QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th JUNE 2026 - 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 30 June 2026.
- 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 4th 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 –

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 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 30 June 2026, reflecting the actual performance against the allocated budget.

1.4. Performance against the Operating Budget

ACTUAL vs ORIGINAL BUDGET as at 30 JUNE 2026				
(R'000)	ADJUSTMENT BUDGET	YTD ACTUAL	AVAILABLE BUDGET	% SPENT
TOTAL REVENUE	**1,133,342**	**992,964**	**140,377**	**88%**
TOTAL EXPENDITURE	**1,450,634**	**986,382**	**464,252**	**68%**
CAPITAL EXPENDITURE	**235,890**	**189,370**	**46,519**	**80%**

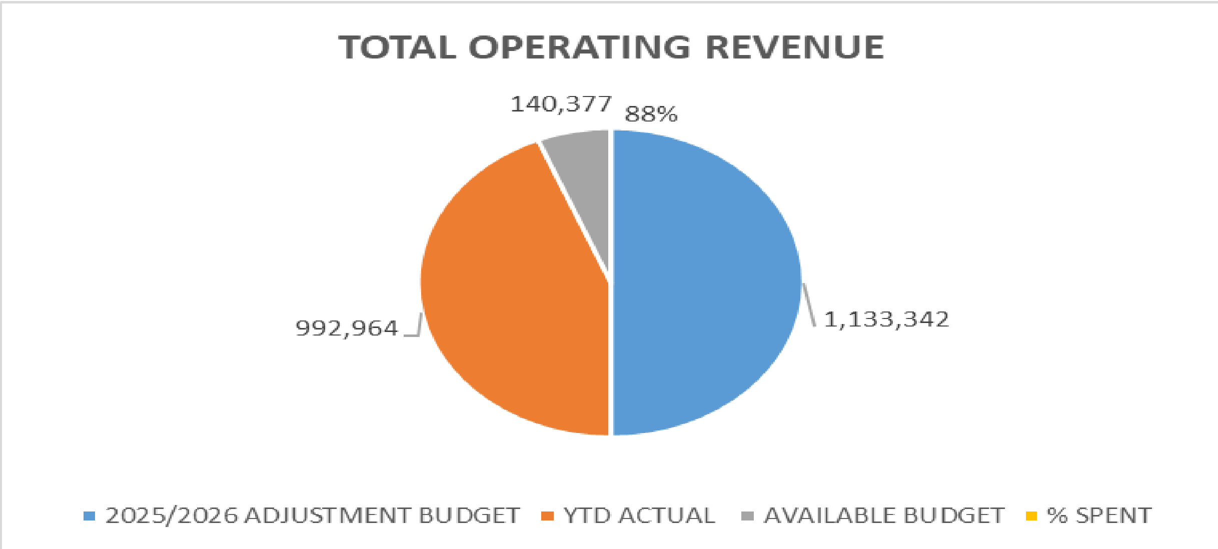
Operating revenue generated as at the reporting period amount to R992.6 million which translates to 88% when compared to the allocated budget. Year to date expenditure for the same period amounts to R986.3 million or 68% of the appropriated expenditure budget.

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th JUNE 2026 - MOSES KOTANE LOCAL MUNICIPALITY

Operating Revenue

The table below reflects operating revenue performance per revenue item. Over performance was recorded on interest and traffic fines.

OPERATING REVENUE						
Revenue Sources	2025/26 Budget	2025/26 Adjustment Budget	Actual	Year to date	Available	% Spent
R'000	JUNE 2026					
Property Rates	174,056	174,056	6,844	134,181	39,875	77%
Service charges - water revenue	198,188	198,188	(43,971)	112,359	85,829	57%
Service charges - sanitation revenue	5,180	5,180	268	4,285	895	83%
Service charges - refuse revenue	14,109	14,109	1,130	13,789	321	98%
Interest earned - external investments	13,097	8,727	5,308	73,148	(60,052)	838%
Interest earned - outstanding debtors	96,057	96,057	680	8,108	87,948	8%
Traffic Fines	1,899	1,899	–	2,759	(861)	145%
Licence Applications	3,328	3,328	39	1,734	1,594	52%
Transfers recognised - operational	627,463	628,337	16,753	639,757	(12,294)	102%
Rental of facillities and equipment	101	31	3	46	55	148%
Other revenue	3,431	3,431	100	2,798	633	82%
					–	
TOTAL REVENUE	**1,136,908**	**1,133,342**	**(12,846)**	**992,964**	**143,944**	**88%**



The total revenue generated as at 30 June 2026 amounts to R992.9 million or 88% against the total Adjusted budget of R1,133 billion. Of the total amount generated to date, 36% relates to own revenue while operational grants contributed 64%. This indicates that the municipality relies on government grants to fund its day to day expenses.

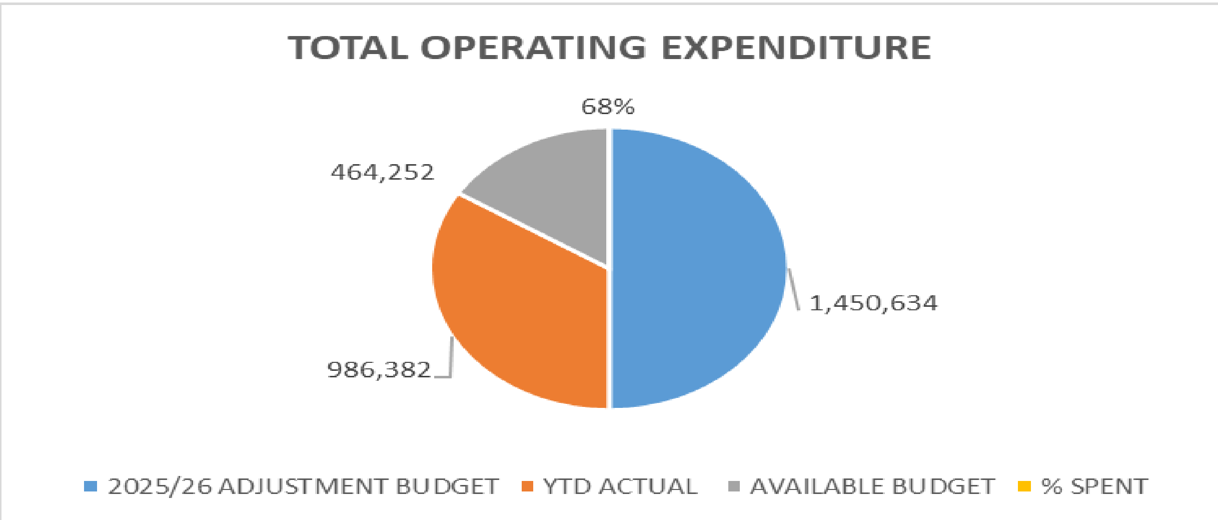
The table below reflects the performance of grants received in the 4th quarter of the financial year.

GRANT PERFORMANCE						
30-Jun-26						
DESCRIPTION (R'000)	BUDGET	ADJUSTMENT	RECEIVED	CONDITIONS SPEND	% Spending / Budget	% Spending/ Received
EQUITABLE SHARE	615,410	615,410	613,696	449,867	73%	73%
MIG CAPITAL PROJECTS	175,068	180,575	135,068	137,319	76%	102%
WSIG CAPITAL PROJECTS	50,000	51,644	51,000	51,644	100%	101%
FMG GRANT	2,000	2,000	2,000	2,000	100%	100%
EPWP	1,895	1,895	1,895	1,895	100%	100%
PMU	7,000	7,437	7,000	4,800	65%	69%
LIBRARY	1,158	1,158	1,157	664	57%	57%
TOTAL	**852,531**	**860,120**	**811,816**	**648,190**	**75%**	**80%**

Operating Expenditure

OPERATING EXPENDITURE						
Expenditure Item	2025/26 Budget	2025/26 Adjustment Budget	Actual	Year to date	Available	% Spent
R'000	JUNE 2026					
Employee Related Cost and Allowance (	405,431	405,785	30,300	379,967	25,464	94%
Contracted Services	204,518	195,035	8,815	158,721	45,797	81%
Operational Cost	108,955	112,633	6,941	79,527	29,428	71%
Inventory	189,153	189,153	690	18,143	171,010	10%
Bulk Purchases Electricity	46,620	46,620	4,650	39,364	7,256	84%
Interest on External Loans	2,597	2,597	562	1,133	1,464	44%
Debt Impairment	309,909	309,909		173,225	136,684	56%
Bad debts Written Off	–	2,340	16,589	18,606	(18,606)	795%
Depreciation	186,561	186,561	(0)	117,697	68,864	63%
TOTAL EXPENDITURE	**1,453,744**	**1,450,634**	**68,548**	**986,382**	**467,362**	**68%**

