	4,034	32.7%	24,672
Halls		14,681	20,772	20,772	1,220	7,319	10,386	3,067	29.5%	20,772
Centres		1,966	3,899	3,899	164	983	1,950	967	49.6%	3,899
Unimproved Property		-	-	-	-	-	-	-		-
Other assets		6,190	8,288	8,288	518	3,106	4,144	1,038	25.0%	8,288
Operational Buildings		6,190	8,288	8,288	518	3,106	4,144	1,038	25.0%	8,288
Municipal Offices		6,190	8,288	8,288	518	3,106	4,144	1,038	25.0%	8,288
Pay/Enquiry Points		-	-	-	-	-	-	-		-
Intangible Assets		2,244	2,856	2,856	189	1,124	1,428	305	21.3%	2,856
Servitudes		-	-	-	-	-	-	-		-
Licences and Rights		2,244	2,856	2,856	189	1,124	1,428	305	21.3%	2,856
Computer Software and Applications		2,244	2,856	2,856	189	1,124	1,428	305	21.3%	2,856
Furniture and Office Equipment		2,295	3,071	3,071	259	1,537	1,536	(1)	-0.1%	3,071
Furniture and Office Equipment		2,295	3,071	3,071	259	1,537	1,536	(1)	-0.1%	3,071
Machinery and Equipment		219	305	305	16	104	153	49	31.9%	305
Machinery and Equipment		219	305	305	16	104	153	49	31.9%	305
Transport Assets		4,385	6,212	6,212	471	3,396	3,106	(290)	-9.3%	6,212
Transport Assets		4,385	6,212	6,212	471	3,396	3,106	(290)	-9.3%	6,212
Policing and Protection		-	-	-	-	-	-	-		-
Zoological plants and animals		-	-	-	-	-	-	-		-
Total Depreciation	1	135,999	186,561	186,561	11,160	67,508	93,281	25,772	27.6%	186,561

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 31st DECEMBER 2025 - MOSES KOTANE LOCAL MUNICIPALITY

10.2.5 Supporting Table SC13e

NW375 Moses Kotane - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing

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 upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		3,264	105,500	105,500	17,079	41,483	52,750	11,267	21.4%	105,500
Roads Infrastructure		3,264	68,500	68,500	14,956	29,173	34,250	5,077	14.8%	68,500
<i>Roads</i>		3,264	68,500	68,500	14,956	29,173	34,250	5,077	14.8%	68,500
Water Supply Infrastructure		-	20,000	20,000	86	2,472	10,000	7,528	75.3%	20,000
<i>Bulk Mains</i>		-	20,000	20,000	86	2,472	10,000	7,528	75.3%	20,000
Sanitation Infrastructure		-	17,000	17,000	2,037	9,837	8,500	(1,337)	-15.7%	17,000
<i>Reticulation</i>		-	-	-	-	-	-	-	-	-
<i>Waste Water Treatment Works</i>		-	17,000	17,000	2,037	9,837	8,500	(1,337)	-15.7%	17,000
Community Assets		-	14,000	14,000	422	2,731	7,000	4,269	61.0%	14,000
Community Facilities		-	14,000	14,000	422	2,731	7,000	4,269	61.0%	14,000
<i>Cemeteries/Crematoria</i>		-	14,000	14,000	422	2,731	7,000	4,269	61.0%	14,000
<i>Policing and Protection</i>		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	1	3,264	119,500	119,500	17,501	44,213	59,750	15,537	26.0%	119,500