MERAFONG MUNICIPALITY

SECTION 71 AND 52d FOR QUARTER 2 ENDING 31 DECEMBER 2025

- DISTRIBUTION:
- Executive Mayor: **Ms. Nozuko Best**
- Municipal Manager: **Mr. Dumisani Mabuza**
- Chief Financial Officer: **Ms. Palesa Makhubela**
- Sector Departments: **National and Provincial Departments**
- **Uploaded to the National Treasury GoMuni portal**

PART 1: IN-YEAR REPORT FOR THE PERIOD ENDING DECEMBER MONTH 06 OF 2025/26 FINANCIAL YEAR
TO: THE HOUNERABLE EXECUTIVE MAYOR
FROM: BUDGET & TREASURY OFFICE

MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): SECTION 71 AND 52 (D): IN-YEAR MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDING IN DECEMBER, MONTH 06 AND QUARTER 02 2025 FINANCIAL YEAR

IN-YEAR BUDGET STATEMENT TABLES: MONTH ENDED 31 DECEMBER OF 2025 FINANCIAL YEAR

The financial results for the Month ended 31 December 2025 are attached and consists of the following tables:

MBRR TABLES:

1. Table C1 Month 06 Budget Statement -Summary
2. Table C2: Month 06 Budget Statement - Financial Performance (Revenue and Expenditure by Functional Classification)
3. Table C3 Month 06 Budget Statement - Financial Performance (revenue and expenditure by municipal vote)
4. Table C4: Month 06 Budget Statement – Financial Performance (Revenue and Expenditure)
5. Table C5: Month 06 Budget Statement – Capital Expenditure by vote, standard classification and funding
6. Table C6: Month 06 Budget Statement – Financial Position
7. Table C7: Month 06 Budget Statement – Cash Flow
8. Table SC3: Month 06 Budget Statement – Aged Debtors
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10. Table SC5: Month 06 Budget Statement – Investment Portfolio
11. Table SC7: Month 06 Budget Statement – Transfer and grant expenditures

1. Purpose

To submit a report on the implementation of the budget and the financial state of affairs of the municipality for the Month of December 2025 in accordance with the provisions of Section 71 of the Municipal Finance Management Act (MFMA), Act 56 of 2003.

2. Background

This report contains the information for the Monthly section 71 which must be sent to the Executive Mayor within 10 working days.

According to Section 71 the accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality, and the relevant National and Provincial Treasury, a statement in the prescribed format on the state of the municipality's budget reflecting certain particulars for that month and for the financial year up to the end of that month.

For the reporting period ending **31 December 2025**, the ten working day reporting limit expired on **14 January 2026**.

3. Executive summary

The budgeted Revenue for the year has been set at an amount of **R2 898 488 757**, the actual revenue as at end of December amounted to **R246 550 000** and for the 2nd Quarter amounted to **R554 019 000** including Grants received in December 2025. The budgeted Expenditure for the year has been set at an amount of **R 2 762 021 079**, the actual expenditure as at end of December amounted to **R165 255 000**. and for the 2nd Quarter amounted to **R541 683 000**

The Capital Budget for the 2025-26 Financial year is **R159 631 999.00**

The Capital Budget amounted to **R159 631 999.00,** and Expenditure incurred on Capital amounted to **R17 487 921.21** for the month of December which is **8.51%** of the total Capital Budget and for the Second Quarter amounted to **R45 017 539.19** which is **28.20%** of the total Capital Budget

The Capital expenditure to date amounted to **R62 749 515.94** which is **39.31%** of the total Budget.

The summary of the operating and capital budgets are as follows:

OPERATING AND CAPITAL BUDGET EXPENDITURE	2025/2026 FINAL BUDGET
TOTAL OPERATING REVENUE	R2 898 488 757.00
TOTAL OPERATING EXPENDITURE	R2 762 021 079.00
TOTAL CAPITAL EXPENDITURE	R159 631 999.00
TOTAL OPEX AND CAPEX BUDGET	R2 921 953 078.00

4.1 Operating Revenue by Source

Description	Budget Amount	December Actual	YTD Revenue	%YTD Revenue
Operating Revenue	R2 898 488 757	R246 550 000	R1 180 978 000	40.75%
TOTAL Revenue	R2 898 488 757	**R246 550 000**	**R1 180 978 000**	**40.75%**

4.2 Operating Expenditure by Type

Description	Budget Amount	December Actual	YTD Expenditure	%YTD Expenditure
Operating Expenditure	R2 762 021 000	R165 255 000	R1 139 487 000	41.26%
TOTAL Revenue	R2 762 021 000	**R165 255 000**	**R1 139 487 000**	**41.26%**

4.3 SALARIES

Description	Budget Amount	December Actual	YTD Expenditure	%YTD Expenditure
Employee Related Cost	R466 720 835	R38 120 000	R182 294 000	39.05%
TOTAL	**R466 720 835**	**R38 120 000**	**R182 294 000**	**39.05%**

a. REMUNERATION ON COUNCILLORS

Description	Budget Amount	December Actual	YTD Expenditure	%YTD Expenditure
Remunerations of Councillors	R28 459 742	R2 356 000	R11 764 000	**33.52%**
TOTAL	**R28 459 742**	**R2 356 000R**	**R11 764 000**	**33.52%**

STAFF OVERTIME

Summary: Overtime

Trading Services

Month	Projected	M04-M06 Actuals	Percentage
October	R2 194 583.58	R2 177 472.76	99.22%
November	R2 194 583.58	R2 244 187.87	102.26
December	R2 194 583.58	R2 429 262.33	110.69%

OVERTIME EXPENDITURE FOR DECEMBER 2025

SERIAL NUMBER	CATEGORY OF EXPENDITURE	ANNUAL Approved Budgett	Oct	Nov	Dec	Tran current ytd	Positive/Negative Variamce %
	Revenue By Source						
1	INCOME	145 000.00	42 806.18	68 794.87	36 986.36	360 739.08	25.51%
2	EXPENDITURE	112 000.00	33 092.42	42 188.34	25 649.09	218 878.64	22.90%
3	BUDGET & TREASURY	140 000.00	24 111.07	48 237.19	34 599.38	195 805.92	24.71%
4	SUPPLY CHAIN					5 605.82	
5	FINANCE:INTERNS	95 000.00		12 562.39		52 580.35	0.00%
6	TRAFFIC & LICENSING	2 521 639.00	161 905.76	179 928.88	227 789.29	1 131 170.48	9.03%
7	SECURITY	1 200 000.00	124 171.97	95 962.01	129 536.68	694 639.68	10.79%
8	CEMETARY	100 765.00	4 822.21	904.16		5 726.37	0.00%
9	REFUSE REMOVAL	7 907 522.00	513 112.80	489 293.52	483 061.74	2 903 908.68	6.11%
10	WATER	5 654 197.00	484 375.80	441 106.66	450 132.21	2 805 753.07	7.96%
11	ELECTRICITY	6 300 500.00	330 138.00	358 666.15	355 926.92	2 163 592.12	5.65%
12	CHIEF OPERATING OFFICER					4 662.38	
13	SECRETARIAT & LEGAL	30 651.00	5 560.23	39 193.40	34 893.69	192 159.40	113.84%
14	IDP/PMS	6 760.00				-	0.00%
15	EXECUTIVE MAYOR	71 107.00	14 206.90	50 880.02	48 815.85	266 911.17	68.65%
16	SPEAKER		10 247.20	31 623.68	42 265.39	174 670.64	
17	S.E. SHARED SERVICES		9 101.93	14 828.29	9 162.20	63 328.14	
18	INTERNAL AUDIT	3 525.00				-	0.00%
19	CHIEF OF STAFF					-	
20	INFORMATION TECHNOLOGY	101 040.00	7 233.32	24 111.06	20 645.08	74 533.29	20.43%
21	MANAGER CIVIL ENGINEERING	55 200.00	5 424.99	8 137.48	13 441.91	48 945.45	24.35%
22	PUBLIC WORKS	468 480.00	73 135.91	72 236.34	119 798.26	460 808.49	25.57%
23	SE ECONOMIC DEVELOPMENT			7 112.76	7 956.65	23 267.17	
24	ROADS & STORMWATER	411 462.00	80 576.32	106 225.53	112 980.16	588 398.54	27.46%
25	PARKS	918 985.00	160 858.88	54 992.66	160 631.05	640 255.54	17.48%
26	MARKETING	1 040.00	3 375.54	6 751.10	9 282.76	20 765.65	892.57%
27	MANAGER SRACH,LIS and Parks	27 775.00	2 953.60	4 159.16	7 715.53	34 961.00	27.78%
28	SOCIAL DEVELOPMENT	5 200.00				-	0.00%
29	HR & SKILLS DEVELOPMENT	41 555.00	29 290.92	30 234.09	30 175.10	156 970.64	72.61%
30	INDUSTRIAL RELATIONS		5 157.31	5 318.48	5 519.93	22 787.61	
31	HOUSING ADMINISTRATION	15 600.00	35 056.31	29 547.21	40 743.00	121 742.04	261.17%
32	SPARTIAL PLANNING					-	
33	LIBRARIES					-	
34	PROJECT MANAGEMET UNIT					-	
35	MUNICIPAL MANAGER					-	
36	LED					-	
37	SE COMMUNITY SERVICE		8 438.88	7 594.98	7 594.98	44 123.24	
38	WATER CAREWORK		8 318.31	13 597.46	13 959.12	89 853.90	
	Total	**26 335 003.00**	**2 177 472.76**	**2 244 187.87**	**2 429 262.33**	**13 567 544.50**	

Summary: Overtime
The approved overtime budget for the **2025/26** financial year is a total amount of **R26 355 003.00.**
During **December 2025** overtime paid was a total amount of **R2 429 262.33** against the projected budget of **R2 194 583.58** which is **110.69%** of the monthly projected budget.

There is an indication that most of the departments have increased spending on the overtime which need management attention to control the spending. The matter will be escalated to EXCO for review.

Management of overtime is a continuous process, and overtime hours have been curbed at 40 hours for service delivery departments excluding pre-approved essential services where overtime has exceeded 40 hours. There is still room for improvement on overtime expenditure, especially on non-service delivery section

b. PROGRESS ON IMPLIMENTATION OF FRP

Merafong City was placed under Financial Recovery Plan (FRP), the intervention was instituted in terms of S139(5) of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), as read with sections 139, 140 and 146 to 149 of the MFMA.
As this is a mandatory intervention, the municipality must implement the financial recovery plan. In terms of S146(2) of the MFMA the imposed FRP binds the municipality in the exercise of both its legislative and executive authority including approval of a budget and legislative measures giving effect to the budget.

The Municipality is currently at the Rescue Phase stage of implementation of the Financial Recovery Plan. Governance

i. Institutional
ii. Financial Management
iii. Service Delivery

The 2025/2026 funded budget was successfully prepared, submitted to council and adopted by council within the prescribed timeframe. The budget recorded the reduction in the deficit to a surplus, however the assessment by the Provincial Treasury indicates that the budget is unfunded. The municipality subsequently prepared the budget funding plan which is monitored quarterly.

The Control environment was strengthened by the appointments of the Deputy CFO, the Financial Reporting Manager, and the Revenue Manager.

The 2024/25 financial statements were submitted on time to AGSA and the audit is ongoing.

The collection rate of the Debtors is of the municipality is below the prescribed rate of 85% that is set by National Treasury for the debt relief conditions. The revenue collection can be improved by credit control actions and the implementation of smart metering to take action against defaulting debtors

5. In-year budget statement tables

2) Table C1 Monthly Budget Statement Summary

GT484 Merafong City - Table C1 Monthly Budget Statement Summary - M06 December

Description	2024/25	Budget Year 2025/26								
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance										
Property rates	525 259	582 735	–	54 726	163 777	331 591	291 368	40 224	14%	582 735
Service charges	885 064	1 329 805	–	68 454	199 318	444 539	696 861	(252 322)	-36%	1 329 805
Investment revenue	11 172	11 744	–	453	1 567	2 933	5 872	(2 939)	-50%	11 744
Transfers and subsidies - Operational	361 224	358 803	–	96 673	99 797	235 619	174 860	60 759	35%	358 803
Other own revenue	394 705	615 421	–	26 244	89 559	166 296	304 527	(138 231)	-45%	615 421
Total Revenue (excluding capital transfers and contributions)	**2 177 424**	**2 898 509**	**–**	**246 550**	**554 019**	**1 180 978**	**1 473 487**	**(292 509)**	**-20%**	**2 898 509**
Employee costs	439 612	466 721	–	38 120	110 893	182 294	233 360	(51 067)		466 721
Remuneration of Councillors	27 103	28 460	–	2 356	6 802	11 764	14 230	(2 466)		28 460
Depreciation and amortisation	177 586	157 984	–	–	–	42 450	78 992	(36 542)		157 984
Interest	285 710	116 202	–	27 579	78 314	148 100	58 101	89 999		116 202
Inventory consumed and bulk purchases	750 487	945 128	–	57 419	179 850	415 565	472 564	(56 999)		945 128
Transfers and subsidies	506	596	–	42	83	208	298	(91)	-30%	596
Other expenditure	1 768 342	1 046 930	–	39 738	165 741	339 108	523 465	(184 357)	-35%	1 046 930
Total Expenditure	**3 449 346**	**2 762 021**	**–**	**165 255**	**541 683**	**1 139 487**	**1 381 011**	**(241 523)**	**-17%**	**2 762 021**
Surplus/(Deficit)	**(1 271 922)**	**136 488**	**–**	**81 295**	**12 337**	**41 490**	**92 477**	**(50 986)**	**-55%**	**136 488**
Transfers and subsidies - capital (monetary allocations)	149 974	124 091	–	–		42 792	41 768	1 024	2%	124 091
Transfers and subsidies - capital (in-kind)	(126)	–	–	–		–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(1 122 074)**	**260 579**	**–**	**81 295**	**12 337**	**84 282**	**134 245**	**(49 963)**	**-37%**	**260 579**
Share of surplus/ (deficit) of associate	–	–	–	–		–	–	–		–
Surplus/ (Deficit) for the year	**(1 122 074)**	**260 579**	**–**	**81 295**	**12 337**	**84 282**	**134 245**	**(49 963)**	**-37%**	**260 579**

a. A summary statement of financial performance will be in the C4 of the C schedule on a basis of prescribed budget format, detailing revenue by source type and expenditure input