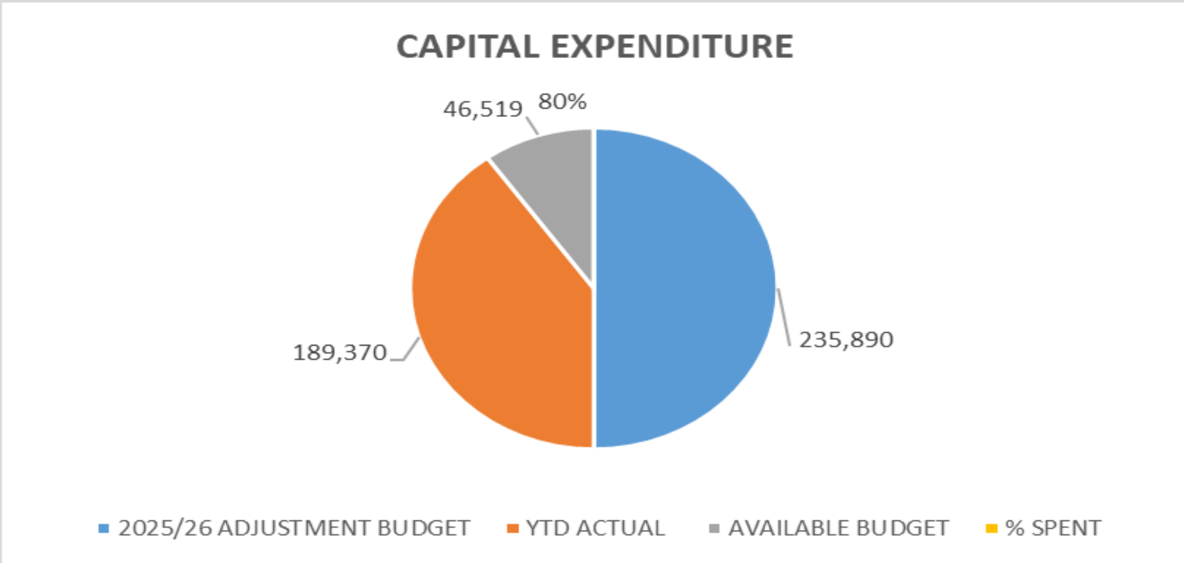
Total operating expenditure incurred as at 30 June 2026 amounted to R 986.3 which equates 68% of the total Adjusted budget of R1.4 billion.



1.5. Capital Expenditure

The table below reflects capital expenditure for the 4th quarter of 2025/2026 financial year.

ACTUAL vs ORIGINAL BUDGET as at 30 JUNE 2026				
(R'000)	2025/26 ADJUSTME	YTD ACTUAL	AVAILABLE BUDGET	% SPENT
CAPITAL EXPENDITURE	235,890	189,370	46,519	80%



The capital expenditure reported for the period under review amounts to R189.3 million or 80% of allocated Adjusted budget of R235,8 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 water, roads and Sanitation projects at 23%, 68% and 18% of the total capital expenditure respectively

1.6. Material Variances From SDBIP

Operating expenditure performance is below the SDBIP target as a result that the analysis and calculations for both debt impairment and depreciation are year-end.

1.7. Remedial Corrective Steps

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 Treasury. 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) Tale 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)

(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 anomies 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 - M12 June

Description	2024/25	Budget Year 2025/26							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	165,035	174,056	174,056	6,844	134,181	174,056	(39,875)	-23%	174,056
Service charges	149,003	217,477	217,477	(42,573)	130,432	217,477	(87,045)	-40%	217,477
Investment revenue	13,235	13,097	8,727	680	8,108	8,727	(618)	-7%	8,727
Transfers and subsidies - Operational	610,284	627,463	649,748	16,753	639,757	649,748	(9,991)	(0)	649,748
Other own revenue	116,770	104,816	104,746	5,450	80,486	104,746	(24,260)	-23%	104,746
Total Revenue (excluding capital transfers and contributions)	**1,054,325**	**1,136,908**	**1,154,753**	**(12,846)**	**992,964**	**1,154,753**	**(161,789)**	**-14%**	**1,154,753**
Employee costs	320,836	373,102	371,724	27,844	349,548	371,724	(22,176)	-6%	371,724
Remuneration of Councillors	30,671	32,329	32,329	2,455	30,419	32,329	(1,910)	-6%	32,329
Depreciation and amortisation	135,999	186,561	186,561	(0)	117,697	186,561	(68,864)	-37%	186,561
Interest	4,616	2,597	2,597	562	1,133	2,597	(1,464)	-56%	2,597
Inventory consumed and bulk purchases	194,197	235,773	235,773	5,340	57,507	235,773	(178,266)	-76%	235,773
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	546,569	623,382	634,341	32,346	430,078	634,341	(204,263)	-32%	634,341
Total Expenditure	**1,232,888**	**1,453,744**	**1,463,326**	**68,548**	**986,382**	**1,463,326**	**(476,944)**	**-33%**	**1,463,326**
Surplus/(Deficit)	**(178,562)**	**(316,836)**	**(308,573)**	**(81,394)**	**6,583**	**(308,573)**	**315,155**	**-102%**	**(308,573)**
Transfers and subsidies - capital (monetary	215,615	225,068	179,528	26,779	175,128	179,528	(4,400)	-2%	179,528
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**37,053**	**(91,768)**	**(129,045)**	**(54,614)**	**181,710**	**(129,045)**	**310,755**	**-241%**	**(129,045)**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**37,053**	**(91,768)**	**(129,045)**	**(54,614)**	**181,710**	**(129,045)**	**310,755**	**-241%**	**(129,045)**
Capital expenditure & funds sources									
Capital expenditure	**48,976**	**225,068**	**183,198**	**24,448**	**155,113**	**183,198**	**(28,084)**	**-15%**	**183,198**
Capital transfers recognised	47,963	225,068	179,528	24,448	154,742	179,528	(24,786)	-14%	179,528
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**1,014**	**–**	**3,670**	**–**	**372**	**3,670**	**(3,298)**	**-90%**	**3,670**
Total sources of capital funds	**48,976**	**225,068**	**183,198**	**24,448**	**155,113**	**183,198**	**(28,084)**	**-15%**	**183,198**
Financial position									
Total current assets	317,493	334,306	334,306		340,266				334,306
Total non current assets	3,338,908	3,492,726	3,450,856		3,377,676				3,450,856
Total current liabilities	357,366	217,306	200,562		236,433				200,562
Total non current liabilities	51,480	47,989	47,989		51,480				47,989
Community wealth/Equity	**3,197,553**	**3,583,734**	**3,595,885**		**3,484,644**				**3,595,885**
Cash flows									
Net cash from (used) operating	762,089	130,142	130,142	54,741	922,887	130,142	(792,744)	-609%	130,142
Net cash from (used) investing	(37,113)	(700,182)	(700,182)	(24,448)	(154,852)	(700,182)	(545,331)	78%	(700,182)
Net cash from (used) financing	(14,817)	(9,987)	(9,987)	–	(11,649)	(9,987)	1,662	-17%	(9,987)
Cash/cash equivalents at the month/year end	**753,745**	**(111,753)**	**(111,753)**	**811,950**	**811,950**	**(111,753)**	**(923,703)**	**827%**	**(524,462)**
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	110,788	39,708	35,264	46,597	35,432	34,138	178,148	######	1,792,945
Creditors Age Analysis									
Total Creditors	19,872	694	2,246	1,190	–	–	–	–	24,001

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.

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th JUNE 2026 - MOSES KOTANE LOCAL MUNICIPALITY

NW375 Moses Kotane - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		**613,938**	**629,847**	**625,407**	**13,999**	**561,061**	**625,407**	(64,346)	-10%	**625,407**
Executive and council		23,620	24,888	24,888	292	24,888	24,888	–		24,888
Finance and administration		590,318	604,959	600,519	13,707	536,173	600,519	(64,346)	-11%	600,519
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**17,416**	**24,435**	**16,902**	**2,283**	**14,912**	**16,902**	(1,990)	-12%	**16,902**
Community and social services		12,978	1,208	1,645	246	709	1,645	(936)	-57%	1,645
Sport and recreation		24	18,000	10,030	1,998	9,710	10,030	(320)	-3%	10,030
Public safety		4,413	5,227	5,227	39	4,493	5,227	(734)	-14%	5,227
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**67,668**	**92,312**	**121,024**	**16,549**	**108,437**	**121,024**	(12,588)	-10%	**121,024**
Planning and development		5,684	7,312	14,736	1,017	5,730	14,736	(9,006)	-61%	14,736
Road transport		61,984	85,000	106,288	15,532	102,706	106,288	(3,581)	-3%	106,288
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**570,919**	**615,382**	**570,948**	**(18,898)**	**483,683**	**570,948**	**(87,265)**	-15%	**570,948**
Energy sources		6,563	7,000	2,713	–	2,713	2,713	(0)	0%	2,713
Water management		428,070	468,370	428,223	(20,296)	342,174	428,223	(86,049)	-20%	428,223
Waste water management		30,492	31,358	31,358	268	30,463	31,358	(895)	-3%	31,358
Waste management		105,794	108,653	108,653	1,130	108,333	108,653	(321)	0%	108,653
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1,269,941**	**1,361,976**	**1,334,281**	**13,933**	**1,168,092**	**1,334,281**	**(166,188)**	**-12%**	**1,334,281**
Expenditure - Functional										
Governance and administration		**420,732**	**441,308**	**453,518**	**41,063**	**393,225**	**453,518**	(60,293)	-13%	**453,518**
Executive and council		109,096	103,912	108,109	9,064	102,418	108,109	(5,690)	-5%	108,109
Finance and administration		305,295	331,088	339,068	31,604	283,284	339,068	(55,784)	-16%	339,068
Internal audit		6,342	6,308	6,341	396	7,522	6,341	1,181	19%	6,341
Community and public safety		**139,239**	**148,457**	**151,647**	**3,850**	**120,118**	**151,647**	(31,528)	-21%	**151,647**
Community and social services		43,450	40,717	43,779	3,232	33,912	43,779	(9,867)	-23%	43,779
Sport and recreation		47,605	56,966	57,394	2,789	48,012	57,394	(9,382)	-16%	57,394
Public safety		48,184	50,773	50,473	(2,171)	38,195	50,473	(12,279)	-24%	50,473
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**65,683**	**129,969**	**124,433**	**3,616**	**63,245**	**124,433**	(61,188)	-49%	**124,433**
Planning and development		24,141	55,208	51,121	2,520	27,274	51,121	(23,847)	-47%	51,121
Road transport		41,542	74,760	73,312	1,096	35,971	73,312	(37,340)	-51%	73,312
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**604,044**	**730,495**	**730,212**	**19,747**	**406,365**	**730,212**	**(323,847)**	-44%	**730,212**
Energy sources		51,358	63,956	63,956	5,764	52,500	63,956	(11,456)	-18%	63,956
Water management		456,506	553,818	570,947	12,329	290,829	570,947	(280,119)	-49%	570,947
Waste water management		38,748	54,288	34,506	1,019	18,266	34,506	(16,239)	-47%	34,506
Waste management		57,432	58,433	60,803	635	44,770	60,803	(16,033)	-26%	60,803
Other		**3,190**	**3,516**	**3,516**	**271**	**3,428**	**3,516**	**(88)**	**-2%**	**3,516**
Total Expenditure - Functional	3	**1,232,888**	**1,453,744**	**1,463,326**	**68,548**	**986,382**	**1,463,326**	**(476,944)**	**-33%**	**1,463,326**
Surplus/ (Deficit) for the year		**37,053**	**(91,768)**	**(129,045)**	**(54,614)**	**181,710**	**(129,045)**	**310,755**	**-2.408117**	**(129,045)**

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) - M12 June

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 01 - Municipal Council		23,620	24,888	24,888	292	24,888	24,888	–		24,888
Vote 02 - Office Of The Accounting Officer		–	–	–	–	–	–	–		–
Vote 03 - Budget And Treasury Office		589,701	604,309	599,869	13,707	535,592	599,869	(64,276)	-10.7%	599,869
Vote 04 - Corporate Services		617	650	650	–	580	650	(70)	-10.7%	650
Vote 05 - Community Services		123,210	133,089	125,555	3,413	123,245	125,555	(2,310)	-1.8%	125,555
Vote 06 - Planning & Development		198	312	312	32	364	312	52	16.6%	312
Vote 07 - Infrastructure & Technical Services		532,595	598,728	583,006	(3,510)	483,422	583,006	(99,584)	-17.1%	583,006
Vote 08 -		–	–	–	–	–	–	–		–
Vote 09 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**1,269,941**	**1,361,976**	**1,334,281**	**13,933**	**1,168,092**	**1,334,281**	**(166,188)**	**-12.5%**	**1,334,281**
Expenditure by Vote	1									
Vote 01 - Municipal Council		92,178	85,651	89,848	7,537	87,405	89,848	(2,443)	-2.7%	89,848
Vote 02 - Office Of The Accounting Officer		28,947	30,688	30,721	2,535	28,964	30,721	(1,757)	-5.7%	30,721
Vote 03 - Budget And Treasury Office		185,057	202,483	208,772	22,341	171,737	208,772	(37,035)	-17.7%	208,772
Vote 04 - Corporate Services		101,748	111,629	113,319	4,927	94,424	113,319	(18,896)	-16.7%	113,319
Vote 05 - Community Services		205,815	215,407	220,167	6,448	172,821	220,167	(47,346)	-21.5%	220,167
Vote 06 - Planning & Development		22,492	48,360	46,368	3,816	25,772	46,368	(20,596)	-44.4%	46,368
Vote 07 - Infrastructure & Technical Services		596,650	759,526	754,130	20,942	405,260	754,130	(348,870)	-46.3%	754,130
Vote 08 -		–	–	–	–	–	–	–		–
Vote 09 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**1,232,888**	**1,453,744**	**1,463,326**	**68,548**	**986,382**	**1,463,326**	**(476,944)**	**-32.6%**	**1,463,326**
Surplus/ (Deficit) for the year	2	**37,053**	**(91,768)**	**(129,045)**	**(54,614)**	**181,710**	**(129,045)**	**310,755**	**-240.8%**	**(129,045)**

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

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th JUNE 2026 - 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) - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		–	–	–	–	–	–	–		–
Service charges - Water		130,832	198,188	198,188	(43,971)	112,359	198,188	(85,829)	-43%	198,188
Service charges - Waste Water Management		4,879	5,180	5,180	268	4,285	5,180	(895)	-17%	5,180
Service charges - Waste management		13,292	14,109	14,109	1,130	13,789	14,109	(321)	-2%	14,109
Sale of Goods and Rendering of Services		722	1,418	1,418	39	881	1,418	(537)	-38%	1,418
Agency services								–		
Interest								–		
Interest earned from Receivables		59,933	60,358	60,358	3,247	30,299	60,358	(30,060)	-50%	60,358
Interest from Current and Non Current Assets		13,235	13,097	8,727	680	8,108	8,727	(618)	-7%	8,727
Dividends		–	–	–	–	–	–	–		–
Rent on Land								–		
Rental from Fixed Assets		25	101	31	3	46	31	15	48%	31
Licence and permits		2,588	3,328	3,328	39	1,734	3,328	(1,594)	-48%	3,328
Special rating levies								–		
Operational Revenue		3,193	2,014	2,014	61	1,665	2,014	(349)	-17%	2,014
Non-Exchange Revenue								–		
Property rates		165,035	174,056	174,056	6,844	134,181	174,056	(39,875)	-23%	174,056
Surcharges and Taxes								–		
Fines, penalties and forfeits		1,826	1,899	1,899	–	2,759	1,899	861	45%	1,899
Licence and permits								–		
Transfers and subsidies - Operational		610,284	627,463	649,748	16,753	639,757	649,748	(9,991)	-2%	649,748
Interest		36,388	35,698	35,698	2,062	42,850	35,698	7,151	20%	35,698
Fuel Levy								–		
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		11,863	–	–	–	253	–	253	#DIV/0!	–
Other Gains		232	–	–	–	–	–	–		–
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		**1,054,325**	**1,136,908**	**1,154,753**	**(12,846)**	**992,964**	**1,154,753**	**(161,789)**	**-14%**	**1,154,753**
Expenditure By Type										
Employee related costs		320,836	373,102	371,724	27,844	349,548	371,724	(22,176)	-6%	371,724
Remuneration of councillors		30,671	32,329	32,329	2,455	30,419	32,329	(1,910)	-6%	32,329
Bulk purchases - electricity		36,173	46,620	46,620	4,650	39,364	46,620	(7,256)	-16%	46,620
Inventory consumed		158,024	189,153	189,153	690	18,143	189,153	(171,010)	-90%	189,153
Debt impairment		252,411	309,909	309,909	–	173,225	309,909	(136,684)	-44%	309,909
Depreciation and amortisation		135,999	186,561	186,561	(0)	117,697	186,561	(68,864)	-37%	186,561
Interest		4,616	2,597	2,597	562	1,133	2,597	(1,464)	-56%	2,597
Contracted services		165,960	204,518	209,459	8,815	158,721	209,459	(50,738)	-24%	209,459
Transfers and subsidies		–	–	–	–	–	–	–		–
Irrecoverable debts written off		1,641	–	2,340	16,589	18,606	2,340	16,265	695%	2,340
Operational costs		112,564	108,955	112,633	6,485	78,083	112,633	(34,549)	-31%	112,633
Losses on Disposal of Assets		13,469	–	–	–	422	–	422	#DIV/0!	–
Other Losses		525	–	–	456	1,022	–	1,022	#DIV/0!	–
Total Expenditure		**1,232,888**	**1,453,744**	**1,463,326**	**68,548**	**986,382**	**1,463,326**	**(476,944)**	**-33%**	**1,463,326**
Surplus/(Deficit)		**(178,562)**	**(316,836)**	**(308,573)**	**(81,394)**	**6,583**	**(308,573)**	**315,155**	**(0)**	**(308,573)**
Transfers and subsidies - capital (monetary allocations)		215,615	225,068	179,528	26,779	175,128	179,528	(4,400)	(0)	179,528
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**37,053**	**(91,768)**	**(129,045)**	**(54,614)**	**181,710**	**(129,045)**	**310,755**	**(0)**	**(129,045)**
Income Tax								–		
Surplus/(Deficit) after income tax		**37,053**	**(91,768)**	**(129,045)**	**(54,614)**	**181,710**	**(129,045)**	**310,755**	**(0)**	**(129,045)**
Share of Surplus/Deficit attributable to Joint Venture								–		
Share of Surplus/Deficit attributable to Minorities								–		
Surplus/(Deficit) attributable to municipality		**37,053**	**(91,768)**	**(129,045)**	**(54,614)**	**181,710**	**(129,045)**	310,755	(0)	**(129,045)**
Share of Surplus/Deficit attributable to Associate								–		
Intercompany/Parent subsidiary transactions								–		
Surplus/ (Deficit) for the year		**37,053**	**(91,768)**	**(129,045)**	**(54,614)**	**181,710**	**(129,045)**	**310,755**	**(0)**	**(129,045)**

Revenue

a) Adjusted Budget operating revenue for the 2025/2026 financial year to R1,133 billion.