GT484 Merafong City - Table C1 Monthly Budget Statement Summary - M06 December

Description	2024/25	Budget Year 2025/26								
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance										
Property rates	525 259	582 735	–	54 726	163 777	331 591	291 368	40 224	14%	582 735
Service charges	885 064	1 329 805	–	68 454	199 318	444 539	696 861	(252 322)	-36%	1 329 805
Capital expenditure & funds sources										
Capital expenditure	**217 924**	**155 111**	**–**	**14 228**	**57 110**	**57 110**	**77 555**	**(20 446)**	**-26%**	**155 111**
Capital transfers recognised	210 678	124 111	–	13 798	52 025	52 025	62 055	(10 030)	-16%	124 111
Borrowing	–	–	–	–		–	–	–		–
Internally generated funds	**7 246**	**31 000**	**–**	**430**	**5 084**	**5 084**	**15 500**	**(10 415)**	**-67%**	**31 000**
Total sources of capital funds	**217 924**	**155 111**	**–**	**14 228**		**57 110**	**77 555**	**(20 446)**	**-26%**	**155 111**
Financial position										
Total current assets	860 733	1 311 368	–			1 603 911				1 311 368
Total non current assets	3 383 526	3 196 553	–			3 398 186				3 196 553
Total current liabilities	3 733 397	1 265 797	–			4 279 257				1 265 797
Total non current liabilities	169 854	959 373	–			169 854				959 373
Community wealth/Equity	**341 008**	**2 282 751**	**–**			**552 985**				**2 282 751**
Cash flows										
Net cash from (used) operating	(703 778)	515 999	–	(19 589)		2 155 116	1 716 649	(438 468)	-26%	515 999
Net cash from (used) investing	217 924	(189 663)	–	(14 228)		(57 110)	97 831	154 941	158%	(189 663)
Cash/cash equivalents at the month/year end	**(329 874)**	**484 369**	**–**	**(33 816)**		**2 544 415**	**1 972 512**	**(571 903)**	**-29%**	**–**
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	98 459	117 127	93 707	89 453		98 498	97 417	544 103	5 751 967	6 890 731
Creditors Age Analysis										
Total Creditors	(20 026)	139 068	119 170	131 967		152 704	154 877	714 940	1 964 465	3 357 165

17. Table C2: Budget Statement - Financial Performance (Revenue and Expenditure by Municipal vote)

GT484 Merafong City - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2024/25	Budget Year 2025/26								
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quartetly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional											
Governance and administration		**1 170 490**	**1 228 465**	**–**	**164 843**	**325 776**	**672 495**	**590 772**	81 723	14%	**1 228 465**
Executive and council		13 722	–	–	–	6 855	1 803	–	1 803	!	–
Finance and administration		1 156 768	1 228 465	–	164 843	318 550	670 692	590 772	79 920	14%	1 228 465
Internal audit		–	–	–	–	371	–	–	–		–
Community and public safety		**63 668**	**31 966**	**–**	**254**	**9 434**	**9 930**	**11 442**	(1 512)	-13%	**31 966**
Community and social services		28 921	28 909	–	128	6 118	9 188	9 913	(725)	-7%	28 909
Sport and recreation		15	46	–	(2)	2 004	(8)	23	(30)	-133%	46
Public safety		–	–	–	–	489	–	–	–		–
Housing		34 731	3 012	–	128	823	749	1 506	(756)	-50%	3 012
Health		–	–	–	–	–	–	–	–		–
Economic and environmental services		**9 362**	**35 614**	**–**	**713**	**10 174**	**19 203**	**17 807**	1 395	8%	**35 614**
Planning and development		9 362	4 555	–	713	6 582	6 562	2 278	4 285	188%	4 555
Road transport		–	31 059	–	–	3 592	12 640	15 530	(2 889)	-19%	31 059
Environmental protection		–	–	–	–	–	–	–	–		–
Trading services		**1 083 753**	**1 726 553**	**–**	**80 739**	**262 631**	**522 142**	**895 235**	**(373 092)**	-42%	**1 726 553**
Energy sources		373 681	761 265	–	14 440	79 153	139 557	412 590	(273 033)	-66%	761 265
Water management		588 640	750 603	–	54 836	149 054	314 178	375 302	(61 124)	-16%	750 603
Waste water management		9 133	102 384	–	741	7 271	4 461	51 192	(46 731)	-91%	102 384
Waste management		112 300	112 301	–	10 721	27 153	63 945	56 151	7 795	14%	112 301
Other	4	–	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**2 327 271**	**3 022 600**	**–**	**246 550**	**608 015**	**1 223 770**	**1 515 256**	**(291 486)**	**-19%**	**3 022 600**

GT484 Merafong City - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2024/25	Budget Year 2025/26								
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quartetly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Expenditure - Functional</u>	-										
Governance and administration		**985 198**	**544 255**	**–**	**16 175**	**135 114**	**250 649**	**272 128**	(21 478)	-8%	**544 255**
Executive and council		101 723	84 030	–	3 646	16 952	46 633	42 265	4 368	10%	84 030
Finance and administration		878 185	450 975	–	10 305	115 147	198 998	225 237	(26 239)	-12%	450 975
Internal audit		5 289	9 251	–	2 224	3 015	5 018	4 625	393	8%	9 251
Community and public safety		**135 302**	**123 259**	**–**	**1 767**	**19 137**	**52 528**	**61 630**	(9 101)	-15%	**123 259**
Community and social services		87 586	73 544	–	1 065	12 371	34 470	36 772	(2 302)	-6%	73 544
Sport and recreation		27 281	29 902	–	673	4 625	10 611	14 951	(4 339)	-29%	29 902
Public safety		6 016	4 231	–	–	972	2 606	2 116	490	23%	4 231
Housing		14 419	12 447	–	30	1 170	4 841	6 224	(1 383)	-22%	12 447
Health		–	3 135	–	–	–	–	1 568	(1 568)	-100%	3 135
Economic and environmental services		**200 856**	**211 121**	**–**	**916**	**18 501**	**70 425**	**105 560**	(35 135)	-33%	**211 121**
Planning and development		82 251	36 019	–	0	10 250	28 628	18 010	10 619	59%	36 019
Road transport		118 604	175 102	–	915	8 251	41 797	87 551	(45 754)	-52%	175 102
Environmental protection		–	–	–	–	–	–	–	–		–
Trading services		**2 127 991**	**1 883 386**	**–**	**88 553**	**311 085**	**765 885**	**941 693**	**(175 808)**	-19%	**1 883 386**
Energy sources		865 768	918 468	–	56 115	176 242	446 637	459 234	(12 597)	-3%	918 468
Water management		988 043	654 481	–	14 615	96 715	237 858	327 241	(89 383)	-27%	654 481
Waste water management		121 012	142 533	–	13 585	22 584	45 679	71 267	(25 588)	-36%	142 533
Waste management		153 168	167 904	–	4 237	15 545	35 711	83 952	(48 241)	-57%	167 904
Other		–	–	–	–	–	–	–	–		–
Total Expenditure - Functional	**3**	**3 449 346**	**2 762 021**	**–**	**107 410**	**464 701**	**1 139 487**	**1 381 011**	**(241 523)**	**-17%**	**2 762 021**
Surplus/ (Deficit) for the year		**(1 122 074)**	**260 579**	**–**	**139 139**	**143 314**	**84 282**	**134 245**	**(49 963)**	**-37%**	**260 579**

18. Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) – M06 December 2025

GT484 Merafong City - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description R thousands	Ref	2024/25	Budget Year 2025/26								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1										
Vote 1 - Municipal Manager		13 722	–	–	–	277	1 803	–	1 803	#DIV/0!	–
Vote 2 - Finance		1 140 049	1 220 086	–	164 035	312 040	667 424	586 582	80 842	13.8%	1 220 086
Vote 3 - Community and Social Services		28 921	28 909	–	128	2 030	9 188	9 913	(725)	-7.3%	28 909
Vote 4 - Sport and Recreation		15	46	–	(2)	(4)	(8)	23	(30)	-133.5%	46
Vote 5 - Public Safety		–	–	–	–	–	–	–	–		–
Vote 6 - Housing		34 731	3 012	–	128	377	749	1 506	(756)	-50.2%	3 012
Vote 7 - Health		–	–	–	–	–	–	–	–		–
Vote 8 - Planning and Development		9 362	4 555	–	713	2 722	6 562	2 278	4 285	188.1%	4 555
Vote 9 - Road Transport		–	31 059	–	–	12 640	12 640	15 530	(2 889)	-18.6%	31 059
Vote 10 - Energy Sources		373 681	761 265	–	14 440	37 128	139 557	412 590	(273 033)	-66.2%	761 265
Vote 11 - Water Management		588 640	750 603	–	54 836	163 869	314 178	375 302	(61 124)	-16.3%	750 603
Vote 12 - Waste Water Management		9 133	102 384	–	741	2 187	4 461	51 192	(46 731)	-91.3%	102 384
Vote 13 - Waste Management		112 300	112 301	–	10 721	32 057	63 945	56 151	7 795	13.9%	112 301
Vote 14 - Internal Audit		–	–	–	–	–	–	–	–		–
Vote 15 - Other		16 719	8 380	–	808	1 790	3 268	4 190	(922)	-22.0%	8 380
Total Revenue by Vote	2	**2 327 271**	**3 022 600**	**–**	**246 550**	**565 323**	**1 223 770**	**1 515 256**	**(291 486)**	**-19.2%**	**3 022 600**

GT484 Merafong City - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description R thousands	Ref	2024/25	Budget Year 2025/26								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure by Vote	1										
Vote 1 - Municipal Manager		101 723	84 030	–	3 646	16 952	46 633	42 265	4 368	10.3%	84 030
Vote 2 - Finance		433 082	215 512	–	10 297	113 826	194 442	107 506	86 936	80.9%	215 512
Vote 3 - Community and Social Services		87 586	73 544	–	1 065	12 371	34 470	36 772	(2 302)	-6.3%	73 544
Vote 4 - Sport and Recreation		27 281	29 902	–	673	4 625	10 611	14 951	(4 339)	-29.0%	29 902
Vote 5 - Public Safety		6 016	4 231	–	–	972	2 606	2 116	490	23.2%	4 231
Vote 6 - Housing		14 419	12 447	–	30	1 170	4 841	6 224	(1 383)	-22.2%	12 447
Vote 7 - Health		–	3 135	–	–	–	–	1 568	(1 568)	-100.0%	3 135
Vote 8 - Planning and Development		82 251	36 019	–	0	10 250	28 628	18 010	10 619	59.0%	36 019
Vote 9 - Road Transport		118 604	175 102	–	915	8 251	41 797	87 551	(45 754)	-52.3%	175 102
Vote 10 - Energy Sources		865 768	918 468	–	56 115	176 242	446 637	459 234	(12 597)	-2.7%	918 468
Vote 11 - Water Management		988 043	654 481	–	14 615	96 715	237 858	327 241	(89 383)	-27.3%	654 481
Vote 12 - Waste Water Management		121 012	142 533	–	13 585	22 584	45 679	71 267	(25 588)	-35.9%	142 533
Vote 13 - Waste Management		153 168	167 904	–	4 237	15 545	35 711	83 952	(48 241)	-57.5%	167 904
Vote 14 - Internal Audit		5 289	9 251	–	2 224	3 015	5 018	4 625	393	8.5%	9 251
Vote 15 - Other		445 104	235 463	–	7	1 321	4 556	117 732	(113 176)	-96.1%	235 463
Total Expenditure by Vote	2	**3 449 346**	**2 762 021**	**–**	**107 410**	**483 838**	**1 139 487**	**1 381 011**	**(241 523)**	**-17.5%**	**2 762 021**
Surplus/ (Deficit) for the year	2	**(1 122 074)**	**260 579**	**–**	**139 139**	**81 484**	**84 282**	**134 245**	**(49 963)**	**-37.2%**	**260 579**

1 Table C4: Month 06 Budget Statement – Financial Performance (Revenue and Expenditure)

GT484 Merafong City - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description R thousands	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue											
Exchange Revenue											
Service charges - Electricity		315 811	481 628	–	13 776	35 818	129 938	272 772	(142 834)	-52%	481 628
Service charges - Water		407 417	633 537	–	39 145	116 014	219 986	316 768	(96 782)	-31%	633 537
Service charges - Waste Water Management		67 635	102 355	–	6 758	21 197	41 940	51 177	(9 238)	-18%	102 355
Service charges - Waste management		94 201	112 285	–	8 776	26 290	52 675	56 143	(3 468)	-6%	112 285
Sale of Goods and Rendering of Services		4 241	3 646	–	233	819	1 764	1 823	(59)	-3%	3 646
Agency services		13 125	17 695	–	–	12 156	12 156	8 847	3 308	37%	17 695
Interest		–	–	–	–	–	–	–	–		–
Interest earned from Receivables		180 911	192 599	–	12 285	35 913	72 847	96 299	(23 452)	-24%	192 599
Interest from Current and Non Current Assets		11 172	11 744	–	453	1 567	2 933	5 872			11 744
Dividends		–	–	–	–	–	–	–	–		–
Rent on Land		1 350	–	–	617	1 825	3 202	–	3 202		–
Rental from Fixed Assets		3 465	3 164	–	140	400	813	1 582	(769)	-49%	3 164
Licence and permits		4	2 069	–	–	–	–	1 034	(1 034)	-100%	2 069
Special rating levies		–	–	–	–	36	–	–	–		–
Operational Revenue		9 520	3 201	–	3	6	49	(1 583)	1 632	-103%	3 201
Non-Exchange Revenue		–	–	–	–	54 554	–	–	–		–
Property rates		525 259	582 735	–	54 726	109 223	331 591	291 368	40 224	14%	582 735
Surcharges and Taxes		–	–	–	–	22	–	–	–		–
Fines, penalties and forfeits		38 739	31 290	–	7	37	273	15 645	(15 372)		31 290
Licence and permits		–	–	–	–	2 780	–	–	–		–
Transfers and subsidies - Operational		361 224	358 803	–	96 673	109 785	235 619	174 860	60 759		358 803
Interest		141 376	152 699	–	12 960	25 577	75 193	76 349	(1 156)		152 699
Gains on disposal of Assets		–	–	–	–	–	–	–	–		–
Other Gains		1 975	209 059	–	–	–	–	104 530	(104 530)		209 059

Discontinued Operations		–	–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**2 177 424**	**2 898 509**	**–**	**246 550**	**554 019**	**1 180 978**	**1 473 487**	**(292 509)**	**-20%**	**2 898 509**

Variance reporting: Revenue

Revenue Description	YTD Actual	YTD Budget	Variance +over/(-under)	Comments
Property Rates	R331 591 000	R291 368 000	R40 224 000	Adjustment of the Tariffs
Electricity revenue	R129 938 000	R272 772 000	(R142 834 000)	The negative variance of electricity revenue is largely to consumption that is not paid for, the Municipality need to implement stringent measures to address the challenges of consumers who use electricity services without paying for them, the situation impacts the cash flow operations of the municipality
Water Revenue	R219 986 000	R316 768 000	(R96 782 000	Water consumption was less that what was expected
Wastewater management	R41 940 000	R51 177 000	(9 238 000)	Wastewater billing is still within ranger
Waste Management	R52 675 000	R56 143 000	(R3 468 000)	The billing of Waste Management is expected to meet the planned amount by issuing bins to users without bins who would be billed once bins have been provided
Sale of Goods	R1 764 000	R1 823 000	(R59 000)	Seasonal usage of Halls, Lapas and Swimming pool.
Interest from Receivable	R72 847 000	R96 299 000	(R23 452 000)	Interest charged for the Outstanding debtors
Interest from Current and Non-Current Assets	R2 933 000	R5 872 000	(R2 939 000)	Interest earned from Main Bank account and Call Account
Rent on Land	R3 202 000		R3 202 000	
Rental from Fixed Assets	R813 000	R1 582 000	(R769 000)	Interest earned from Main Bank account and Call Account
Licences		R1 034 000	(R1 034 000)	The data is expected from Licencing and Traffic
Operational revenue	R49 000	(R1 583 000)	R1 632 000	Less revenue received from what was expected
Fines	R273 000	R15 645 000	(R15 372 000)	Revenue is dependent on fines issued
Transfer and Subsidies	R235 619 000	R174 860 000	(R60 759 000)	Government subsidies
Interest	R75 193 000	R76 349 000	(R1 156 000)	Interest Received from funds invested in call account which is dependent on the interest rates
Gains		R104 530 000	(R104 530 000)	