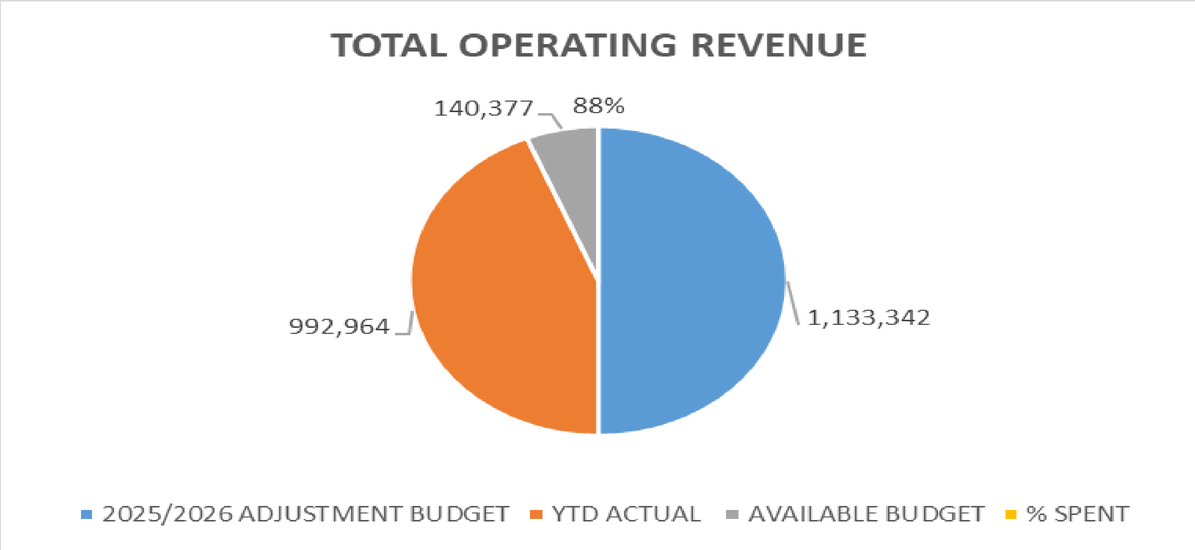
b) Year to date operating revenue comprises of own revenue and grants at 36% and 64% respectively. The municipality depends on government grants to fund its operations.

c) Own revenue generated for the reporting period amount to R353.2 million. Own revenue is mainly derived from property rates and service charges which contributed R264.6 million or 74% of the total own revenue generated for the reported period.

d) Interest earned on outstanding debtors amount to R8.1 million which translates to 3% of the billed amount. Low revenue collection remains a challenge for Moses Kotane.

e) Total year to date operating revenue amount to R992.9 million.

Graphical Illustration of operating revenue against the approved budget



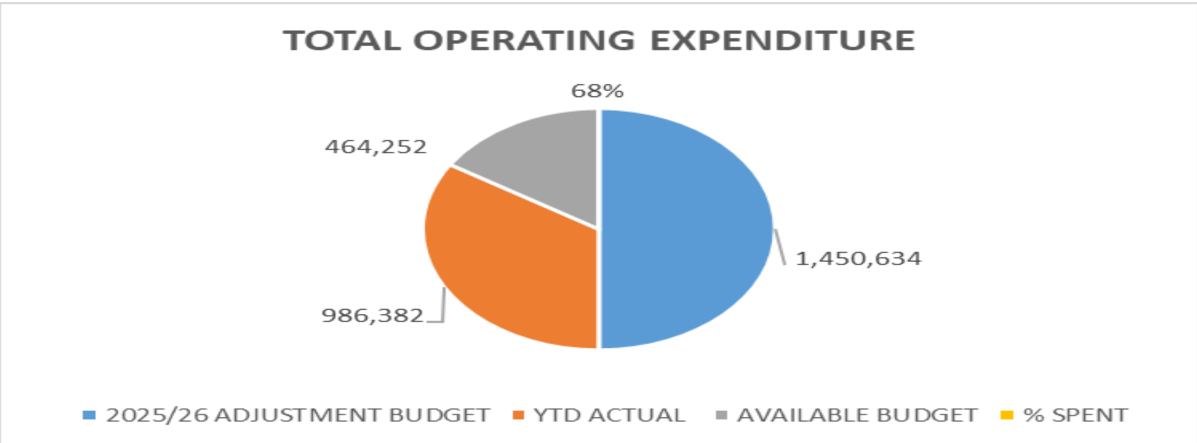
Expenditure

(a) Operating expenditure incurred for the reporting period amount to R68.5 million, translating to year to date spending of R986.3 million or 68% against the operating expenditure budget.

(b) The expenditure has underperformed due to debt impairment and depreciation being analysed and calculated at year end.

(c) Contracted Services - The payment for contractors is not fixed, some of the expenses are only paid as and when the service is rendered.

Graphical Illustration of operating expenditure against the approved budget



QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th JUNE 2026 - 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) - M12 June

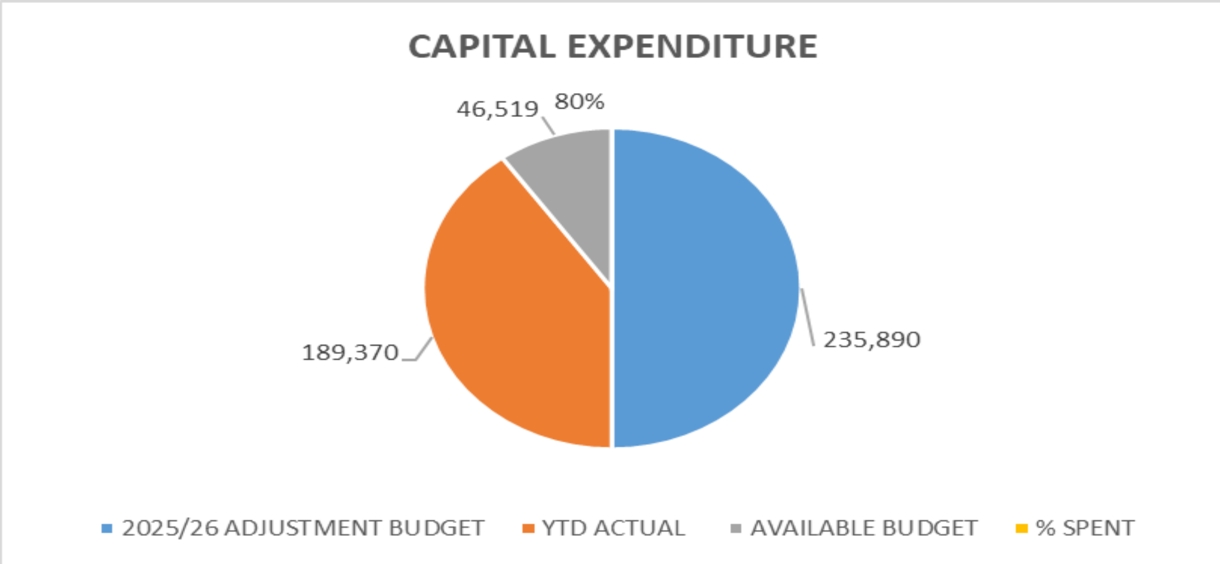
Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Multi-Year expenditure appropriation</u>	2									
Vote 01 - Municipal Council		–	–	–	–	–	–	–		–
Vote 02 - Office Of The Accounting Officer		–	–	–	–	–	–	–		–
Vote 03 - Budget And Treasury Office		678	–	1,200	–	372	1,200	(828)	-69%	1,200
Vote 04 - Corporate Services		–	–	–	–	–	–	–		–
Vote 05 - Community Services		2,863	18,000	11,000	1,736	8,421	11,000	(2,579)	-23%	11,000
Vote 06 - Planning & Development		–	–	–	–	–	–	–		–
Vote 07 - Infrastructure & Technical Services		45,435	207,068	170,997	22,712	146,320	170,997	(24,677)	-14%	170,997
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**	**183,198**	**24,448**	**155,113**	**183,198**	**(28,084)**	**-15%**	**183,198**
<u>Single Year expenditure appropriation</u>	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**	**183,198**	**24,448**	**155,113**	**183,198**	**(28,084)**	**-15%**	**183,198**
<u>Capital Expenditure - Functional Classification</u>										
Governance and administration		**678**	**–**	**1,200**	**–**	**372**	**1,200**	(828)	-69%	**1,200**
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		678	–	1,200	–	372	1,200	(828)	-69%	1,200
Internal audit								–		
Community and public safety		**336**	**16,000**	**11,000**	**1,736**	**8,421**	**11,000**	(2,579)	-23%	**11,000**
Community and social services		336	16,000	10,030	1,736	8,421	10,030	(1,609)	-16%	10,030
Sport and recreation		–	–	500	–	–	500	(500)	-100%	500
Public safety		–	–	470	–	–	470	(470)	-100%	470
Housing								–		
Health								–		
Economic and environmental services		**3,264**	**85,000**	**107,788**	**13,506**	**89,924**	**107,788**	(17,864)	-17%	**107,788**
Planning and development		–	–	–	–	–	–	–		–
Road transport		3,264	85,000	107,788	13,506	89,924	107,788	(17,864)	-17%	107,788
Environmental protection								–		
Trading services		**44,699**	**124,068**	**63,210**	**9,206**	**56,396**	**63,210**	(6,814)	-11%	**63,210**
Energy sources		–	7,000	2,713	–	2,103	2,713	(610)	-22%	2,713
Water management		42,171	88,068	37,767	6,074	34,918	37,767	(2,850)	-8%	37,767
Waste water management		–	27,000	22,730	3,132	19,376	22,730	(3,354)	-15%	22,730
Waste management		2,527	2,000	–	–	–	–	–		–
Other								–		
Total Capital Expenditure - Functional Classification	3	**48,976**	**225,068**	**183,198**	**24,448**	**155,113**	**183,198**	**(28,084)**	**-15%**	**183,198**
<u>Funded by:</u>										
National Government		47,963	225,068	179,528	24,448	154,742	179,528	(24,786)	-14%	179,528
Provincial Government		–	–	–	–	–	–	–		–
District Municipality								–		
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–		–
Transfers recognised - capital		**47,963**	**225,068**	**179,528**	**24,448**	**154,742**	**179,528**	**(24,786)**	**-14%**	**179,528**
Borrowing	6							–		
Internally generated funds		1,014	–	3,670	–	372	3,670	(3,298)	-90%	3,670
Total Capital Funding		**48,976**	**225,068**	**183,198**	**24,448**	**155,113**	**183,198**	**(28,084)**	**-15%**	**183,198**

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th JUNE 2026 - MOSES KOTANE LOCAL MUNICIPALITY

Capital Adjusted budget for 2025/2026 financial year amount to R235.8 million. The budget is mainly funded by National grants, i.e. MIG and WSIG. Expenditure reported as at June 2026 amount to R155.1 million, VAT exclusive. (VAT inclusive amount – R189.3 million). Capital spending to date accounts for 80% against the appropriated budget.

Spending was mainly incurred on water, roads and sanitation at 23%, 68% and 18% of the expenditure reported for the month, respectively.

Graphical Illustration of capital expenditure against the approved budget



2.6. Table C6: Financial Position

NW375 Moses Kotane - Table C6 Monthly Budget Statement - Financial Position - M12 June

Description	Ref	2024/25	Budget Year 2025/26			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		55,565	70,390	70,390	15,096	70,390
Trade and other receivables from exchange transactions		75,828	121,731	121,731	63,075	121,731
Receivables from non-exchange transactions		96,581	99,947	99,947	69,497	99,947
Current portion of non-current receivables						
Inventory		32,437	23,430	23,430	125,491	23,430
VAT		31,990	13,519	13,519	42,016	13,519
Other current assets		25,092	5,289	5,289	25,092	5,289
Total current assets		**317,493**	**334,306**	**334,306**	**340,266**	**334,306**
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	3,284,682	3,205,400	3,284,682
Biological assets						
Living and non-living resources						
Heritage assets		14	14	14	14	14
Intangible assets		12,328	12,678	12,678	10,619	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**	**3,450,856**	**3,377,676**	**3,450,856**
TOTAL ASSETS		**3,656,402**	**3,827,032**	**3,785,162**	**3,717,942**	**3,785,162**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		2,703	1,107	1,107	(8,946)	1,107
Consumer deposits		758	605	605	764	605
Trade and other payables from exchange transactions		275,871	209,171	209,171	167,636	209,171
Trade and other payables from non-exchange transactions		9,740	–	(16,744)	6,671	(16,744)
Provision		59,988	6,423	6,423	52,329	6,423
VAT		8,305	–	–	17,979	–
Other current liabilities		–	–	–	–	–
Total current liabilities		**357,366**	**217,306**	**200,562**	**236,433**	**200,562**
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**	**248,550**	**287,913**	**248,550**
NET ASSETS	2	**3,247,556**	**3,561,738**	**3,536,611**	**3,430,029**	**3,536,611**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		3,197,553	3,583,734	3,595,885	3,484,644	3,595,885
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**3,197,553**	**3,583,734**	**3,595,885**	**3,484,644**	**3,595,885**

The municipality closed the month with a favourable cash balance.

2.7. Table C7: Cash Flow

NW375 Moses Kotane - Table C7 Monthly Budget Statement - Cash Flow - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		63,602	90,509	90,509	10,653	72,269	90,509	(18,240)	-20%	90,509
Service charges		27,379	82,666	82,666	4,659	90,995	82,666	8,330	10%	82,666
Other revenue		(346,769)	42,032	42,032	43,227	112,551	42,032	70,519	168%	42,032
Transfers and Subsidies - Operational		604,194	627,463	627,463	–	620,462	627,463	(7,001)	-1%	627,463
Transfers and Subsidies - Capital		222,552	225,068	225,068	–	193,068	225,068	(32,000)	-14%	225,068
Interest		21,892	19,678	19,678	1,376	14,141	19,678	(5,537)	-28%	19,678
Dividends								–		
Payments										
Suppliers and employees		169,238	(957,274)	(957,274)	(5,174)	(180,600)	(957,274)	(776,674)	81%	(957,274)
Interest		–	–	–	–	–	–	–		–
Transfers and Subsidies								–		
NET CASH FROM/(USED) OPERATING ACTIVITIES		**762,089**	**130,142**	**130,142**	**54,741**	**922,887**	**130,142**	**(792,744)**	**-609%**	**130,142**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		11,863	–	–	–	262	–	262	#DIV/0!	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(48,976)	(700,182)	(700,182)	(24,448)	(155,113)	(700,182)	(545,069)	78%	(700,182)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(37,113)**	**(700,182)**	**(700,182)**	**(24,448)**	**(154,852)**	**(700,182)**	**(545,331)**	**78%**	**(700,182)**
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)	–	(11,649)	(9,987)	1,662	-17%	(9,987)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(14,817)**	**(9,987)**	**(9,987)**	**–**	**(11,649)**	**(9,987)**	**1,662**	**-17%**	**(9,987)**
NET INCREASE/ (DECREASE) IN CASH HELD		**710,158**	**(580,027)**	**(580,027)**	**30,294**	**756,385**	**(580,027)**			**(580,027)**
Cash/cash equivalents at beginning:		43,587	468,275	468,275	781,656	55,565	468,275			55,565
Cash/cash equivalents at month/year end:		753,745	(111,753)	(111,753)	811,950	811,950	(111,753)			(524,462)

The cash flow statement must reflect receipts and payments for the reporting month.

The Municipality noted the following challenges:

The municipality is currently experiencing challenges with cash flow reporting. The opening balance and other revenue will be investigated and be corrected.

Part 2: Supporting Documents

Section 3: Performance Indicators

3.1 Supporting Table SC2

NW375 Moses Kotane - Supporting Table SC2 Monthly Budget Statement - performance indicators - M12 June

Description of financial indicator	Basis of calculation	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.3%	13.0%	12.9%	0.1%	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%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		9.3%	5.9%	5.4%	5.0%	5.4%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	88.8%	153.8%	166.7%	143.9%	166.7%
Liquidity Ratio	Monetary Assets/Current Liabilities		15.5%	32.4%	35.1%	6.4%	35.1%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		18.7%	20.0%	19.7%	15.9%	19.7%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
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		30.4%	32.8%	32.2%	35.2%	32.2%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		6.3%	8.6%	9.0%	8.1%	9.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		13.3%	16.6%	16.4%	0.1%	3.0%
IDP regulation financial viability indicators							
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						

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 - M12 June

Description R thousands	NT Code	Budget Year 2025/26 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	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	69,804	20,466	18,729	30,481	19,232	18,142	82,549	571,994	831,396	722,397	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300									–	–		
Receivables from Non-exchange Transactions - Property Rates	1400	23,117	10,043	7,958	7,528	7,577	7,491	44,352	414,977	523,042	481,924	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	726	876	343	359	360	395	2,297	9,940	15,296	13,352	–	–
Receivables from Exchange Transactions - Waste Management	1600	2,607	1,291	1,290	1,296	1,287	1,286	7,841	47,566	64,464	59,276	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700									–	–		
Interest on Arrear Debtor Accounts	1810	14,000	6,873	6,793	6,686	6,824	6,676	40,032	240,250	328,135	300,468	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									–	–		
Other	1900	535	158	151	248	152	148	1,077	28,144	30,612	29,768	–	–
Total By Income Source	**2000**	**110,788**	**39,708**	**35,264**	**46,597**	**35,432**	**34,138**	**178,148**	**1,312,871**	**1,792,945**	**1,607,184**	–	–
2024/25 - totals only		80945341	40294126	38226425	37257406	34057078	31090130	320888606	##########	1,705,060	**1,545,594**	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	18,474	10,318	8,687	8,178	7,934	7,980	46,081	266,146	373,798	336,318	–	–
Commercial	2300	26,357	10,932	8,203	10,560	9,234	7,698	22,250	278,867	374,103	328,611	–	–
Households	2400	65,526	18,350	18,274	27,662	18,162	18,362	109,066	761,915	1,037,317	935,167	–	–
Other	2500	431	107	100	196	101	97	751	5,943	7,727	7,088	–	–
Total By Customer Group	**2600**	**110,788**	**39,708**	**35,264**	**46,597**	**35,432**	**34,138**	**178,148**	**1,312,871**	**1,792,945**	**1,607,184**	–	–

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 R1.792 billion. Of the total balance, 89% is older than 90 days, rendering it difficult to collect. It must be noted that the debtors' book balance has decreased by R425.5 million from the R1.367 billion reported in March 2026

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 - M12 June

Description R thousands	NT Code	Budget Year 2025/26 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	Prior year totals for chart (same period)
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									–	1,497
Bulk Water	0200									–	
PAYE deductions	0300									–	
VAT (output less input)	0400									–	
Pensions / Retirement deductions	0500									–	
Loan repayments	0600									–	
Trade Creditors	0700	19,852	694	2,246	1,190	–	–	–	–	**23,981**	46,518
Auditor General	0800									–	3,428
Other	0900	20	–	–	–	–	–	–	–	**20**	
Medical Aid deductions	0950									–	
Total By Customer Type	**1000**	**19,872**	**694**	**2,246**	**1,190**	–	–	–	–	**24,001**	51,443

The creditors balance for June 2026 amount to R24 million. Total outstanding creditors are payable to trade creditors and other.