GT484 Merafong City - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2024/25	Budget Year 2025/26								
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue											
Exchange Revenue											
Expenditure By Type	-										
Employee related costs		439 612	466 721	–	38 120	110 893	182 294	233 360	(51 067)	-22%	466 721
Remuneration of councillors		27 103	28 460	–	2 356	6 802	11 764	14 230	(2 466)	-17%	28 460
Bulk purchases - electricity		556 457	589 037	–	40 001	129 176	331 220	294 519	36 701		589 037
Inventory consumed		194 030	356 090	–	17 418	50 675	84 345	178 045	(93 700)		356 090
Debt impairment		1 036 209	730 363	–	–	–	–	365 181	(365 181)	-100%	730 363
Depreciation and amortisation		177 586	157 984	–	–	–	42 450	78 992	(36 542)	-46%	157 984
Interest		285 710	116 202	–	27 579	78 314	148 100	58 101	89 999	155%	116 202
Contracted services		431 369	173 859	–	30 943	85 217	200 596	86 929	113 666	131%	173 859
Transfers and subsidies		506	596	–	42	83	208	298	(91)	-30%	596
Irrecoverable debts written off		43 685	32 079	–	36	53 028	55 751	16 039	39 712		32 079
Operational costs		112 571	70 071	–	8 759	15 572	37 890	35 035	2 855	8%	70 071
Losses on Disposal of Assets		–	–	–	–	–	–	–	–		–
Other Losses		144 508	40 559	–	–	11 924	44 870	20 280	24 591		40 559
Total Expenditure		**3 449 346**	**2 762 021**	**–**	**165 255**	**541 683**	**1 139 487**	**1 381 011**	**(241 523)**	**-17%**	**2 762 021**
Surplus/(Deficit)		**(1 271 922)**	**136 488**	**–**	**81 295**	**12 337**	**41 490**	**92 477**	**(50 986)**	**(0)**	**136 488**
Transfers and subsidies - capital (monetary allocations)		149 974	124 091	–	–		42 792	41 768	1 024	**0**	124 091
Transfers and subsidies - capital (in-kind)		(126)	–	–	–		–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(1 122 074)**	**260 579**	**–**	**81 295**	**12 337**	**84 282**	**134 245**			**260 579**
Income Tax		–	–	–	–		–	–			–
Surplus/(Deficit) after income tax		**(1 122 074)**	**260 579**	**–**	**81 295**	**12 337**	**84 282**	**134 245**			**260 579**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–		–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–		–	–			–
Surplus/(Deficit) attributable to municipality		**(1 122 074)**	**260 579**	**–**	**81 295**	**12 337**	**84 282**	**134 245**			**260 579**
Intercompany/Parent subsidiary transactions		–	–	–	–		–	–			–
Surplus/ (Deficit) for the year		**(1 122 074)**	**260 579**	**–**	**81 295**	**12 337**	**84 282**	**134 245**			**260 579**

Additional comments on expenditure performance

Expenditure Description	YTD Actual	YTD Budget	Variance +over/(-under)	Comments
Employee related costs	R182 294 000	R233 360 000	(51 067 000)	Employee cost still within threshold
Remuneration of councillors	R11 764 000	R14 230 000	R2 466 000)	Employee cost still within threshold
Bulk Purchases	R331 220 000	R294 519 000	R36 701	Seasonal consumption of electricity
Inventory Consumed	R84 345 000	R178 045 000	(93 700 000)	Seasonal consumption of Water
Debt impairment		R365 181 000	R365 181 000	Impairment only at the end of the Year
Depreciation & asset impairment	R42 450 000	R78 992 000	(R36 542 000)	Impairment only at the end of the Year
Interest	R148 100 000	R58 101 000	R89 999 000	interest paid on Eskom, Rand Water and other leases
Contracted Services	R200 596 000	R86 929 000	R113 666 000	Repairs and maintenance
Irrecoverable Debt	R55 751 000	R16 039 000	R39 712 000	Irrecoverable debt
Transfers and Subsidies	R208 000	R208 000	(R91 000)	Government transfers
Operational Cost	R39 690 000	R35 035 000	R2 855 000	Cost containment
Other Losses	48 870 000	R20 280 000	R24 591 000	Water losses

2 Table C5: Month 06 Budget Statement – Capital Expenditure by vote, standard classification and funding

GT484 Merafong City - Table C6 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description R thousands	Ref 1	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
Single Year expenditure appropriation	2									
Vote 1 - Municipal Manager		–	3 000	–	400	1 296	1 500	(204)	-14%	3 000
Vote 2 - Finance		6 382	–	–	29	998	–	998		–
Vote 3 - Community and Social Services		4 361	4 000	–	–	568	2 000	(1 432)	-72%	4 000
Vote 4 - Sport and Recreation		–	2 000	–	–	24	1 000	(976)	-98%	2 000
Vote 5 - Public Safety		–	–	–	–	–	–	–		–
Vote 6 - Housing		–	–	–	–	–	–	–		–
Vote 7 - Health		–	–	–	–	–	–	–		–
Vote 8 - Planning and Development		–	–	–	–	–	–	–		–
Vote 9 - Road Transport		51 882	44 533	–	3 140	18 167	22 267	(4 099)	-18%	44 533
Vote 10 - Energy Sources		76 815	44 601	–	3 130	11 101	22 300	(11 199)	-50%	44 601
Vote 11 - Water Management		42 762	39 980	–	2 509	6 888	19 990	(13 102)	-66%	39 980
Vote 12 - Waste Water Management		35 722	10 497	–	4 883	17 609	5 248	12 361	236%	10 497
Vote 13 - Waste Management		–	6 500	–	136	277	3 250	(2 973)	-91%	6 500
Vote 14 - Internal Audit		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	182	–	182		–
Total Capital single-year expenditure	4	217 924	155 111	–	14 228	57 110	77 555	**(20 446)**	**-26%**	155 111
Total Capital Expenditure		**217 924**	**155 111**	**–**	**14 228**	**57 110**	**77 555**	**(20 446)**	**-26%**	**155 111**

GT484 Merafong City - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description R thousands	Ref 1	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
Capital Expenditure - Functional Classification										
Governance and administration		**6 382**	**3 000**	–	**430**	**2 476**	**1 500**	976	65%	**3 000**
Executive and council		–	3 000	–	400	1 296	1 500	(204)	-14%	3 000
Finance and administration		6 382	–	–	29	1 180	–	1 180	#DIV/0!	–
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**4 361**	**6 000**	–	**–**	**592**	**3 000**	(2 408)	-80%	**6 000**
Community and social services		4 361	4 000	–	–	568	2 000	(1 432)	-72%	4 000
Sport and recreation		–	2 000	–	–	24	1 000	(976)	-98%	2 000
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**51 882**	**44 533**	–	**3 140**	**18 167**	**22 267**	(4 099)	-18%	**44 533**
Planning and development		–	–	–	–	–	–	–		–
Road transport		51 882	44 533	–	3 140	18 167	22 267	(4 099)	-18%	44 533
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**155 299**	**101 578**	–	**10 658**	**35 875**	**50 789**	(14 914)	-29%	**101 578**
Energy sources		76 815	44 601	–	3 130	11 101	22 300	(11 199)	-50%	44 601
Water management		42 762	39 980	–	2 509	6 888	19 990	(13 102)	-66%	39 980
Waste water management		35 722	10 497	–	4 883	17 609	5 248	12 361	236%	10 497
Waste management		–	6 500	–	136	277	3 250	(2 973)	-91%	6 500
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**217 924**	**155 111**	–	**14 228**	**57 110**	**77 555**	**(20 446)**	**-26%**	**155 111**

Funded by:										
National Government		210 678	124 111	–	13 798	52 025	62 055	(10 030)	-16%	124 111
Provincial Government		0	–	–	–	–	–	–		–
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		**210 678**	**124 111**	**–**	**13 798**	**52 025**	**62 055**	**(10 030)**	**-16%**	**124 111**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		7 246	31 000	–	430	5 084	15 500	(10 415)	-67%	31 000
Total Capital Funding		**217 924**	**155 111**	**–**	**14 228**	**57 110**	**77 555**	**(20 446)**	**-26%**	**155 111**

3 Table C6: Month 06 Budget Statement – Financial Position

GT484 Merafong City - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description R thousands	Ref 1	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		82 015	482 367	–	206 900	482 367
Trade and other receivables from exchange transactions		123 851	240 488	–	345 523	240 488
Receivables from non-exchange transactions		93 164	220 893	–	380 311	220 893
Current portion of non-current receivables		–	–	–	–	–
Inventory		830	1 062	–	19 364	1 062
VAT		560 872	366 559	–	651 812	366 559
Other current assets		–	–	–	–	–
Total current assets		**860 733**	**1 311 368**	**–**	**1 603 911**	**1 311 368**
Non current assets						
Investments		–	–	–	–	–
Investment property		223 818	217 300	–	223 818	217 300
Property, plant and equipment		3 145 626	2 978 912	–	3 161 385	2 978 912
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		190	136	–	190	136
Intangible assets		13 892	205	–	12 793	205
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		**3 383 526**	**3 196 553**	**–**	**3 398 186**	**3 196 553**
TOTAL ASSETS		**4 244 259**	**4 507 921**	**–**	**5 002 097**	**4 507 921**
LIABILITIES						
Current liabilities	-					
Bank overdraft		–	51 960	–	–	51 960
Financial liabilities		3 391	13 521	–	1 834	13 521
Consumer deposits		21 309	–	–	21 608	–
Trade and other payables from exchange transactions		3 226 234	1 072 734	–	3 646 079	1 072 734
Trade and other payables from non-exchange transactions		17 585	31 294	–	78 741	31 294
Provision		55 293	39 388	–	55 293	39 388
VAT		409 585	56 900	–	475 702	56 900

Other current liabilities		–	–	–	–	–
Total current liabilities		**3 733 397**	**1 265 797**	**–**	**4 279 257**	**1 265 797**
Non current liabilities						
Financial liabilities		4 509	17 535	–	4 509	17 535
Provision		32 555	29 894	–	32 555	29 894
Long term portion of trade payables		–	911 944	–	–	911 944
Other non-current liabilities		132 790	–	–	132 790	–
Total non current liabilities		**169 854**	**959 373**	**–**	**169 854**	**959 373**
TOTAL LIABILITIES		**3 903 251**	**2 225 170**	**–**	**4 449 111**	**2 225 170**
NET ASSETS	2	**341 008**	**2 282 751**	**–**	**552 985**	**2 282 751**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		(2 252 623)	2 282 751	–	(2 040 645)	2 282 751
Reserves and funds		2 593 631	–	–	2 593 631	–
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	**341 008**	**2 282 751**	**–**	**552 985**	**2 282 751**

4 Table C7: Month 06 Budget Statement – Cash Flow

GT484 Merafong City - Table C7 Monthly Budget Statement - Cash Flow - M06 December

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		(539 915)	408 037	–	–	215 643	204 019	11 624	6%	408 037
Service charges		(605)	1 004 719	–	–	189	502 360	(502 171)	-100%	1 004 719
Other revenue		69 094	64 329	–	9 069	15 054	32 164	(17 110)	-53%	64 329
Transfers and Subsidies - Operational		–	334 256	–	–	306 391	191 675	114 716	60%	334 256
Transfers and Subsidies - Capital		–	124 091	–	–	21 673	62 045	(40 372)	-65%	124 091
Interest		333 458	11 744	–	–	150 973	5 872	145 101	2471%	11 744
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(565 810)	(1 316 381)	–	(28 657)	1 458 704	661 115	(797 588)	-121%	(1 316 381)
Interest		–	(114 200)	–	–	(13 510)	57 100	70 610	124%	(114 200)
Transfers and Subsidies		–	(596)	–	–	–	298	298	100%	(596)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**(703 778)**	**515 999**	**–**	**(19 589)**	**2 155 116**	**1 716 649**	**(438 468)**	**-26%**	**515 999**

GT484 Merafong City - Table C7 Monthly Budget Statement - Cash Flow - M06 December

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 FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables	-	–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		217 924	(189 663)	–	(14 228)	(57 110)	97 831	154 941	158%	(189 663)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**217 924**	**(189 663)**	**–**	**(14 228)**	**(57 110)**	**97 831**	**154 941**	**158%**	**(189 663)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**(485 854)**	**326 337**	**–**	**(33 816)**	**2 098 007**	**1 814 480**			**–**
Cash/cash equivalents at beginning:		155 980	158 032	–	–	446 408	158 032			446 408
Cash/cash equivalents at month/year end:		(329 874)	484 369	–	(33 816)	2 544 415	1 972 512			–

PART 2: SUPPORTING DOCUMENTATION

6. Debtors’ Analysis

GT484 Merafong City - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December											
Description		Budget Year 2025/26									
R thousands	NT Code	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
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Water	1200	45 716	41 712	30 506	24 895	23 792	24 893	119 496	1 249 871	1 560 881	1 442 947
Trade and Other Receivables from Exchange Transactions - Electricity	1300	(4)	8	(3)	(1)	–	–	(14 449)	103 156	88 707	88 706
Receivables from Non-exchange Transactions - Property Rates	1400	36 162	36 488	37 285	36 099	38 786	38 756	198 307	529 130	951 013	841 078
Receivables from Exchange Transactions - Waste Water Management	1500	4 710	4 639	3 796	3 210	4 177	3 161	12 306	41 763	77 761	64 616
Receivables from Exchange Transactions - Waste Management	1600	10 072	8 955	7 045	6 573	6 874	6 727	40 712	344 579	431 535	405 464
Receivables from Exchange Transactions - Property Rental Debtors	1700	141	122	104	100	97	93	1 272	2 776	4 705	4 338
Interest on Arrear Debtor Accounts	1810	26 657	26 309	26 010	25 462	25 009	24 511	189 980	1 288 442	1 632 380	1 553 404
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–
Other	1900	(24 994)	(1 106)	(11 035)	(6 884)	(237)	(723)	(3 521)	2 192 251	2 143 749	2 180 885
Total By Income Source	**2000**	**98 459**	**117 127**	**93 707**	**89 453**	**98 498**	**97 417**	**544 103**	**5 751 967**	**6 890 731**	**6 581 438**
2024/25 - totals only										–	–
Debtors Age Analysis By Customer Group											
Organs of State	2200	245	590	426	364	372	370	2 216	22 212	26 795	25 535
Commercial	2300	53 378	64 142	56 528	52 138	56 308	55 280	354 189	3 422 815	4 114 778	3 940 731
Households	2400	42 422	50 278	34 720	35 391	40 080	40 551	230 579	2 300 388	2 774 409	2 646 989
Other	2500	2 414	2 117	2 034	1 560	1 737	1 216	(42 882)	6 552	(25 252)	(31 817)
Total By Customer Group	**2600**	**98 459**	**117 127**	**93 707**	**89 453**	**98 498**	**97 417**	**544 103**	**5 751 967**	**6 890 731**	**6 581 438**