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 - M12 June

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
R thousands		Yrs/Months												
Municipality														
														–
Municipality sub-total										–	–	–	–	–
Entities														
														–
														–
														–
														–
														–
														–
														–
Entities sub-total										–	–	–	–	–
TOTAL INVESTMENTS AND INTEREST	2									–	–	–	–	–

INVESTMENTS MOSES KOTANE 2025/2026							
INVESTMENTS MOSES KOTANE 2025/2026							
SUMMARY OF INVESTMENTS							
ACCOUNT	TYPE OF	BALANCE	BANK	DEPOSIT	INTEREST	WITHDREW	BALANCE
NUMBER	INVESTMENT	01/07/2025	CHARGES		CAPITALIZED		30/06/2026
228810957(002)	CALL MKLM MAIN STANDARD BANK	930,171.04	0.00	50,000,000.00	489,785.66	51,122,494.46	297,462.24
2062250801	12 MONTHS CEEDED ESCOM	502,452.95		0.00	45,845.73		548,298.68
228810957(004)	CALL - MIG STANDARD BANK	127,083.00	0.00	162,068,000.00	2,597,281.00	158,558,414.63	6,233,949.37
228810957(003)	CALL WSIG GRANT	4,138,235.83		51,000,000.00	1,120,628.45	51,770,804.71	4,488,059.57
228810957(001)	CALL FLEET	411,345.49	0.00	0.00	25,926.84	400,000.00	37,272.33
BALANCE		**6,109,288.31**		**263,068,000.00**	**4,279,467.68**	**261,851,713.80**	**11,605,042.19**

The investment reported as at 30 June 2026 amount to R11.6 million. An additional investment reconciliation has been attached since the municipality's investment information could not be updated on the reporting system. The municipality is currently working on addressing the challenge as per the Road Map and progress will be reported.

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 - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		**608,679**	**626,305**	**648,153**	**16,509**	**639,095**	**648,153**	**(9,058)**	**-1.4%**	**648,153**
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		600,070	615,410	615,410	–	615,410	615,410	(0)	0.0%	615,410
Expanded Public Works Programme Integrated Grant		1,124	1,895	1,895	292	1,895	1,895	–	0.0%	1,895
Local Government Financial Management Grant		2,000	2,000	2,000	807	2,000	2,000	–	0.0%	2,000
Municipal Disaster Relief Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant	3	5,486	7,000	28,848	15,410	19,790	28,848	(9,058)	-31.4%	28,848
Other transfers and grants [insert description]								–		
Provincial Government:		**1,604**	**1,158**	**1,594**	**244**	**662**	**1,594**	**(932)**	**-58.5%**	**1,594**
Capacity Building and Other Grants		1,604	1,158	1,594	244	662	1,594	(932)	-58.5%	1,594
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**	**649,748**	**16,753**	**639,757**	**649,748**	**(9,991)**	**-1.5%**	**649,748**
Capital Transfers and Grants										
National Government:		215,615	225,068	179,528	26,779	175,128	179,528	(4,400)	**-2.5%**	179,528
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		161,608	175,068	127,883	18,208	122,895	127,883	(4,988)	-3.9%	127,883
Water Services Infrastructure Grant		54,007	50,000	51,644	8,571	52,233	51,644	589	1.1%	51,644
Provincial Government:		–	–	–	–	–	–	–		–
Infrastructure Grant		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
Municipal Infrastructure Investment Unit		–	–	–	–	–	–	–		–
National Small Business Council		–	–	–	–	–	–	–		–
Registration of Deeds Trade Account		–	–	–	–	–	–	–		–
Total Capital Transfers and Grants	5	**215,615**	**225,068**	**179,528**	**26,779**	**175,128**	**179,528**	**(4,400)**	**-2.5%**	**179,528**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	825,899	852,531	829,275	43,532	814,885	829,275	(14,390)	-1.7%	829,275

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 – R613.9 million
- WSIG – R 51 million
- MIG – R 135.06 million
- EPWP – R 1.8 million
- FMG – R 2 million
- Library R1.1 million

Of the total conditional grants received, the municipality has spent a total of R453.4 million or 56% against the received funds.

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 - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		**550,076**	**626,305**	**643,455**	**39,993**	**471,638**	**643,455**	**(171,817)**	**-26.7%**	**643,455**
								–		
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		542,424	615,410	619,431	37,298	449,867	619,431	(169,564)	-27.4%	619,431
Expanded Public Works Programme Integrated Grant		1,403	1,895	1,895	193	1,903	1,895	8	0.4%	1,895
Local Government Financial Management Grant		1,165	2,000	2,000	887	2,006	2,000	6	0.3%	2,000
Municipal Disaster Relief Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		5,085	7,000	20,129	1,615	17,862	20,129	(2,267)	-11.3%	20,129
Provincial Government:		–	–	–	–	–	–	–		–
								–		
Capacity Building and Other Grants		–	–	–	–	–	–	–		–
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**	**643,455**	**39,993**	**471,638**	**643,455**	**(171,817)**	**-26.7%**	**643,455**
Capital expenditure of Transfers and Grants										
National Government:		47,963	225,068	179,528	24,448	154,742	179,528	(24,786)	**-13.8%**	179,528
Municipal Infrastructure Grant		47,963	175,068	127,883	15,833	107,443	127,883	(20,441)	-16.0%	127,883
Water Services Infrastructure Grant		0	50,000	51,644	8,614	47,299	51,644	(4,345)	-8.4%	51,644
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**	**179,528**	**24,448**	**154,742**	**179,528**	**(24,786)**	**-13.8%**	**179,528**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**598,039**	**851,373**	**822,983**	**64,441**	**626,380**	**822,983**	**(196,603)**	**-23.9%**	**822,983**

7.3 Supporting Table SC7 (2) Monthly Budget Statement-Expenditure against approved rollovers-

The municipality's rolls over for MIG and WSIG were approved and implemented in the current financial year.

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 - M12 June

yee and Coun R thousands	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		23,040	23,864	23,864	2,032	26,001	23,864	2,137	9%	23,864
Pension and UIF Contributions		3,209	3,322	3,322	69	337	3,322	(2,985)	-90%	3,322
Medical Aid Contributions		289	314	314	9	49	314	(265)	-84%	314
Motor Vehicle Allowance		–	–	–	–	–	–	–		–
Cellphone Allowance		3,173	3,204	3,204	267	3,159	3,204	(45)	-1%	3,204
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		959	1,625	1,625	79	872	1,625	(753)	-46%	1,625
Sub Total - Councillors		**30,671**	**32,329**	**32,329**	**2,455**	**30,419**	**32,329**	**(1,910)**	**-6%**	**32,329**
% increase	4		**5.4%**	**5.4%**						**5.4%**
Senior Manage	3									
Basic Salaries and Wages		2,958	9,950	9,950	175	2,552	9,950	(7,397)	-74%	9,950
Pension and UIF Contributions		617	1,774	1,774	4	312	1,774	(1,462)	-82%	1,774
Medical Aid Contributions		–	165	165	–	–	165	(165)	-100%	165
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		238	281	281	–	175	281	(105)	-38%	281
Motor Vehicle Allowance		541	541	541	40	521	541	(20)	-4%	541
Other benefits and allowances		0	1	1	–	0	1	(1)	-77%	1
Sub Total - Senior Managers o		**4,354**	**12,711**	**12,711**	**220**	**3,561**	**12,711**	**(9,150)**	**-72%**	**12,711**
% increase	4		**191.9%**	**191.9%**						**191.9%**
Other Municipal Staff										
Basic Salaries and Wages		213,589	245,997	243,515	19,523	237,052	243,515	(6,463)	-3%	243,515
Pension and UIF Contributions		39,416	47,739	47,738	3,803	46,441	47,738	(1,297)	-3%	47,738
Medical Aid Contributions		17,688	21,559	21,559	1,715	19,944	21,559	(1,615)	-7%	21,559
Overtime		18,552	18,420	19,526	348	18,703	19,526	(823)	-4%	19,526
Performance Bonus		14,977	18,204	18,204	1,690	16,052	18,204	(2,153)	-12%	18,204
Motor Vehicle Allowance		770	1,193	1,193	92	952	1,193	(241)	-20%	1,193
Cellphone Allowance								–		
Housing Allowances		853	901	901	78	964	901	63	7%	901
Other benefits and allowances		3,982	5,123	5,122	304	4,359	5,122	(763)	-15%	5,122
Payments in lieu of leave		4,035	–	–	–	–	–	–		–
Long service awards		1,079	–	–	–	–	–	–		–
Acting and post related allowan		1,542	1,255	1,255	72	1,521	1,255	266	21%	1,255
In kind benefits								–		
Sub Total - Other Municipal St		**316,482**	**360,391**	**359,013**	**27,625**	**345,987**	**359,013**	**(13,026)**	**-4%**	**359,013**
% increase	4		**13.9%**	**13.4%**						**13.4%**
Total Parent Municipality		**351,507**	**405,431**	**404,053**	**30,300**	**379,967**	**404,053**	**(24,086)**	**-6%**	**404,053**
			15.3%	**14.9%**						**14.9%**
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
TOTAL SALARY, ALLOWANCES & BENEFITS		**351,507**	**405,431**	**404,053**	**30,300**	**379,967**	**404,053**	**(24,086)**	**-6%**	**404,053**
% increase	4		**15.3%**	**14.9%**						**14.9%**
TOTAL MANAGERS AND STAF		**320,836**	**373,102**	**371,724**	**27,844**	**349,548**	**371,724**	**(22,176)**	**-6%**	**371,724**