Debtors Collection

Consumer debtors have increased due to continued non -payment

CONSUMER DEBTORS
R6 890 731 000.00

7. REVENUE MANAGEMENT

REVENUE PER SOURCE BILLING VERSUS CASH RECEIVED FOR THE MONTH OF DECEMBER 2025

	Oct		Nov		Dec	
Revenue Per Source	**Billing**	**Receipts**	**Billing**	**Receipts**	**Billing**	**Receipts**
Property Rates	62 540 000	44 694 200	64 263 264	39 449 350	55 264 231	38 461 250
Electricity Basic	24 942 000	12 045 200	24 542 151	11 845 111	23 254 613	13 640 110
Water Availability	59 684 100	23 468 420	34 487 240	19 568 421	45 487 240	22 569 400
Refuse Removal	7 654 310	7 944 020	8 544 250	8 244 021	6 598 451	12 984 205
Sewer Availability	28 864 100	11 856 026	25 563 100	14 348 325	24 654 120	15 654 215
Interest	26 942 105	15 875 800	24 053 110	12 185 200	23 654 126	9 846 510
Grand Total	**210 626 715**	**115 883 666**	**181 453 115**	**105 640 428**	**178 912 781**	**113 155 690**
	55%		**58%**		**63%**	

CREDIT CONTROL: PAYMENT LEVELS - 2025'26						
MONTH	LEVIED	PAYMENT	PERCENTAGE	BUDGET	UNDER COLLECTED/LOSS ON BUDGETED COLLECTION RATE	% UNDER COLLECTED/LOSS
Jul-25	189 540 552	96 745 200	51.04%	60%	16 979 131	8.96%
Aug-25	184 100 274	114 769 460	62.34%	60%	-4 309 296	0.00%
Sep-25	188 864 200	106 684 200	56.49%	60%	6 634 320	0.00%
Quarter 1	**562 505 026**	**318 198 860**	**56.57%**	**60%**	**19 304 156**	**3.43%**
Oct-25	210 628 715	115 883 666	55.02%	60%	10 493 563	4.98%
Nov-25	181 453 115	105 640 428	58.22%	60%	3 231 441	1.78%
Dec-25	178 912 781	113 155 690	63.25%	60%	-5 808 021	-3.25%
Quarter 2	**570 994 611**	**334 679 784**	**58.61%**	**60%**	**7 916 983**	**1.39%**
TOTAL	**1 133 499 637**	**652 878 644**	**57.60%**	**60%**	**27 221 138**	**2.40%**

The collection rate
for the month of December is **63%**

Collection per Ward

Ward	Billing	Collection	Percentage
Ward 1	**4 115 534.29**	**1 016 163.13**	25%
Business	548 078.19	509 611.24	93%
Domestic	3 136 896.40	166 540.17	5%
Indigents	283 005.68	4 120.00	1%
Industrial	44 883.23	-	0%
Mines	71 964.08	170 219.62	237%
Municipal	3 918.78	-	0%
National Public Works	-	-	0%
Other	7 154.08	3 203.67	45%
Provincial Public Works	-	-	0%
Provincial: Agriculture	7 826.04	-	0%
Provincial: Education Sec21	11 807.81	162 468.43	1376%

Ward 2	**3 525 925.22**	**68 013.58**	2%
Business	16 713.69	5 890.59	35%
Domestic	3 249 515.53	38 994.43	1%
Indigents	243 963.81	4 265.00	2%
Mines	4 410.87	-	0%
Municipal	906.10	-	0%
Other	7.28	-	0%
Provincial Public Works	-	-	0%
Provincial: Education Sec21	10 407.94	18 863.56	181%

Ward 3	**613 932.43**	**4 738.53**	1%
Business	265.00	-	0%
Domestic	507 909.94	1 962.38	0%
Indigents	10 759.83	-	0%
Mines	1 046.49	1 141.45	109%
Municipal	-	-	0%
National Public Works	67 246.61	-	0%
Other	90.98	-	0%
Provincial Public Works	888.32	1 634.70	184%
Provincial: Education Sec21	25 725.26	-	0%
Provincial: Health	-	-	0%

Ward 4	**634 251.70**	**864.42**	0%
Domestic	597 414.39	450.00	0%
Indigents	36 189.86	300.00	1%
Municipal	92.79	-	0%
Other	-	-	0%
Provincial Public Works	554.66	114.42	21%

Ward 5	**6 528 488.90**	**1 589 280.45**	24%

Business	10 709.20	-	
Domestic	9 248.18	277.32	3%
Industrial	4 446.80	-	
Mines	6 479 452.16	1 575 701.10	24%
Other	440.11	-	
Provincial Public Works	24 192.45	13 302.03	55%

Ward 6	**904 293.91**	**13 241.43**	1%
Business	25.50	-	0%
Domestic	835 073.18	12 249.75	1%
Indigents	25 735.73	150.00	1%
Mines	880.55	-	0%
Municipal	185.58	-	0%
Other	976.44	-	0%
Provincial Public Works	40 685.04	-	0%
Provincial: Education Sec21	731.89	841.68	

Ward 7	**1 411 941.07**	**148 629.28**	11%
Business	40 049.62	-	0%
Domestic	1 063 467.26	32 245.73	3%
Indigents	79 509.81	2 172.00	3%
Industrial	1 254.21	100.00	8%
Mines	6 672.04	-	0%
Municipal	4 512.44	-	0%
National Public Works	11 076.14	12 737.56	115%
Other	43 311.04	-	0%
Provincial Public Works	41 431.34	-	0%
Provincial: Education Sec21	108 726.91	101 373.99	93%
Provincial: Health	11 930.26	-	0%

Ward 8	**557 936.44**	**8 912.55**	2%
Domestic	527 299.22	8 512.55	2%
Indigents	24 802.49	400.00	2%
Mines	2 836.68	-	0%
Municipal	1 986.78	-	0%
Other	1 011.27	-	0%

Ward 9	**369 526.75**	**3 213.34**	1%
Business	1 695.39	-	0%
Domestic	332 894.90	2 563.34	1%
Indigents	34 853.19	650.00	2%
Mines	33.97	-	0%
Municipal	49.30	-	0%
Other	-	-	

Ward 10	**1 057 384.61**	**33 977.07**	3%
Business	6 740.68	-	0%
Domestic	854 759.24	5 277.07	1%
Indigents	144 172.89	2 700.00	2%
Mines	3 041.65	-	0%
Municipal	4 234.34	-	0%
Other	-	-	0%
Provincial Public Works	33 372.60	-	0%
Provincial: Education Sec21	11 063.21	26 000.00	235%

Ward 11	**2 949 931.15**	**289 458.10**	10%
Business	45 958.73	49 526.02	108%
Domestic	560 543.65	78 190.04	14%
Indigents	60 041.95	8 036.27	13%
Mines	2 202 614.99	130 495.34	6%
Municipal	7 598.17	-	0%
National Public Works	889.65	-	0%
Other	5 482.14	500.00	9%
Provincial Public Works	27 260.58	22 710.43	83%
Provincial Public Works	29 219.40	-	0%
Provincial: Education Sec21	10 229.10	-	0%
Provincial: Health	92.79	-	0

Ward 12	**6 083 357.27**	**1 181 793.88**	19%
Business	325 020.76	145 415.01	45%
DLRRD	1 932.66	-	0%
Domestic	3 533 052.25	985 204.46	28%
Indigents	338 092.17	18 898.95	6%
Mines	1 809 251.04	22 260.57	1%
Municipal	20 800.67	-	0%
National Public Works	9 886.39	-	0%
National Public Works	358.78	-	0%
Other	17 464.71	6 636.97	38%
Provincial Public Works	12 319.16	3 377.92	27%
Provincial: Education Sec21	12 113.28	-	0%
Provincial: Health	3 065.40	-	0%

Ward 13	**6 736 351.75**	**1 856 500.41**	28%
Business	42 067.53	48 354.18	115%
Domestic	859 917.97	111 951.20	13%
Indigents	24 795.37	1 850.00	7%
Industrial	2 891.70	-	0%
Mines	5 777 375.07	1 690 567.53	29%
Municipal	22.10	-	0%
National Public Works	3 877.79	-	0%
Other	13 039.28	-	0%
Provincial Public Works	12 364.94	3 777.50	31%

Ward 14	**11 572 415.96**	**2 687 679.40**	23%
Business	163 421.64	121 724.26	74%
DLRRD	-	-	0%
Domestic	2 236 223.98	2 167 372.88	97%
Indigents	1 015.59	2 180.00	215%
Mines	9 129 608.95	366 098.04	4%
Municipal	229.33	-	0%
National Public Works	2.92	-	0%
Other	41 913.55	30 304.22	72%

Ward 15	**3 749 301.98**	**661 510.70**	18%
Business	123 064.44	11 614.84	9%
Domestic	36 400.46	166 520.39	457%
Indigents	817.44	-	0%
Mines	3 588 799.22	482 875.47	13%
Other	220.42	500.00	

Ward 16	**6 273 816.41**	**7 353 793.92**	117%
Business	552 254.73	605 470.09	110%
Domestic	2 974 748.06	1 999 112.75	67%
Indigents	247 981.65	44 851.60	18%
Industrial	6 534.32	-	0%
Mines	2 106 570.00	4 109 671.75	195%
Municipal	15 000.20	-	0%
National Public Works	10 358.38	-	0%
Other	79 615.29	38 308.03	48%
Provincial Public Works	149 490.63	292 973.12	196%
Provincial Public Works	251.68	-	0%
Provincial: Education Sec21	131 011.47	263 406.58	201%

Ward 17	**6 410 219.62**	**5 517 871.13**	86%
Business	2 474 184.83	2 523 452.18	102%
Domestic	3 256 308.54	2 578 376.33	79%
Indigents	109 802.98	15 182.35	14%
Industrial	307 062.87	299 012.03	97%
Mines	55 940.98	62 785.81	112%
Municipal	19 853.68	-	0%
National Public Works	98 598.08	6 075.11	6%
National Public Works	2 285.55	-	0%
Other	77 799.09	32 987.32	42%
Provincial Public Works	1 092.48	-	0%
Provincial: Health	7 290.54	-	

Ward 18	**15 124 035.74**	**18 980 448.46**	125%
Business	8 762 311.77	12 249 837.22	140%

Domestic	3 135 937.47	2 100 754.06	67%
Indigents	44 013.49	20 100.00	46%
Industrial	173 192.22	160 976.93	93%
Mines	1 500 178.61	3 467 786.98	231%
Municipal	167 522.72	-	0%
National Public Works	71 027.13	-	0%
National Public Works	2 359.81	-	0%
Other	147 970.11	83 210.47	56%
Provincial Public Works	604 267.52	838 458.78	139%
Provincial Public Works(	7 128.09	-	0%
Provincial: Education Sec21	55 390.43	59 324.02	107%
Provincial: Health	452 736.37	-	0%

Ward 19	**5 659 065.03**	**821 709.38**	15%
Business	542 101.43	639 259.48	118%
Domestic	13 551.50	16 000.00	118%
Mines	5 103 412.10	166 449.90	3%

Ward 20	**2 411 790.58**	**102 328.84**	4%
Business	5 485.30	4 971.16	91%
Domestic	2 223 893.35	68 239.67	3%
Indigents	51 877.36	1 960.00	4%
Mines	51 967.18	25 340.82	49%
Other	14 754.05	1 817.19	12%
Provincial Public Works(Unrecog)	60 575.88	-	0%
Provincial: Education Sec21	3 237.46	-	0%

Ward 21	**12 860 978.88**	**11 137 848.37**	87%
Business	4 836 428.11	5 311 182.38	110%
DLRRD	1 260.99	-	0%
Domestic	6 100 417.63	4 730 685.84	78%
Indigents	168 476.49	52 944.89	31%
Industrial	239 684.21	285 585.93	119%
Mines	1 039 376.45	325 590.60	31%
Municipal	31 366.16	-	0%
National Public Works	37 745.89	29 127.06	77%
National Public Works	10 205.80	-	0%
Other	112 258.52	114 308.33	102%
Provincial Public Works	29 506.34	15 248.02	52%
Provincial Public Works	57 098.91	158 008.03	277%
Provincial: Education Sec21	178 839.63	115 167.29	64%
Provincial: Health	18 313.75	-	0%

Ward 22	**10 134 155.99**	**6 771 449.45**	67%
Business	51 587.94	47 808.32	93%
DLRRD	1 640.58	-	0%

Domestic	1 385 714.98	83 996.63	6%
Indigents	57 381.48	1 100.00	2%
Mines	8 602 844.82	6 634 777.98	77%
Municipal	253.95	-	0%
National Public Works	342.33	-	0%
National Public Works	17.33	-	0%
Other	33 227.25	3 766.52	11%
Provincial Public Works	635.33	-	0%
Provincial: Agriculture	510.00	-	0%
	-	-	

Ward 23	**1 613 911.19**	**233 798.37**	14%
Business	7 713.51	-	0%
Domestic	1 364 111.41	165 529.00	12%
Indigents	123 777.17	9 135.33	7%
Mines	60 569.90	23 006.54	38%
Municipal	931.30	-	0%
Other	7 062.25	1 300.00	18%
Provincial Public Works	29 940.63	-	0%
Provincial: Education Sec21	19 805.02	34 827.50	176%

Ward 24	**3 193 673.88**	**1 854 746.81**	58%
Business	1 725 369.01	1 005 033.12	58%
Domestic	1 212 116.89	745 779.31	62%
Indigents	36 501.64	10 210.59	28%
Mines	46 197.65	33 000.08	71%
Municipal	7 825.95	-	0%
National Public Works	244.80	-	0%
National Public Works	6.50	-	0%
Other	25 086.98	10 702.78	43%
Provincial Public Works	48 939.16	5 319.45	11%
Provincial Public Works	9 626.78	-	0%
Provincial: Education Sec21	79 910.84	44 701.48	56%
Provincial: Health	1 847.68	-	0%

Ward 25	**3 323 035.82**	**75 819.82**	2%
Business	8 603.62	8 917.64	104%
Domestic	2 779 071.86	47 247.18	2%
Indigents	103 221.10	2 100.00	2%
Mines	3 615.33	-	0%
Municipal	4 443.21	3 240.00	73%
Other	3 243.93	-	0%
Provincial Public Works	12 221.74	-	0%
Provincial: Education Sec21	399 503.33	14 315.00	4%
Provincial: Health	9 111.70	-	0%

Ward 26	**3 025 868.57**	**115 956.46**	4%

Business	7 290.32	11 057.34	152%
Domestic	2 760 092.94	17 111.38	1%
Indigents	155 908.80	1 320.00	1%
Mines	1 120.71	-	0%
Municipal	-	-	0%
National Public Works	251.68	-	0%
Other	909.01	-	0%
Provincial Public Works	18 799.89	16 467.74	88%
Provincial Public Works	-	-	0%
Provincial: Education Sec21	81 495.22	70 000.00	86%

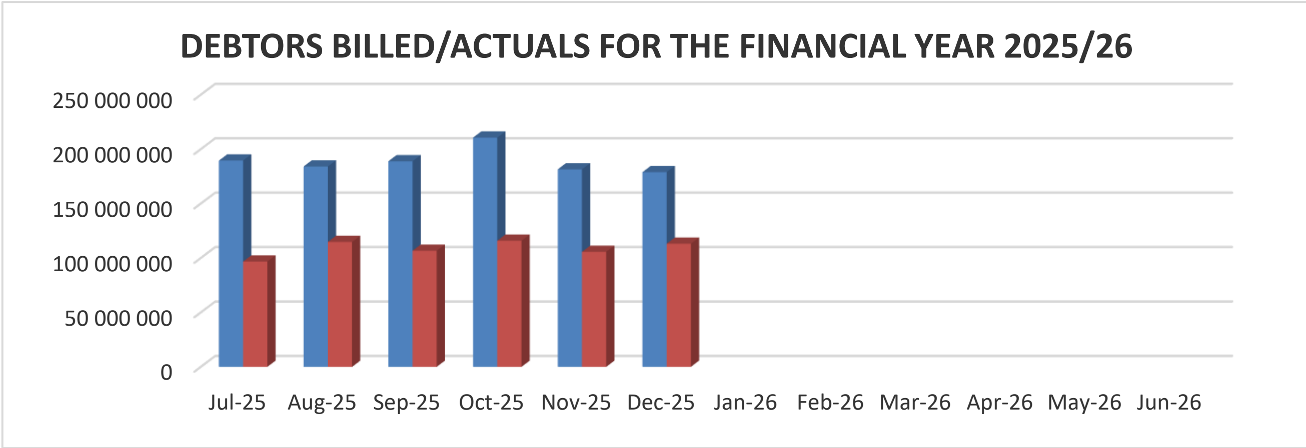
Ward 27	**5 536 042.17**	**873 906.09**	16%
Business	-	-	0%
Domestic	19 739.54	20 218.80	102%
Mines	5 492 828.47	846 737.50	15%
Provincial Public Works	23 474.16	6 949.79	30%

Ward 28	**7 747 851.36**	**9 413 720.54**	122%
Business	2 287 307.99	3 317 931.10	145%
Domestic	3 615 953.28	3 132 499.85	87%
Indigents	76 534.17	29 947.26	39%
Industrial	92 734.23	89 711.78	97%
Mines	1 228 433.91	2 383 526.30	194%
Municipal	158 042.03	-	0%
National Public Works	5 574.83	-	0%
National Public Works	5 118.78	-	0%
Other	59 324.80	19 189.51	32%
Provincial Public Works	120 742.48	252 793.92	209%
Provincial: Education Sec21	98 084.86	188 120.82	192%

Other	**826 346.52**	**2 773 953.65**	336%
Business	72 863.22	49 741.31	68%
Domestic	602 158.40	148 725.88	25%
Indigents	3 485.47	1 400.00	40%
Mines	4 928.61	2 018 534.03	40955%
Municipal	6 511.86	-	0%
National Public Works	253.95	-	0%
Other	136 145.01	555 552.43	408%

The billing vs payment per area report only considers service charge and does not consider interest billed and receipts that relate to interest charged, hence the difference in the two-collection rate.

	BILLED(Blue)	ACTUALS (Red)	%
2025/07/01	189 540 552	96 745 200	51%
2025/08/01	184 100 274	114 769 460	62%
2025/09/01	188 864 200	106 684 200	56%
2025/10/01	210 628 715	115 883 666	55%
2025/11/01	181 453 115	105 640 428	58%
2025/12/01	178 912 781	113 155 690	63%
2026/01/01			
2026/02/01			
2026/03/01			
2026/04/01			
2026/05/01			
2026/06/01			



Distribution Losses
Water Losses

WATER LOSSESS JULY 2025 TO DEC 2025

100% **UNITS PURCHASED AND SOLD**

	UNITS SOLD	UNITS PURCHASED	% SOLD	% INCLUDED LOSS
Jul-25	**1 099 674.97**	**1 859 457.00**	59.14%	40.86%
Aug-25	**1 137 300.38**	**1 968 187.00**	57.78%	42.22%
Sep-25	**932 310.77**	**1 408 684.00**	66.18%	33.82%
Oct-25	**1 055 334.29**	**1 421 601.00**	74.24%	25.76%
Nov-25	**1 036 510.20**	**1 421 601.00**	72.91%	27.09%
Dec-25	**980 156.04**	**1 363 141.00**	71.90%	28.10%
AVERAGE	**2 861 167.70**	**4 621 017.00**	**61.92%**	**38.08**

WATER LOSSESS JULY 2025 TO DEC 2025

100

	RAND VALUE SOLD	RAND VALUE PURCHASED	% SOLD	% LOSS
Jul-25	17 556 601	29 686 722	59.14	40.86
Aug-25	18 085 995	31 299 225	57.78	42.22
Sep-25	14 879 483	22 482 299	66.18	33.82
Oct-25	16 791 964	22 619 821	74.24	25.76
Nov-25	16 408 694	22 504 956	72.91	27.09
Dec-25	15 533 616	21 603 201	71.90	28.10
AVERAGE	**99 256 353.63**	**150 196 224.88**	**66.08**	**33.92**

The department is working on the implementation of the water turn-around strategy to address historic maintenance challenges and major water breaks, overflowing reservoirs and major leakages with difficulties.

During December 2025 the water loss is 28.10% against the norm of the industrial gazetted standard norm that is between **15%**

Distribution Losses

MERAFONG ACTUALS STATISTICAL DATA

MERAFONG CITY LOCAL MUNICIPALITY - 2025/2026

ELECTRICITY PURCHASED/SOLD

PRIVATE

ELECTRICITY LOSSESS JULY 2025 TO DEC 2025

100

	UNIT SOLD	UNIT PURCHASED	% SOLD	% LOSS
Jul-25	7 948 547	28 075 939	28.31	71.69
Aug-25	11 192 935	25 040 016	44.70	55.30
Sep-25	14 213 463	18 749 949	75.81	24.19
Oct-25	9 880 243	19 562 461	50.51	49.49
Nov-25	10 242 542	18 939 014	54.08	45.92
Dec-25	9 142 465	18 089 857	50.54	49.46
AVERAGE	**62 620 194**	**128 457 236**	**48.75**	**51.25**

ELECTRICITY LOSSESS JULY 2025 TO DEC 2025

100

	RAND VALUE SOLD	RAND VALUE PURCHASED	% SOLD	% LOSS
Jul-25	42 164 918	93 983 164	44.86	55.14
Aug-25	34 577 916	77 355 188	44.70	55.30
Sep-25	32 544 935	42 932 245	75.81	24.19
Oct-25	22 936 014	45 412 333	50.51	49.49

Nov-25	23 667 569	43 762 617	54.08	45.92
Dec-25	20 215 963	40 000 577	50.54	49.46
AVERAGE	**176 107 315.27**	**343 446 123.40**	**51.28**	**48.72**

Electricity

The department is working on the implementation of the Electricity losses turn-around strategy to address historic maintenance challenges and major water breaks, overflowing reservoirs and major leakages with difficulties.

During December 2025 the water loss is 49.46%. against the norm of the industrial gazetted standard norm that is between **15%**

The infrastructure department is working on a strategy to reduce the Water and Electricity losses. The losses are caused by historic maintenance challenges and major water leaks and overflowing reservoir. The progress on the implementation of strategy will be reported quarterly in the budget funding plan

8. Investment portfolio analysis

Institution Name	Type of Account	Rate	Amount
Nedbank	Call Account		28 743 817.65
FNB	Call Account		35 693 220.09
Total			**64 437 037.74**

BANK BALANCE

Name of institution

NEDBANK	11 218 711.53
FNB	2 360 985.61

Council had a positive Bank Balance of **R13 579 697.14**

09.CREDITORS AGE ANALYSIS

Merafong Creditors as of 31 December amounted to **R3 372 627 848.59**

Creditors not paid within 30 days as at 31 December 2025:

NO	SUPPLIER NAME	DESCRIPTION/ NATURE OF SERVICE	TOTAL
1	ESKOM	BULK PURCHASES	R1 782 561 445.52
2	RAND WATER	BULK PURCHASES	R1 489 680 403.07
		Total	**R3 272 241 848.59**

The following interventions for financial recovery and sustainability underway as directed by the Financial Recovery plan signed off the minister of finance and MEC of Finance Mr. Maile:

4) Implementation of the Payment Incentive Scheme to recover R5,2b owed to the municipality from consumers, commercial properties including mines.

5) Draft Financial Recovery Plan (FRP) presented to the Municipality by National Treasury.

6) Audit and automated meter reading technology used on Large Power Users meters through intervention by COGTA and Kagiso Trust to ensure revenue billing completeness and accuracy on large power users

7) Circular 124 Eskom Debt Relief approved by National Treasury

8) Awaiting Smart meter installation national programme at National Treasury that was undertaken at to improve revenue collection and revenue base protection

9) Debt collection enforcement on going through Credit control and a service provider appointed.

10) Payment of salaries, service providers and third parties on-going utilising income generated and subsidy from equitable shares, however income is still insufficient to meet liabilities within 30 days as per sect6ion 65 of the MFMA

11) Fixing of broken and tempered water and electricity meters to reduce water and electricity distribution losses above 50% respectively (NB: Norm being 10% water & 15% electricity). Creating a culture of payment within Merafong City.

12) Improving revenue enhancement through - Cost Reflective tariffs studies and implementation of tariffs

13) Refurbishment at WWTW plants and security to ensure, environmental compliance which also required funding for infrastructure overhaul

14) Credit control action to be implemented in all areas to improve the collection to above 75%

15) Proposal to enter into a special purpose Vehicle (entity)with Rand Water in order to boost capital investment of meter replacements and infrastructure refurbishment of water distribution assets within Merafong Jurisdiction in order to turnaround financial crises on lost revenue in water services.

10 Debt Management

Merafong Municipality has a loan with the Development Bank of South Africa.

COMPANY NAME	DATE OF LOAN TAKEN	OPENING BALANCE 01 DECEMBER 2025	DECEMBER 2025 REDEEMED OR WRITTEN OFF	DECEMBER 2025 INTEREST	CLOSING BALANCE AS AT 31 DECEMBER 2025
DBSA	01/10/2007	5 857 325.17			5 857 325.17
TOTAL		5 857 325.17			5 857 325.17

Long-term loan expenditure for December is R5 857 325.17

PERFORMANCE ON CONDITIONAL GRANTS 25//26

- CAPEX GRANT SPENDING DECEMBER			
	Budget	YTD Spent	% Spent
MIG	90 822 000.00	45 378 644.18	49.96%
INEP	17 533 000.00	8 336 531.18	47.55%
WSIG	20 276 999 .00	9 034 340.58	44.55%
	128 631 999.00	62 749 515.94	47.35%

PERFORMANCE ON NON - CAPITAL GRANTS

Description	Original Budget	YTD spent	%Spent
FMG	2 800 000.00	1 989 884.94	71.07%
LIBRARY	15 744 000.00	8 947 691.37	53.62%
EPWP(COGTA)	1 553 000.00	1 420 927.69	86.32%
TOTAL	**20 097 000.00**	**12 358 504.00**	**70.34%**

12. Capital programme performance

The Capital Budget amounted to **R159 631 999.00,** and Expenditure incurred on Capital amounted to **R17 487 921.21** for the month of December which is **8.51%** of the total Capital Budget and for the Second Quarter amounted to **R45 017 539.19** which is **28.20%** of the total Capital Budget

The Capital expenditure to date amounted to **R62 749 515.94** which is **39.31%** of the total Budget.

MERAFONG CITY LOCAL MUNICIPALITY CAPITAL PROJECTS 2025/2026 AND APPOINTED CONTRACTORS

Project No.	WIP No.	Project Description	Ward No.	Funding Source	Consultant	October	November	December	YTD Exp	Budget
MIG PROJECTS										
P620		P M U Operational Expenses		MIG	Project Management Unit	471 813.63	490 016.35	471 813.63	2 941 357.44	4 541 100.00
P769/ Ph8 B		Khutsong Roads and Stormwater (Phase 8) B	1,2	MIG	LSO Consulting Engineers (Pty) Ltd Appointment 01-09-2023		1 648 086.79	1 250 599.93	5 791 522.17	12 000 000.00
P795/ Ph9		Khutsong Roads and Stormwater (Phase 9)	1,2	MIG	LSO Consulting Engineers (Pty) Ltd Appointment 01-09-2023	2 092 318.35	1 460 205.15	1 073 901.03	6 341 030.65	5 000 000.00
P794/ Ph 10		Khutsong Roads and Stormwater (Phase 10)	1,2	MIG	LSO Consulting Engineers (Pty) Ltd Appointment 01-09-2023			460 465.19	844 227.71	1 500 000.00
P770/ Ph 8 B	WIP988	Kokosi Roads and Stormwater (Phase 4) (2)B	24	MIG	Kabe Consulting Engineers (Pty) Ltd Appointment 01-09-2023 (to complete Phase 4)	1 050 406.29	2 783 439.76	2 149 633.46	7 288 600.26	8 000 000.00
P771 Ph 8 B	WIP989	Kokosi Roads and Stormwater (Phase 8) B	22,26	MIG	Kutlo Consulting Engineers (Pty) Ltd Appointment 01-09-2023	1 760 005.74	1 343 522.46		3 103 528.20	4 000 000.00
P773 STAGE 4 B		Khutsong North Water & Sewer Reticulation Stage 4 B	3-7	MIG	LSO Consulting Engineers (Pty) Ltd Appointment 01-09-2023		1 655 590.40	1 708 594.56	5 282 776.98	12 700 000.00
P775	WIP993	Upgrading of Wedela Recreation Club		MIG	Kabe Consulting Engineers (Pty) Ltd Appointment 01-09-2023				471 143.68	2 000 000.00
P776	WIP994	Refurbishing of Kokosi Stadium		MIG	Mhiduve Consulting Engineers (Pty) Ltd Appointment 01-09-2023 (Terminated) Pro-Plan Consulting Engineers (Pty) Ltd Appointment dd 20-02-2025	56 538.59	289 130.77	33 122.27	448 161.71	2 000 000.00
P780		Rehabilitation of Carletonville Cemetery Road		MIG	Mayisane and Associates (Pty) Ltd Appointment 01-09-2023	1 347 538.55	1 234 951.78	422 517.18	3 399 673.89	10 000 000.00

P783		Merafong Roads and Stormwater Maintenance		MIG	Not Required	1 149 296.20	722 053.38		1 871 349.58	6 033 050.00
P784		Merafong Water and Sanitation Maintenance		MIG		1 175 349.86	815 938.86	1 276 846.69	5 220 372.13	4 500 000.00
P788		Merafong Solar Highmast Lights & Solar Street Lights (Khut Proper & Kokosi Ext 6)		MIG		1 351 068.18		416 903.35	1 767 971.53	2 047 850.00
P796		Bulk Supply line from Khutsong		MIG		78 815.09			78 815.09	8 000 000.00
P799		Expansion of Carletonville Landfill Site		MIG		133 216.29		125 694.72	258 911.01	4 500 000.00
P797		Kokosi waste Buyback Centre		MIG		29 045.29	27 520.46	30 193.51	86 759.26	2 000 000.00
P798		Wedela Industrial Hub		MIG					182 442.89	2 000 000.00
						10 695 412.06	12 470 456.16	9 420 285.52	45 378 644.18	90 822 000.00