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 - M12 June

Description	Ref	Budget Year 2025/26												2025/26 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome			
Cash Receipts By Source																
Property rates		1,562	14,915	6,600	4,244	850	1,726	1,106	7,048	13,838	1,935	7,791	28,893	90,509	125,178	133,621
Service charges - Electricity revenue													–			
Service charges - Water revenue		(7,640)	(6,003)	(35,982)	86,395	6,812	14,311	5,936	1,191	645	12,240	5,717	(7,705)	75,918	72,812	75,215
Service charges - Waste Water Management		206	140	149	353	69	389	17	232	20	716	112	(435)	1,968	2,571	2,656
Service charges - Waste Mangement		47	54	16	22	23	24	18	35	23	25	23	4,470	4,780	5,144	5,314
													–			
Rental of facilities and equipment		3	4	1	3	4	–	3	5	7	5	8	58	101	31	31
Interest earned - external investments		206	1,030	1,387	701	222	817	568	659	833	832	67	5,775	13,097	8,774	8,995
Interest earned - outstanding debtors		345	829	640	261	91	623	150	1,689	290	254	271	1,138	6,582	30,355	33,247
Dividends received													–			
Fines, penalties and forfeits		29	14	8	9	32	64	32	18	15	18	7	115	361	290	305
Licences and permits		29	49	49	57	37	42	43	1,273	41	31	43	1,633	3,328	2,611	2,690
Agency services													–			
Transfers and Subsidies - Operational		256,421	2,474	–	1,157	853	203,423	–	568	155,566	–	–	7,001	627,463	637,420	649,206
Other revenue		(328,326)	23,232	54,461	(88,672)	47,712	86,996	4,066	86,130	75,821	62,050	43,870	(29,098)	38,242	2,964	3,051
Cash Receipts by Source		**(77,117)**	**36,740**	**27,330**	**4,530**	**56,707**	**308,416**	**11,938**	**98,847**	**247,097**	**78,106**	**57,910**	**11,845**	**862,348**	**888,150**	**914,330**
Other Cash Flows by Source													–			
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		60,434	–	–	15,000	46,844	–	–	44,907	25,883	–	–	32,000	225,068	228,223	253,824
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)													–			
Proceeds on Disposal of Fixed and Intangible Assets		–	–	–	9	–	–	–	253	–	–	–	(262)	–	–	–
Short term loans		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
VAT Control (receipts)		–	–	–	–	–	–	–	–	–	–	–	–	–	34,397	38,074
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source		**(16,683)**	**36,740**	**27,330**	**19,539**	**103,551**	**308,416**	**11,938**	**144,007**	**272,980**	**78,106**	**57,910**	**43,584**	**1,087,416**	**1,150,769**	**1,206,227**
Cash Payments by Type													–			
Employee related costs		335	100	(305)	656	(4,701)	5,390	(2,183)	105	607	(8,985)	(1,517)	383,599	373,102	372,659	390,165
Remuneration of councillors		(107)	36	(111)	(102)	(529)	353	2,262	–	(381)	4,151	2,137	24,619	32,329	32,529	33,602
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Bulk purchases - Electricity		1,582	453	20	1,293	59	284	–	1,056	2	1,232	–	40,639	46,620	45,205	46,796
Acquisitions - water & other inventory		51,589	–	–	–	–	–	–	–	–	–	–	113,564	165,153	162,974	171,123
Contracted services		–	–	–	–	–	89,748	10,323	9,729	33,377	15,384	9,112	(167,672)	–	–	–
Transfers and subsidies - other municipalities													–			
Transfers and subsidies - other													–			
Other expenditure		(216,109)	49,256	18,272	17,768	(26,032)	53,686	1,949	7,837	18,289	18,649	8,006	388,499	340,070	302,758	301,883
Cash Payments by Type		**(162,711)**	**49,846**	**17,875**	**19,615**	**(31,204)**	**149,461**	**12,351**	**18,728**	**51,895**	**30,431**	**17,738**	**783,249**	**957,274**	**916,125**	**943,569**
Other Cash Flows/Payments by Type																
Capital assets		–	9,248	7,238	20,029	4	37,555	1,701	13,374	4,144	24,609	12,764	569,517	700,182	228,223	253,824
Repayment of borrowing		–	–	–	4,498	901	3,614	919	930	670	58	59	(1,662)	9,987	–	–
Other Cash Flows/Payments		–	–	–	–	–	–	–	–	1,401	–	–	(1,401)	–	–	–
Total Cash Payments by Type		**(162,711)**	**59,094**	**25,113**	**44,142**	**(30,298)**	**190,629**	**14,971**	**33,032**	**58,110**	**55,099**	**30,561**	**1,349,702**	**1,667,444**	**1,144,348**	**1,197,393**
NET INCREASE/(DECREASE) IN CASH HELD		**146,028**	**(22,354)**	**2,217**	**(24,603)**	**133,849**	**117,787**	**(3,033)**	**110,975**	**214,870**	**23,007**	**27,349**	**(1,306,119)**	**(580,027)**	**6,422**	**8,834**
Cash/cash equivalents at the month/year beginning:		55,565	201,593	179,238	181,455	156,852	290,701	408,488	405,455	516,430	731,300	754,308	781,656	55,565	(524,462)	(518,041)
Cash/cash equivalents at the month/year end:		201,593	179,238	181,455	156,852	290,701	408,488	405,455	516,430	731,300	754,308	781,656	(524,462)	(524,462)	(518,041)	(509,206)

9.2 Supporting Table SC1

NW375 Moses Kotane - Supporting Table SC1 Material variance explanations - M12 June

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue			
	Transfers and subsidies		Receipts of equitable share tranche	As an when we receive Eqs we allign it to payment schedule
	Interest on current and non current assts		Reduces bank balances	Budget wasreduced during adjustment budget to cater for the
	Fines		Lack of seamless intergration between two systems	JNL will be processed to account for the revenue derived from issuing fines
2	Expenditure By Type			
	Interest finance cost		Early payment of lease agreement	
	Debt impaiment and depreciation		Debtors and assets are not fully impaired. Debt impairment is mistated	JNL will be processed to correct the mistatement
3	Capital Expenditure			
	Variances was Not Calculated			
4	Financial Position			
	Cash		Not all bank balances are included in G6	The system vendor is being enganged to correct misallignment
5	Cash Flow			
	Cpayment to suppliers and employees		Incorrect mapping of vote numbers in the system	The misstatemnt will be corrected accordingly
6	Measureable performance			
7	Municipal Entities			

Section 10: Capital Programme Performance

10. Supporting table SC12

NW375 Moses Kotane - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M12 June

Month R thousands	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
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%	5%
September	23,087	18,756	18,756	7,238	7,238	56,267	49,029	87.1%	4%
October	24,189	18,756	18,756	20,029	20,029	75,023	54,994	73.3%	11%
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%	20%
January	6,308	18,756	18,756	1,701	1,701	131,290	129,589	98.7%	1%
February	8,768	20,920	20,920	13,374	13,374	152,210	138,835	91.2%	7%
March	8,559	20,920	20,920	4,144	4,144	173,130	168,986	97.6%	2%
April	11,637	20,920	20,920	24,609	24,609	194,050	169,440	87.3%	0
May	8,783	20,920	20,920	12,764	24,609	214,970	190,360	88.6%	0
June	50,879	(31,772)	(31,772)	24,448	24,448	183,198	158,750	86.7%	0
Total Capital expenditure	182,102	183,198	183,198	155,113					

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

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th JUNE 2026 - MOSES KOTANE LOCAL MUNICIPALITY

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	41,145	7,885	37,497	41,145	3,648	8.9%	41,145
Roads Infrastructure		–	1,500	–	–	–	–	–		–
Roads		–	1,500	–	–	–	–	–		–
Storm water Infrastructure		–	–	1,550	1,303	1,303	1,550	247	15.9%	1,550
Drainage Collection		–	–	1,550	1,303	1,303	1,550	247	15.9%	1,550
Electrical Infrastructure		–	7,000	2,713	–	2,103	2,713	610	22.5%	2,713
LV Networks		–	7,000	2,713	–	2,103	2,713	610	22.5%	2,713
Capital Spares								–		
Water Supply Infrastructure		42,171	63,600	32,885	6,074	30,672	32,885	2,213	6.7%	32,885
Water Treatment Works		23,598	–	735	–	–	735	735	100.0%	735
Bulk Mains		–	9,000	12,598	1,404	10,677	12,598	1,921	15.3%	12,598
Distribution		18,573	39,600	18,871	4,865	19,404	18,871	(532)	-2.8%	18,871
Distribution Points		–	15,000	680	(196)	591	680	89	13.0%	680
Sanitation Infrastructure		–	10,000	3,998	508	3,420	3,998	578	14.5%	3,998
Waste Water Treatment Wo		–	10,000	3,998	508	3,420	3,998	578	14.5%	3,998
Solid Waste Infrastructure		2,527	2,000	–	–	–	–	–		–
Landfill Sites		2,527	2,000	–	–	–	–	–		–
Community Assets		–	–	100	–	–	100	100	100.0%	100
Community Facilities		–	–	100	–	–	100	100	100.0%	100
Capital Spares		–	–	100	–	–	100	100	100.0%	100
Furniture and Office Equipme		678	–	1,200	–	372	1,200	828	69.0%	1,200
Furniture and Office Equipment		678	–	1,200	–	372	1,200	828	69.0%	1,200
Machinery and Equipment		–	–	2,370	–	–	2,370	2,370	100.0%	2,370
Machinery and Equipment		–	–	2,370	–	–	2,370	2,370	100.0%	2,370
Transport Assets		336	–	–	–	–	–	–		–
Transport Assets		336	–	–	–	–	–	–		–
Total Capital E	1	45,712	84,100	44,815	7,885	37,869	44,815	6,946	15.5%	44,815

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**	**15,862**	**95**	**9,029**	**15,862**	6,833	**43.1%**	**15,862**
Roads Infrastructure		–	15,000	15,862	95	9,029	15,862	6,833	**43.1%**	15,862
Roads		–	15,000	15,862	95	9,029	15,862	6,833	**43.1%**	15,862
Cemeteries/Crematoria		–	4,468	–	–	–	–	–		–
Other assets		**–**	**2,000**	**–**	**–**	**–**	**–**	**–**		**–**
Operational Buildings		–	2,000	–	–	–	–	–		–
Training Centres		–	2,000	–	–	–	–	–		–
Total Capital E	1	**–**	**21,468**	**15,862**	**95**	**9,029**	**15,862**	**6,833**	43.1%	**15,862**