INTEGRATED NATIONAL ELECTRIFICATION PROGRAM (INEP) GRANT

P765	WIP968	2 x 40 MVA 132/11 kV Plover Substation	12	INEP	LSO Consulting Engineers (Pty) Ltd			3 600 000.00	8 000 000.00	7 533 000.00
P792		Khutsong South Ext 5,6 Electrification Change Control		INEP	LSO Consulting Engineers (Pty) Ltd				336 531.18	10 000 000.00
						-	-	3 600 000.00	8 336 531.18	17 533 000.00

WATER SERVICES INFRASTRUCTURE GRANT

P777 Ph B	WIP995	Foundation Stabilisation of Addata Reservoir	18	WSIG	Lihuzu Projects (Pty) Ltd Appointment 02-02-2024 Name Change: LPS Consulting (Pty) Ltd	1 113 790.86	1 112 764.28	2 884 809.36	5 314 319.63	7 280 281.00
P791		Welverdiend WWTW		WSIG	TKQ Consulting (Pty) Ltd Appointment 30-04-2024	2 137 194.62		1 582 826.33	3 720 020.95	3 996 718.00
P789		Refurbishment Khutsong WWTW		WSIG	TKQ Consulting (Pty) Ltd Appointment 30-04-2024				-	9 000 000.00
						3 250 985.48	1 112 764.28	4 467 635.69	9 034 340.58	20 276 999.00
		Totals				13 946 397.54	13 583 220.44	17 487 921.21	62 749 515.94	128 631 999.00

13. Other supporting documents.

AUDIT FINDINGS

The Municipality received a Qualification audit opinion from Auditor General during the 2024/2025 financial year. An audit action plan is currently being addressed by all departments and also external third parties assisting the municipality

FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure		
Total		**Amount R27 579 309.08**

There is Fruitless and wasteful expenditure for the month of December 2025 amounts to **R27 579 309.08** and for the 2nd Quarter amounted to **R77 796 080.82**

IRREGULAR EXPENDITURE

Irregular Expenditure		
Total		**Amount R24 948 098.08**

The Irregular expenditure for the month of December 2025 amounts to **R24 948 098.08** and for the 2nd Quarter amounted to **R42 489 628.06**

14. Other supporting documents.

<u>Status of MSCOA CCG Systems Implementation:</u>

3.3.1 General Ledger

Milestone	Task	Status	Comment	Status Date
Data Migration	Creation of New Chart Of Accounts (COA)	Completed		2024-03-15

	Recapturing of 2023/24 Original and Adjusted Budgets	**Completed**		**2024-03-15**
System Setup	**Setup & Customisation of System Parameters**	**Completed**		**2024-03-15**
System Testing	**Testing System Processes and Transactions Processing**	**Completed**		**2024-03-29**
System Training	**Pre-Go Live End-user System Training**	**Completed**		**2024-06-10**
Take-on Balances	**Migration of Audited Take-on Trial Balance as of 30 June 2023**	**Completed**	.	**2024-06-10**
	Bank Reconciliations Take-on	**Completed**		**2024-06-10**
Go Live	**General Ledger (Journals, Cashbooks) & Sub Ledger Transactions.**	**Live**		**2024-04-30**

3.3.2 Supply Chain Management

Milestone	**Task**	**Status**	**Comment**	**Status Date**
Data Migration	Migration of Supplier Master Files	Completed		2024-06-10
System Setup	Setup & Customisation of System Parameters	Completed		2024-06-10
System Testing	Testing System Processes and Transactions Processing	Completed		2024-04-30
System Training	Pre-Go Live End-user System Training	Completed		2024-04-30

Go Live	Purchase Requisitions and Approvals	Completed		2024-07-07
	Supply Chain Management Processes	Live		2024-07-07

3.3.3 Expenditure and Trade Payables

Milestone	Task	Status	Comment	Status Date
System Setup	**Setup & Customisation of System Parameters**	**Completed**		**2024-03-15**
System Testing	**Testing System Processes and Transactions Processing**	**Completed**		**2024-03-29**
System Training	**Pre-Go Live End-user System Training**	**Completed**		**2024-04-19**
Take-on Balances	**Payables Take On Balances as of 30 June 2023**	**Completed**		**2024-06-10**
Go-Live	**Supplier Invoices and Payments**	**Live**		**2024-04-19**

3.3.4 Billing and Revenue

Milestone	Item	Status	Comment	Status Date
Data Migration	Customer Master Files	Completed		2024-03-29
	Consolidated Valuation roll	Completed		2024-06-10
	Meter Master Files and Meter Books through E-Billing	Completed		2024-04-15
	Rate Tariffs	Completed		2024-04-12

System Setup	Setup & Customisation of System Parameters	Completed		2024-04-12
System Testing	Testing System Processes and Transactions	Completed		2024-04-15
System Training	Pre-Go Live End-user System Training	Completed		2024-06-10
Take-on Balances	Customers Take-on Balances as of 30 June 2023	Completed		2024-04-30
Go Live	Customer Billing Printing of Accounts and Bulk Emailing	Live		2024-06-30
	Receipting	Live		2024-04-30

3.3.5 Fixed Assets Management

Milestone	Task	Status	Comment	Revised Target Date
System Setup	Setup & Customisation of System Parameters	In progress	Implementation Date for Fixed Assets has been revised to June 2025	2024-06-30
System Testing	Testing System Processes and Transactions Processing	In progress		2024-06-30
System Training	Pre-Go Live End-user System Training	In progress		2024-06-30
Take-on Balances	Audited Fixed Assets Register as of 30 June 2024	In progress		2024-06-30
Go-Live	Processing of all Fixed Assets Transactions in the System	In progress		2024-06-30

3.3.6 Inventory Management

Milestone	Task	Status	Comment	Status Date
System Setup	Setup & Customisation of System Parameters	Pending		2024-09-07
System Testing	Testing System Processes and Transactions Processing	Pending		2024-09-07
System Training	Pre-Go Live End-user System Training	Pending		2024-09-07
Take-on Balances	Inventory Valuation as of 30 June 2024	Pending		2024-09-07
Go-Live	Processing of all Inventory Transactions in the System	Pending		2024-09-07

3.3.7 Payroll Management

Milestone	**Item**	**Status**	**Comment**	**Status Date**
Data Migration	Migration of Employee Master Files	Completed		2024-03-21
System Setup	Setup & Customisation of System Parameters	Completed		2024-03-21
System Testing	Testing System Processes and Transactions	Completed		2024-04-15
System Training	Pre-Go Live End-user Training	Completed		2024-03-15
Take-on Balances	Financial Data Take-on (March 2023 to February 2024 Payroll Transactions)	Completed		2024-07-07

Go Live	Processing of all Payroll Transactions	Live		2024-03-21

3.3.8 Human Resources

Milestone	Task	Status	Comment	Status Date
Data Migration	Migration of Employee Master Files	Completed		2024-09-06
System Setup	Setup & Customisation of System Parameters	Completed		2024-09-06
System Testing	Testing System Processes and Transactions	Completed		2024-09-06
System Training	Pre-Go Live End-user Training	Completed		2024-09-06
Take-on Balances	Leave Take-on Balances as of 28 February 2024	Completed		2024-09-06
Go Live	HR Maintenance and Management	Partial	Employee Self Service Pending.	2024-09-06

- **Issues identified during the implementation of IFMS:**

Issue	Module	Resolution	Status	Resolution Date
Creation of Different Users for Database Administrator	Administration	CCG System will do Database Administration	Resolved	2024-03-08
Leave Management Portal (Employee Self Service) not yet available	HR and Payroll	Implementation In Progress as part of HR Modules	Resolved	2024-11-15
2022/23 FY Expenditure Transactions Posted with Current FY Dates	Expenditure and Trade Payables	Review of Transactions in Progress for correction of Transaction Dates	Resolved	2024-05-31
Errors on Transactions re-capturing (Staff Not paying attention to detail when Capturing Vouchers)	Expenditure and Trade Payables	Review of Transactions in Progress for correction of mistakes made	Resolved	2024-05-31
Missing Expenditure/Payment Vouchers	Expenditure and Trade Payables	The Municipality to find missing Vouchers	Resolved	2024-06-30

FINANCIAL RECOVERY PLAN

In terms of the approved FRP, the municipality reports monthly to the MEC for Finance in the province on the implementation of the plan. The report is uploaded to Go-Muni portal in line with reporting prescripts.

CERTIFICATE OF COMPLIANCE – MFMA CIRCULAR NO.124 – DECEMBER 2026 (MERAFONG CITY LOCAL MUNICIPALITY)

1. Herewith attached is the certificate of compliance for the month ending 30 December 2026, in relation to Merafong City Local Municipality as guided by the MFMA Circular No.124.
2. Below are items the municipality has not complied and will address the non-compliance within the 30 days in terms of MFMA Circular No.124.

Maintenance of the core financial system

3. The municipality has started implementing a new integrated financial system in February 2024 and the municipality will continue updating the Provincial treasury on the progress through the office of the Municipal Manager. The data relating to Revenue module, GL, Cashbook, Payroll & HR, Creditors ageing, debtors ageing, Trial Balance, Property Valuation Roll and Customer master file. The above is currently completed on migration for implementation except Inventory & stores. The municipality is working closely with CCG System and fully demonstrating full compliance to ensure that full implementation of core financial system. The municipality has furthermore appointed MSCOA Committee members and the engagement will take place on a monthly basis.

Condition 6.3 Maintaining Bulk Water Account and Maintaining the Eskom bulk account

4. The municipality has paid outstanding debt upon receipt of the equitable share that was received and will settle additional balance on January 2026. The December Eskom account was R1 777 620 183,48 with the bulk account due date in January 2026. The municipality paid for the LPU accounts before the due date. The municipality is in arrears from the July 2025 account due to financial constrain. The municipality is implementing credit control measures to improve collection rate in order to pay all creditors on time.
5. Due to cashflow constraints that the municipality has been facing the municipality has lagged in paying the Eskom Invoices and also honouring the arrangements. The municipality is one month in arrears.
6. The municipality intends to settle the outstanding debt through recoveries from long outstanding debtors from customers who have entered into debt arrangement with the municipality under the Debt Incentive Scheme. The bulk purchases and inventory consumed are high due to distribution losses averaging 56% on electricity and 43% on water as end of June 2025.
7. Provision of R25 million has been made in the 2025/26 budget for installation of Smart Meters, alongside a public procurement process currently in place to obtain proposals from the public to cover :
    - Infrastructure financing for the acquisition and installation of water and electricity prepaid meters.
    - Infrastructure financing development and expansion of bulk infrastructure for water, and electricity.
    - Capital raising to service outstanding accounts with Rand Water and Eskom to ensure uninterrupted utility services.

Condition 6.4 Compliance with the funded MTREF

8. The municipality has tabled a funded budget for 2024/25 MTREF and has revised it to unfunded position. The unfunded budget is based on the assumptions that the municipality only achieves minimum collection rate averaging 51% as end of third quarter. The municipality has put forward various strategies to ensure that this is achieved among other things implementation of smart meters, implementation of the debt incentive scheme, effective credit control and ensuring compliance with the strategies in the Financial Recovery Plan. The municipality is reporting monthly on the implementation of FRP.
9. The municipality held a Revenue enhancement strategic session relating to the challenges on the declining Revenue base and Revenue protection. The municipality has concluded installation of Water and Electricity smart meters that must be prioritised as part of budget adjustment and non-essential expenditure be reduced downwards to accommodate meter replacement. All Departments are committed to ensure the municipality increases its revenue base.
10. Eskom Approved the municipality's Debt relief application in December 2023. As it stands now in the fourth quarter of 2024/25 financial year, the municipality is still within the Debt Relief and reports monthly pertaining the progress on the 14 conditions of the programme. The Municipality has therefore budgeted conservatively and realistically for the related benefit as reflected in the Operational Budget at an amount of R209 million and the related interest is approximately R37 million.

Submission of FRP reports

11. The municipality's FRP was approved by MEC Finance on the 03 June 2024 and progress report supported by evidence-based portfolio of evidence on implementation is submitted to GPT on the 7th monthly.

Apportion and ring-fenced collections into a sub-account

12. With reference to the MFMA Circular No. 124 and Supplementary Guidance - MSCOA Ring Fencing of accounts and the different Accounting Treatments towards Condition 6.12 & 6.13, the municipality will ensure that MTREF 2024-25 budget accounts in respect of ringfencing of electricity, water and sanitation.

Condition 6.7 Maintain a minimum average quarterly collection of property rates and services charges

The municipality achieved an overall collection rate averaging 51% for the period ended August 2025 due to distribution losses and tempering of meters and ultimately the billing system challenges. The billing has since been activated and the municipality hope to increase the collection rate to be above 60%.

6.7.2.2. Khutsong North is the only area within the Municipality that is supplied by Eskom. Restrictions have not been made due to aging infrastructure and the issue of tampered meters are not adequately address.

6.7.2.3. The municipality has concluded the process of requesting Eskom SOC to enter into a Service Level Agreement (SLA) with the Merafong City Local Municipality to allow the municipality to implement and execute credit control actions and other related debt collection activities within Eskom Supplied areas of the Municipality.

Condition 6.5 (Cost Reflective Tariffs)

13. The Municipality has completed the tariff tool based on the tabled 2024/25 MTREF. Three tariffs i.e. electricity, water and refuse removal are not cost reflective.

14. Electrical tariffs are the same all year, only annual increases are implemented on standard tariff groups. The Electrical division has initiated cost of supply studies that was submitted to NERSA to conclude in 2024/25.
15. The Municipality has made a commitment to settle the Winter bills with the funds received from Equitable Share and has executed that function.
16. The municipality has applied and obtained an approval from NERSA feed-in tariff(s) for the 2024/25 MTREF to facilitate compensating consumers feeding from home / business solar systems. Furthermore, no formal application has been brought by any public member or council policy relating to solar system exemptions.

Condition 6.6 Electricity and water as collection tools.

17. The municipality, debt relief application was approved in December 2023. The 2024/25 MTREF budget demonstrates by-laws and budget related policies that electricity and water will be used as collection tools**.**
18. The Municipality has not complied with a number of conditions, including the payment of current accounts. The overall collection rate is below 55% as the result of challenges on credit control execution in the townships. Billing on electricity has not been effective due to continuous meter tempering, cable theft and load reduction implemented by Eskom. Moreover interest receivable from debtors is less than expected.

Condition 6.12 Proper Management of Resources and Condition 6.13 -Accounting Treatment

19. The municipality has not ring-fenced receipts for electricity sales and equitable share earmarked for free basic services (FBE). This is due to the fact that the municipality was in the process of financial system implementation and will comply with Condition 6.13 Accounting Treatment during 2025/26 Final budget in May 2025 and has budget for smart meters.

Plan to address non-compliance

20. It should be noted that the municipality has 30 days to address any non-compliance as indicated above.

21. For any further enquiries, please do not hesitate to contact us.

VALUATION APPEAL BOARD

22. From a valuation perspective, there are significant principal differences between the parties, especially in respect of the rateability of civil services infrastructure and mining infrastructure.

23. Further dates for the continuation of the hearing are 9-11 September, 16-19 September, 23 September, 25 & 26 September, 14-17 October, 4-6 November and 1-5 December 2025.

Financial Management Grant December 2025

NATIONAL TREASURY (NT)			
MONTHLY REPORT - FINANCE MANAGEMENT GRANT (FMG) - DIVISION OF REVENUE ACT (DoRA)			
Note - Must be faxed to - 012 - 315 5230/ 086 650 5417 & emailed to fmg@treasury.gov.za. The municipality is required to confirm receipt by calling 012 315 5201/5308			
Note - Fields highlighted in yellow should be completed. Other fields are automated and reserved for comments. The Municipality is required to provide comments and supporting documentation where necessary.			
Name of Municipality	**GT484 Merafong City**		
Financial Year	**2025/26**		
Month	**M06 December**		
Section A: Previous Financial Year			
Financial Management Grant Received and Expenditure Incurred	**2024/25**	**Rand**	**Comment**
Total FMG received		2 800 000.00	
Total FMG Expenditure		2 800 000.00	
FMG unspent		0.00	**Note - If funds committed, follow process for rollover of funds. Please note that this should not be a negative amount.**
FMG unspent and returned to the National Revenue Fund			**Note - This should only be unspent FMG funds returned to the National Revenue Fund or taken off equitable share**
Total FMG unspent as at end of financial year		0.00	**Note - This should be funds that are approved by NT as rollover**
Section B: Current Financial Year	**2025/26**		

Financial Management Grant Received and Expenditure Incurred	Rand	Comment					
Total FMG received for current financial year	2 800 000.00						
Total unspent FMG approved for rollover (Refer to Section A: A15)	0.00						
Total FMG received	2 800 000.00						
Total spent year -to-date (See last months return - Section B: A31)	425 052.17	**Please note for July's return, this amount would be 0.**					
Total spending this month	1 564 832.77	**Aggregate spending from previous months**	**Total spending to date**	**Allocation as per support plan**	**Allocation Unspent**		**Comment**
- Interns Stipend/Salary and Training	72 798.67	425 052.17	497 850.84	1 000 000.00	502 149.16		
- Training in support of Minimum Competency Regulations			-	200 000.00	200 000.00		
- Towards strengthening capacity in Budget and Treasury Office (BTO), internal audit and audit committees			-	-	-		
- Acquisition, Upgrading and Maintenance of Financial Systems	1 492 034.10		1 492 034.10	1 600 000.00	107 965.90		
Total FMG spent	1 989 884.94	425 052.17	1 989 884.94	2 800 000.00	810 115.06		
Percentage spent	71.07						
Total FMG unspent for current financial year	**810 115.06**	**Note - AO/MM must return any unspent FMG allocations not approved for rollover, to the National Revenue Fund**					

16. Conclusion

1) That cognizance be taken of the financial performance achievements for month 06 of the financial year ended December 2025 in accordance with Section 71.
2) That stringent credit control and debt collection measures be implemented to improve the funding of the budget.
3) That the expenditure budget be reduced to be in line with the realistically anticipated revenue to be collected.
4) That the programme to reduce water be undertaken to reduce the expenditure on water purchases.
5) That the implementation of the capital budget from grants be accelerated to avoid funds being returned with the resultant negative impact on service delivery.
6) That it be noted that the progress report on implementation of the financial recovery plan is reported to Provincial Treasury

17. Recommendations

It is recommended that that the Committee meeting take note of –

7) The financial performance achievements for month 06 of the financial year ended December 2025 in accordance with Section 71 of the MFMA and that the Committee take note of the recommendations to improve the financial performance of the municipality:

2 That the revenue of the municipality be adjusted to be in line with the mid-term performance.

3 That stringent credit control and debt collection measures be implemented to improve the funding of the budget.

4 That the expenditure budget be reduced to be in line with the realistically anticipated revenue to be collected.

5 That the programme to reduce water be undertaken to reduce the expenditure on water purchases.

6 That the implementation of the capital budget from grants be accelerated to avoid funds being returned with the resultant negative impact on service delivery.

8) The balance of the Eskom bulk account (and / or bulk water account if relevant) and the municipality’s reconciliation of these accounts is conducted on a monthly basis..
9) The progress on the implementation of the Financial Recovery Plan.

10) The progress on the implementation of the cost containment report regulations

11) The non-compliance emanating from the municipality's debt relief self-assessment as well as the Provincial Treasury's independent assessment is being addressed on a monthly basis.

12) The remedial actions necessary to improve the municipality's monthly compliance in terms of the Debt Relief Conditions is conducted on monthly basis.

18. In-year budget statement tables

3) Table C1 Monthly Budget Statement Summary

GT484 Merafong City - Table C1 Monthly Budget Statement Summary - M06 December

Description	2024/25	Budget Year 2025/26								
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance										
Property rates	525 259	582 735	–	54 726	163 777	331 591	291 368	40 224	14%	582 735
Service charges	885 064	1 329 805	–	68 454	199 318	444 539	696 861	(252 322)	-36%	1 329 805
Investment revenue	11 172	11 744	–	453	1 567	2 933	5 872	(2 939)	-50%	11 744
Transfers and subsidies - Operational	361 224	358 803	–	96 673	99 797	235 619	174 860	60 759	35%	358 803
Other own revenue	394 705	615 421	–	26 244	89 559	166 296	304 527	(138 231)	-45%	615 421
Total Revenue (excluding capital transfers and contributions)	**2 177 424**	**2 898 509**	**–**	**246 550**	**554 019**	**1 180 978**	**1 473 487**	**(292 509)**	**-20%**	**2 898 509**
Employee costs	439 612	466 721	–	38 120	110 893	182 294	233 360	(51 067)		466 721
Remuneration of Councillors	27 103	28 460	–	2 356	6 802	11 764	14 230	(2 466)		28 460
Depreciation and amortisation	177 586	157 984	–	–	–	42 450	78 992	(36 542)		157 984
Interest	285 710	116 202	–	27 579	78 314	148 100	58 101	89 999		116 202
Inventory consumed and bulk purchases	750 487	945 128	–	57 419	179 850	415 565	472 564	(56 999)		945 128
Transfers and subsidies	506	596	–	42	83	208	298	(91)	-30%	596
Other expenditure	1 768 342	1 046 930	–	39 738	165 741	339 108	523 465	(184 357)	-35%	1 046 930
Total Expenditure	**3 449 346**	**2 762 021**	**–**	**165 255**	**541 683**	**1 139 487**	**1 381 011**	**(241 523)**	**-17%**	**2 762 021**
Surplus/(Deficit)	**(1 271 922)**	**136 488**	**–**	**81 295**	**12 337**	**41 490**	**92 477**	**(50 986)**	**-55%**	**136 488**
Transfers and subsidies - capital (monetary allocations)	149 974	124 091	–	–		42 792	41 768	1 024	2%	124 091
Transfers and subsidies - capital (in-kind)	(126)	–	–	–		–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(1 122 074)**	**260 579**	**–**	**81 295**	**12 337**	**84 282**	**134 245**	**(49 963)**	**-37%**	**260 579**
Share of surplus/ (deficit) of associate	–	–	–	–		–	–	–		–
Surplus/ (Deficit) for the year	**(1 122 074)**	**260 579**	**–**	**81 295**	**12 337**	**84 282**	**134 245**	**(49 963)**	**-37%**	**260 579**

GT484 Merafong City - Table C1 Monthly Budget Statement Summary - M06 December

Description	2024/25	Budget Year 2025/26								
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance										
Property rates	525 259	582 735	–	54 726	163 777	331 591	291 368	40 224	14%	582 735
Service charges	885 064	1 329 805	–	68 454	199 318	444 539	696 861	(252 322)	-36%	1 329 805
Capital expenditure & funds sources										
Capital expenditure	**217 924**	**155 111**	**–**	**14 228**	**57 110**	**57 110**	**77 555**	**(20 446)**	**-26%**	**155 111**
Capital transfers recognised	210 678	124 111	–	13 798	52 025	52 025	62 055	(10 030)	-16%	124 111
Borrowing	–	–	–	–		–	–	–		–
Internally generated funds	**7 246**	**31 000**	**–**	**430**	**5 084**	**5 084**	**15 500**	**(10 415)**	**-67%**	**31 000**
Total sources of capital funds	**217 924**	**155 111**	**–**	**14 228**		**57 110**	**77 555**	**(20 446)**	**-26%**	**155 111**
Financial position										
Total current assets	860 733	1 311 368	–			1 603 911				1 311 368
Total non current assets	3 383 526	3 196 553	–			3 398 186				3 196 553
Total current liabilities	3 733 397	1 265 797	–			4 279 257				1 265 797
Total non current liabilities	169 854	959 373	–			169 854				959 373
Community wealth/Equity	**341 008**	**2 282 751**	**–**			**552 985**				**2 282 751**
Cash flows										
Net cash from (used) operating	(703 778)	515 999	–	(19 589)		2 155 116	1 716 649	(438 468)	-26%	515 999
Net cash from (used) investing	217 924	(189 663)	–	(14 228)		(57 110)	97 831	154 941	158%	(189 663)
Cash/cash equivalents at the month/year end	**(329 874)**	**484 369**	**–**	**(33 816)**		**2 544 415**	**1 972 512**	**(571 903)**	**-29%**	**–**
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	98 459	117 127	93 707	89 453		98 498	97 417	544 103	5 751 967	6 890 731
Creditors Age Analysis										
Total Creditors	(20 026)	139 068	119 170	131 967		152 704	154 877	714 940	1 964 465	3 357 165

19. Table C2: Budget Statement - Financial Performance (Revenue and Expenditure by Municipal vote)

GT484 Merafong City - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2024/25	Budget Year 2025/26								
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quartetly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional											
Governance and administration		**1 170 490**	**1 228 465**	**–**	**164 843**	**325 776**	**672 495**	**590 772**	81 723	14%	**1 228 465**
Executive and council		13 722	–	–	–	6 855	1 803	–	1 803	!	–
Finance and administration		1 156 768	1 228 465	–	164 843	318 550	670 692	590 772	79 920	14%	1 228 465
Internal audit		–	–	–	–	371	–	–	–		–
Community and public safety		**63 668**	**31 966**	**–**	**254**	**9 434**	**9 930**	**11 442**	(1 512)	-13%	**31 966**
Community and social services		28 921	28 909	–	128	6 118	9 188	9 913	(725)	-7%	28 909
Sport and recreation		15	46	–	(2)	2 004	(8)	23	(30)	-133%	46
Public safety		–	–	–	–	489	–	–	–		–
Housing		34 731	3 012	–	128	823	749	1 506	(756)	-50%	3 012
Health		–	–	–	–	–	–	–	–		–
Economic and environmental services		**9 362**	**35 614**	**–**	**713**	**10 174**	**19 203**	**17 807**	1 395	8%	**35 614**
Planning and development		9 362	4 555	–	713	6 582	6 562	2 278	4 285	188%	4 555
Road transport		–	31 059	–	–	3 592	12 640	15 530	(2 889)	-19%	31 059
Environmental protection		–	–	–	–	–	–	–	–		–
Trading services		**1 083 753**	**1 726 553**	**–**	**80 739**	**262 631**	**522 142**	**895 235**	**(373 092)**	-42%	**1 726 553**
Energy sources		373 681	761 265	–	14 440	79 153	139 557	412 590	(273 033)	-66%	761 265
Water management		588 640	750 603	–	54 836	149 054	314 178	375 302	(61 124)	-16%	750 603
Waste water management		9 133	102 384	–	741	7 271	4 461	51 192	(46 731)	-91%	102 384
Waste management		112 300	112 301	–	10 721	27 153	63 945	56 151	7 795	14%	112 301
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Revenue - Functional	2	**2 327 271**	**3 022 600**	**–**	**246 550**	**608 015**	**1 223 770**	**1 515 256**	**(291 486)**	**-19%**	**3 022 600**

GT484 Merafong City - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2024/25	Budget Year 2025/26								
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quartetly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure - Functional	-										
Governance and administration		**985 198**	**544 255**	**–**	**16 175**	**135 114**	**250 649**	**272 128**	(21 478)	-8%	**544 255**
Executive and council		101 723	84 030	–	3 646	16 952	46 633	42 265	4 368	10%	84 030
Finance and administration		878 185	450 975	–	10 305	115 147	198 998	225 237	(26 239)	-12%	450 975
Internal audit		5 289	9 251	–	2 224	3 015	5 018	4 625	393	8%	9 251
Community and public safety		**135 302**	**123 259**	**–**	**1 767**	**19 137**	**52 528**	**61 630**	(9 101)	-15%	**123 259**
Community and social services		87 586	73 544	–	1 065	12 371	34 470	36 772	(2 302)	-6%	73 544
Sport and recreation		27 281	29 902	–	673	4 625	10 611	14 951	(4 339)	-29%	29 902
Public safety		6 016	4 231	–	–	972	2 606	2 116	490	23%	4 231
Housing		14 419	12 447	–	30	1 170	4 841	6 224	(1 383)	-22%	12 447
Health		–	3 135	–	–	–	–	1 568	(1 568)	-100%	3 135
Economic and environmental services		**200 856**	**211 121**	**–**	**916**	**18 501**	**70 425**	**105 560**	(35 135)	-33%	**211 121**
Planning and development		82 251	36 019	–	0	10 250	28 628	18 010	10 619	59%	36 019
Road transport		118 604	175 102	–	915	8 251	41 797	87 551	(45 754)	-52%	175 102
Environmental protection		–	–	–	–	–	–	–	–		–
Trading services		**2 127 991**	**1 883 386**	**–**	**88 553**	**311 085**	**765 885**	**941 693**	**(175 808)**	-19%	**1 883 386**
Energy sources		865 768	918 468	–	56 115	176 242	446 637	459 234	(12 597)	-3%	918 468
Water management		988 043	654 481	–	14 615	96 715	237 858	327 241	(89 383)	-27%	654 481
Waste water management		121 012	142 533	–	13 585	22 584	45 679	71 267	(25 588)	-36%	142 533
Waste management		153 168	167 904	–	4 237	15 545	35 711	83 952	(48 241)	-57%	167 904
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Expenditure - Functional	**3**	**3 449 346**	**2 762 021**	**–**	**107 410**	**464 701**	**1 139 487**	**1 381 011**	**(241 523)**	**-17%**	**2 762 021**
Surplus/ (Deficit) for the year		**(1 122 074)**	**260 579**	**–**	**139 139**	**143 314**	**84 282**	**134 245**	**(49 963)**	**-37%**	**260 579**

20. Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) – M06 December 2025

GT484 Merafong City - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2024/25	Budget Year 2025/26								
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1										
Vote 1 - Municipal Manager		13 722	–	–	–	277	1 803	–	1 803	#DIV/0!	–
Vote 2 - Finance		1 140 049	1 220 086	–	164 035	312 040	667 424	586 582	80 842	13.8%	1 220 086
Vote 3 - Community and Social Services		28 921	28 909	–	128	2 030	9 188	9 913	(725)	-7.3%	28 909
Vote 4 - Sport and Recreation		15	46	–	(2)	(4)	(8)	23	(30)	-133.5%	46
Vote 5 - Public Safety		–	–	–	–	–	–	–	–		–
Vote 6 - Housing		34 731	3 012	–	128	377	749	1 506	(756)	-50.2%	3 012
Vote 7 - Health		–	–	–	–	–	–	–	–		–
Vote 8 - Planning and Development		9 362	4 555	–	713	2 722	6 562	2 278	4 285	188.1%	4 555
Vote 9 - Road Transport		–	31 059	–	–	12 640	12 640	15 530	(2 889)	-18.6%	31 059
Vote 10 - Energy Sources		373 681	761 265	–	14 440	37 128	139 557	412 590	(273 033)	-66.2%	761 265
Vote 11 - Water Management		588 640	750 603	–	54 836	163 869	314 178	375 302	(61 124)	-16.3%	750 603
Vote 12 - Waste Water Management		9 133	102 384	–	741	2 187	4 461	51 192	(46 731)	-91.3%	102 384
Vote 13 - Waste Management		112 300	112 301	–	10 721	32 057	63 945	56 151	7 795	13.9%	112 301
Vote 14 - Internal Audit		–	–	–	–	–	–	–	–		–
Vote 15 - Other		16 719	8 380	–	808	1 790	3 268	4 190	(922)	-22.0%	8 380
Total Revenue by Vote	2	**2 327 271**	**3 022 600**	**–**	**246 550**	**565 323**	**1 223 770**	**1 515 256**	**(291 486)**	**-19.2%**	**3 022 600**