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th JUNE 2026 - 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**	**65,955**	**4,521**	**54,774**	**65,955**	11,181	**17.0%**	**65,955**
Roads Infrastructure		394	3,300	1,800	248	595	1,800	1,205	**66.9%**	1,800
Roads		394	3,000	1,500	248	595	1,500	905	**60.3%**	1,500
Road Structures								–		
Road Furniture		–	300	300	–	–	300	300	**100.0%**	300
Electrical Infrastructure		375	100	100	–	–	100	100	**100.0%**	100
LV Networks		375	100	100	–	–	100	100	**100.0%**	100
Capital Spares								–		
Water Supply Infrastructure		29,963	36,500	46,454	4,273	44,451	46,454	2,003	**4.3%**	46,454
Reservoirs		–	6,500	14,424	1,055	12,543	14,424	1,881	**13.0%**	14,424
Pump Stations								–		
Water Treatment Works		29,963	30,000	32,030	3,218	31,909	32,030	121	**0.4%**	32,030
Sanitation Infrastructure		5,029	2,000	2,000	–	578	2,000	1,422	**71.1%**	2,000
Waste Water Treatment Wo		5,029	2,000	2,000	–	578	2,000	1,422	**71.1%**	2,000
Solid Waste Infrastructure		13,169	23,474	15,601	–	9,150	15,601	6,451	**41.4%**	15,601
Landfill Sites		13,169	23,474	15,601	–	9,150	15,601	6,451	**41.4%**	15,601
Community Assets		**30**	**350**	**290**	**–**	**12**	**290**	**278**	**95.7%**	**290**
Community Facilities		–	100	100	–	–	100	100	**100.0%**	100
Cemeteries/Crematoria		–	100	100	–	–	100	100	100.0%	100
Sport and Recreation Facilities		30	250	190	–	12	190	178	**93.5%**	190
Indoor Facilities								–		
Outdoor Facilities		30	250	190	–	12	190	178	93.5%	190
Capital Spares								–		
Heritage assets		–	–	–	–	–	–	–		–
Other assets		**6,468**	**8,600**	**8,600**	**436**	**7,239**	**8,600**	**1,361**	**15.8%**	**8,600**
Operational Buildings		6,468	8,600	8,600	436	7,239	8,600	1,361	**15.8%**	8,600
Municipal Offices		6,468	8,600	8,600	436	7,239	8,600	1,361	15.8%	8,600
Intangible Assets		**7,125**	**9,000**	**9,000**	**600**	**3,025**	**9,000**	**5,975**	66.4%	**9,000**
Servitudes								–		
Licences and Rights		7,125	9,000	9,000	600	3,025	9,000	5,975	**66.4%**	9,000
Computer Software and App		7,125	9,000	9,000	600	3,025	9,000	5,975	66.4%	9,000
Computer Equipment		**34**	**50**	**50**	**1**	**6**	**50**	**44**	88.7%	**50**
Computer Equipment		34	50	50	1	6	50	44	88.7%	50
Machinery and Equipment		**–**	**100**	**100**	**–**	**–**	**100**	**100**	100.0%	**100**
Machinery and Equipment		–	100	100	–	–	100	100	100.0%	100
Transport Assets		**3,775**	**14,750**	**20,250**	**5,511**	**15,138**	**20,250**	**5,112**	25.2%	**20,250**
Transport Assets		3,775	14,750	20,250	5,511	15,138	20,250	5,112	25.2%	20,250
Living resources		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Repairs a	1	**66,362**	**98,224**	**104,245**	**11,069**	**80,194**	**104,245**	**24,051**	**23.1%**	**104,245**

QUARTERLY BUDGET STATEMENT FOR THE QUARTER ENDING 30th JUNE 2026 - MOSES KOTANE LOCAL MUNICIPALITY

10.2.4 Supporting Table SC13d

NW375 Moses Kotane - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Depreciation by Asset Class/Sub-class										
Infrastructure		**104,019**	**141,156**	**141,156**	**(0)**	**87,658**	**141,156**	53,498	37.9%	**141,156**
Roads Infrastructure		34,881	53,345	53,345	–	22,316	53,345	31,029	58.2%	53,345
Roads		34,881	53,345	53,345	–	22,316	53,345	31,029	58.2%	53,345
Storm water Infrastructure		5,019	5,927	5,927	–	4,532	5,927	1,395	23.5%	5,927
Drainage Collection		5,019	5,927	5,927	–	4,532	5,927	1,395	23.5%	5,927
Electrical Infrastructure		3,724	4,251	4,251	–	3,407	4,251	844	19.9%	4,251
Power Plants		3,724	4,251	4,251	–	3,407	4,251	844	19.9%	4,251
Water Supply Infrastructure		57,599	74,316	74,316	(0)	54,652	74,316	19,664	26.5%	74,316
Dams and Weirs		6	–	–	–	–	–	–		–
Reservoirs		–	–	–	11,097	11,097	–	(11,097)	#DIV/0!	–
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		–	–	–	1,017	1,017	–	(1,017)	#DIV/0!	–
Bulk Mains		–	–	–	30,258	30,258	–	(30,258)	#DIV/0!	–
Distribution		57,593	74,316	74,316	(42,372)	12,280	74,316	62,036	83.5%	74,316
Sanitation Infrastructure		2,134	2,542	2,542	–	1,942	2,542	600	23.6%	2,542
Pump Station		–	–	–	–	–	–	–		–
Reticulation		–	–	–	–	–	–	–		–
Waste Water Treatment Wo		2,134	2,542	2,542	–	1,942	2,542	600	23.6%	2,542
Solid Waste Infrastructure		662	776	776	–	809	776	(34)	-4.3%	776
Landfill Sites		662	776	776	–	809	776	(34)	-4.3%	776
Community Assets		**16,647**	**24,672**	**24,672**	**–**	**14,916**	**24,672**	**9,756**	39.5%	**24,672**
Community Facilities		16,647	24,672	24,672	–	14,916	24,672	9,756	39.5%	24,672
Halls		14,681	20,772	20,772	–	13,184	20,772	7,588	36.5%	20,772
Centres		1,966	3,899	3,899	–	1,732	3,899	2,167	55.6%	3,899
Other assets		**6,190**	**8,288**	**8,288**	**–**	**5,547**	**8,288**	**2,742**	33.1%	**8,288**
Operational Buildings		6,190	8,288	8,288	–	5,547	8,288	2,742	33.1%	8,288
Municipal Offices		6,190	8,288	8,288	–	5,547	8,288	2,742	33.1%	8,288
Intangible Assets		**2,244**	**2,856**	**2,856**	**–**	**1,708**	**2,856**	**1,148**	40.2%	**2,856**
Servitudes								–		
Licences and Rights		2,244	2,856	2,856	–	1,708	2,856	1,148	40.2%	2,856
Computer Software and App		2,244	2,856	2,856	–	1,708	2,856	1,148	40.2%	2,856
Furniture and Office Equipmen		**2,295**	**3,071**	**3,071**	**–**	**2,423**	**3,071**	**648**	21.1%	**3,071**
Furniture and Office Equipment		2,295	3,071	3,071	–	2,423	3,071	648	21.1%	3,071
Machinery and Equipment		**219**	**305**	**305**	**–**	**152**	**305**	**153**	50.1%	**305**
Machinery and Equipment		219	305	305	–	152	305	153	50.1%	305
Transport Assets		**4,385**	**6,212**	**6,212**	**–**	**5,292**	**6,212**	**920**	14.8%	**6,212**
Transport Assets		4,385	6,212	6,212	–	5,292	6,212	920	14.8%	6,212
Living resources		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Zoological plants and animals								–		
Total Depreciat	1	**135,999**	**186,561**	**186,561**	**(0)**	**117,697**	**186,561**	**68,864**	36.9%	**186,561**

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							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		**3,264**	**105,500**	**112,490**	**14,732**	**99,793**	**112,490**	12,697	**11.3%**	**112,490**
Roads Infrastructure		3,264	68,500	88,875	12,108	79,592	88,875	9,284	**10.4%**	88,875
Roads		3,264	68,500	86,113	10,580	78,063	86,113	8,050	**9.3%**	86,113
Road Structures								–		
Road Furniture		–	–	2,762	1,528	1,528	2,762	1,234	**44.7%**	2,762
Water Supply Infrastructure		–	20,000	4,883	–	4,246	4,883	637	**13.0%**	4,883
Bulk Mains		–	20,000	4,883	–	4,246	4,883	637	**13.0%**	4,883
Distribution								–		
Sanitation Infrastructure		–	17,000	18,732	2,624	15,956	18,732	2,776	**14.8%**	18,732
Pump Station								–		
Reticulation		–	–	–	–	–	–	–		–
Waste Water Treatment Wo		–	17,000	18,732	2,624	15,956	18,732	2,776	**14.8%**	18,732
Community Assets		**-**	**14,000**	**10,030**	**1,736**	**8,421**	**10,030**	**1,609**	**16.0%**	**10,030**
Community Facilities		–	14,000	10,030	1,736	8,421	10,030	1,609	**16.0%**	10,030
Cemeteries/Crematoria		–	14,000	10,030	1,736	8,421	10,030	1,609	16.0%	10,030
Zoo's, Marine and Non-biolog		**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**
Zoological plants and animals								–		
Total Capital E	1	**3,264**	**119,500**	**122,520**	**16,468**	**108,215**	**122,520**	**14,305**	**11.7%**	**122,520**