GT484 Merafong City - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2024/25	Budget Year 2025/26								
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Expenditure by Vote</u>	1										
Vote 1 - Municipal Manager		101 723	84 030	–	3 646	16 952	46 633	42 265	4 368	10.3%	84 030
Vote 2 - Finance		433 082	215 512	–	10 297	113 826	194 442	107 506	86 936	80.9%	215 512
Vote 3 - Community and Social Services		87 586	73 544	–	1 065	12 371	34 470	36 772	(2 302)	-6.3%	73 544
Vote 4 - Sport and Recreation		27 281	29 902	–	673	4 625	10 611	14 951	(4 339)	-29.0%	29 902
Vote 5 - Public Safety		6 016	4 231	–	–	972	2 606	2 116	490	23.2%	4 231
Vote 6 - Housing		14 419	12 447	–	30	1 170	4 841	6 224	(1 383)	-22.2%	12 447
Vote 7 - Health		–	3 135	–	–	–	–	1 568	(1 568)	-100.0%	3 135
Vote 8 - Planning and Development		82 251	36 019	–	0	10 250	28 628	18 010	10 619	59.0%	36 019
Vote 9 - Road Transport		118 604	175 102	–	915	8 251	41 797	87 551	(45 754)	-52.3%	175 102
Vote 10 - Energy Sources		865 768	918 468	–	56 115	176 242	446 637	459 234	(12 597)	-2.7%	918 468
Vote 11 - Water Management		988 043	654 481	–	14 615	96 715	237 858	327 241	(89 383)	-27.3%	654 481
Vote 12 - Waste Water Management		121 012	142 533	–	13 585	22 584	45 679	71 267	(25 588)	-35.9%	142 533
Vote 13 - Waste Management		153 168	167 904	–	4 237	15 545	35 711	83 952	(48 241)	-57.5%	167 904
Vote 14 - Internal Audit		5 289	9 251	–	2 224	3 015	5 018	4 625	393	8.5%	9 251
Vote 15 - Other		445 104	235 463	–	7	1 321	4 556	117 732	(113 176)	-96.1%	235 463
Total Expenditure by Vote	2	**3 449 346**	**2 762 021**	**–**	**107 410**	**483 838**	**1 139 487**	**1 381 011**	**(241 523)**	**-17.5%**	**2 762 021**
Surplus/ (Deficit) for the year	2	**(1 122 074)**	**260 579**	**–**	**139 139**	**81 484**	**84 282**	**134 245**	**(49 963)**	**-37.2%**	**260 579**

5 Table C4: Month 06 Budget Statement – Financial Performance (Revenue and Expenditure)

GT484 Merafong City - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2024/25	Budget Year 2025/26								
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue											
Exchange Revenue											
Service charges - Electricity		315 811	481 628	–	13 776	35 818	129 938	272 772	(142 834)	-52%	481 628
Service charges - Water		407 417	633 537	–	39 145	116 014	219 986	316 768	(96 782)	-31%	633 537
Service charges - Waste Water Management		67 635	102 355	–	6 758	21 197	41 940	51 177	(9 238)	-18%	102 355
Service charges - Waste management		94 201	112 285	–	8 776	26 290	52 675	56 143	(3 468)	-6%	112 285
Sale of Goods and Rendering of Services		4 241	3 646	–	233	819	1 764	1 823	(59)	-3%	3 646
Agency services		13 125	17 695	–	–	12 156	12 156	8 847	3 308	37%	17 695
Interest		–	–	–	–	–	–	–	–		–
Interest earned from Receivables		180 911	192 599	–	12 285	35 913	72 847	96 299	(23 452)	-24%	192 599
Interest from Current and Non Current Assets		11 172	11 744	–	453	1 567	2 933	5 872			11 744
Dividends		–	–	–	–	–	–	–	–		–
Rent on Land		1 350	–	–	617	1 825	3 202	–	3 202		–
Rental from Fixed Assets		3 465	3 164	–	140	400	813	1 582	(769)	-49%	3 164
Licence and permits		4	2 069	–	–	–	–	1 034	(1 034)	-100%	2 069
Special rating levies		–	–	–	–	36	–	–	–		–
Operational Revenue		9 520	3 201	–	3	6	49	(1 583)	1 632	-103%	3 201
Non-Exchange Revenue		–	–	–	–	54 554	–	–	–		–
Property rates		525 259	582 735	–	54 726	109 223	331 591	291 368	40 224	14%	582 735
Surcharges and Taxes		–	–	–	–	22	–	–	–		–
Fines, penalties and forfeits		38 739	31 290	–	7	37	273	15 645	(15 372)		31 290
Licence and permits		–	–	–	–	2 780	–	–	–		–
Transfers and subsidies - Operational		361 224	358 803	–	96 673	109 785	235 619	174 860	60 759		358 803
Interest		141 376	152 699	–	12 960	25 577	75 193	76 349	(1 156)		152 699
Gains on disposal of Assets		–	–	–	–	–	–	–	–		–
Other Gains		1 975	209 059	–	–	–	–	104 530	(104 530)		209 059

Discontinued Operations		–	–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**2 177 424**	**2 898 509**	**–**	**246 550**	**554 019**	**1 180 978**	**1 473 487**	**(292 509)**	**-20%**	**2 898 509**

GT484 Merafong City - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description R thousands	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue											
Exchange Revenue											
Expenditure By Type	-										
Employee related costs		439 612	466 721	–	38 120	110 893	182 294	233 360	(51 067)	-22%	466 721
Remuneration of councillors		27 103	28 460	–	2 356	6 802	11 764	14 230	(2 466)	-17%	28 460
Bulk purchases - electricity		556 457	589 037	–	40 001	129 176	331 220	294 519	36 701		589 037
Inventory consumed		194 030	356 090	–	17 418	50 675	84 345	178 045	(93 700)		356 090
Debt impairment		1 036 209	730 363	–	–	–	–	365 181	(365 181)	-100%	730 363
Depreciation and amortisation		177 586	157 984	–	–	–	42 450	78 992	(36 542)	-46%	157 984
Interest		285 710	116 202	–	27 579	78 314	148 100	58 101	89 999	155%	116 202
Contracted services		431 369	173 859	–	30 943	85 217	200 596	86 929	113 666	131%	173 859
Transfers and subsidies		506	596	–	42	83	208	298	(91)	-30%	596
Irrecoverable debts written off		43 685	32 079	–	36	53 028	55 751	16 039	39 712		32 079
Operational costs		112 571	70 071	–	8 759	15 572	37 890	35 035	2 855	8%	70 071
Losses on Disposal of Assets		–	–	–	–	–	–	–	–		–
Other Losses		144 508	40 559	–	–	11 924	44 870	20 280	24 591		40 559
Total Expenditure		**3 449 346**	**2 762 021**	**–**	**165 255**	**541 683**	**1 139 487**	**1 381 011**	**(241 523)**	**-17%**	**2 762 021**
Surplus/(Deficit)		**(1 271 922)**	**136 488**	**–**	**81 295**	**12 337**	**41 490**	**92 477**	**(50 986)**	**(0)**	**136 488**
Transfers and subsidies - capital (monetary allocations)		149 974	124 091	–	–		42 792	41 768	1 024	**0**	124 091
Transfers and subsidies - capital (in-kind)		(126)	–	–	–		–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(1 122 074)**	**260 579**	**–**	**81 295**	**12 337**	**84 282**	**134 245**			**260 579**
Income Tax		–	–	–	–		–	–			–
Surplus/(Deficit) after income tax		**(1 122 074)**	**260 579**	**–**	**81 295**	**12 337**	**84 282**	**134 245**			**260 579**
Share of Surplus/Deficit attributable to Minorities		–	–	–	–		–	–			–
Surplus/(Deficit) attributable to municipality		**(1 122 074)**	**260 579**	**–**	**81 295**	**12 337**	**84 282**	**134 245**			**260 579**
Intercompany/Parent subsidiary transactions		–	–	–	–		–	–			–
Surplus/ (Deficit) for the year		**(1 122 074)**	**260 579**	**–**	**81 295**	**12 337**	**84 282**	**134 245**			**260 579**

6 Table C5: Month 06 Budget Statement – Capital Expenditure by vote, standard classification and funding

GT484 Merafong City - Table C6 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

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
Single Year expenditure appropriation	2									
Vote 1 - Municipal Manager		–	3 000	–	400	1 296	1 500	(204)	-14%	3 000
Vote 2 - Finance		6 382	–	–	29	998	–	998		–
Vote 3 - Community and Social Services		4 361	4 000	–	–	568	2 000	(1 432)	-72%	4 000
Vote 4 - Sport and Recreation		–	2 000	–	–	24	1 000	(976)	-98%	2 000
Vote 5 - Public Safety		–	–	–	–	–	–	–		–
Vote 6 - Housing		–	–	–	–	–	–	–		–
Vote 7 - Health		–	–	–	–	–	–	–		–
Vote 8 - Planning and Development		–	–	–	–	–	–	–		–
Vote 9 - Road Transport		51 882	44 533	–	3 140	18 167	22 267	(4 099)	-18%	44 533
Vote 10 - Energy Sources		76 815	44 601	–	3 130	11 101	22 300	(11 199)	-50%	44 601
Vote 11 - Water Management		42 762	39 980	–	2 509	6 888	19 990	(13 102)	-66%	39 980
Vote 12 - Waste Water Management		35 722	10 497	–	4 883	17 609	5 248	12 361	236%	10 497
Vote 13 - Waste Management		–	6 500	–	136	277	3 250	(2 973)	-91%	6 500
Vote 14 - Internal Audit		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	182	–	182		–
Total Capital single-year expenditure	4	217 924	155 111	–	14 228	57 110	77 555	**(20 446)**	**-26%**	155 111
Total Capital Expenditure		**217 924**	**155 111**	**–**	**14 228**	**57 110**	**77 555**	**(20 446)**	**-26%**	**155 111**

GT484 Merafong City - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

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>Capital Expenditure - Functional Classification</u>										
Governance and administration		**6 382**	**3 000**	**–**	**430**	**2 476**	**1 500**	976	65%	**3 000**
Executive and council		–	3 000	–	400	1 296	1 500	(204)	-14%	3 000
Finance and administration		6 382	–	–	29	1 180	–	1 180	#DIV/0!	–
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**4 361**	**6 000**	**–**	**–**	**592**	**3 000**	(2 408)	-80%	**6 000**
Community and social services		4 361	4 000	–	–	568	2 000	(1 432)	-72%	4 000
Sport and recreation		–	2 000	–	–	24	1 000	(976)	-98%	2 000
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**51 882**	**44 533**	**–**	**3 140**	**18 167**	**22 267**	(4 099)	-18%	**44 533**
Planning and development		–	–	–	–	–	–	–		–
Road transport		51 882	44 533	–	3 140	18 167	22 267	(4 099)	-18%	44 533
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**155 299**	**101 578**	**–**	**10 658**	**35 875**	**50 789**	(14 914)	-29%	**101 578**
Energy sources		76 815	44 601	–	3 130	11 101	22 300	(11 199)	-50%	44 601
Water management		42 762	39 980	–	2 509	6 888	19 990	(13 102)	-66%	39 980
Waste water management		35 722	10 497	–	4 883	17 609	5 248	12 361	236%	10 497
Waste management		–	6 500	–	136	277	3 250	(2 973)	-91%	6 500
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**217 924**	**155 111**	**–**	**14 228**	**57 110**	**77 555**	**(20 446)**	**-26%**	**155 111**

Funded by:										
National Government		210 678	124 111	–	13 798	52 025	62 055	(10 030)	-16%	124 111
Provincial Government		0	–	–	–	–	–	–		–
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		**210 678**	**124 111**	**–**	**13 798**	**52 025**	**62 055**	**(10 030)**	**-16%**	**124 111**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		7 246	31 000	–	430	5 084	15 500	(10 415)	-67%	31 000
Total Capital Funding		**217 924**	**155 111**	**–**	**14 228**	**57 110**	**77 555**	**(20 446)**	**-26%**	**155 111**

7 Table C6: Month 06 Budget Statement – Financial Position

GT484 Merafong City - Table C6 Monthly Budget Statement - Financial Position - M06 December

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		82 015	482 367	–	206 900	482 367
Trade and other receivables from exchange transactions		123 851	240 488	–	345 523	240 488
Receivables from non-exchange transactions		93 164	220 893	–	380 311	220 893
Current portion of non-current receivables		–	–	–	–	–
Inventory		830	1 062	–	19 364	1 062
VAT		560 872	366 559	–	651 812	366 559
Other current assets		–	–	–	–	–
Total current assets		**860 733**	**1 311 368**	**–**	**1 603 911**	**1 311 368**
Non current assets						
Investments		–	–	–	–	–
Investment property		223 818	217 300	–	223 818	217 300
Property, plant and equipment		3 145 626	2 978 912	–	3 161 385	2 978 912
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		190	136	–	190	136
Intangible assets		13 892	205	–	12 793	205
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		**3 383 526**	**3 196 553**	**–**	**3 398 186**	**3 196 553**
TOTAL ASSETS		**4 244 259**	**4 507 921**	**–**	**5 002 097**	**4 507 921**
LIABILITIES						
Current liabilities	-					
Bank overdraft		–	51 960	–	–	51 960
Financial liabilities		3 391	13 521	–	1 834	13 521
Consumer deposits		21 309	–	–	21 608	–
Trade and other payables from exchange transactions		3 226 234	1 072 734	–	3 646 079	1 072 734
Trade and other payables from non-exchange transactions		17 585	31 294	–	78 741	31 294
Provision		55 293	39 388	–	55 293	39 388
VAT		409 585	56 900	–	475 702	56 900

Other current liabilities		–	–	–	–	–
Total current liabilities		**3 733 397**	**1 265 797**	**–**	**4 279 257**	**1 265 797**
Non current liabilities						
Financial liabilities		4 509	17 535	–	4 509	17 535
Provision		32 555	29 894	–	32 555	29 894
Long term portion of trade payables		–	911 944	–	–	911 944
Other non-current liabilities		132 790	–	–	132 790	–
Total non current liabilities		**169 854**	**959 373**	**–**	**169 854**	**959 373**
TOTAL LIABILITIES		**3 903 251**	**2 225 170**	**–**	**4 449 111**	**2 225 170**
NET ASSETS	2	**341 008**	**2 282 751**	**–**	**552 985**	**2 282 751**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		(2 252 623)	2 282 751	–	(2 040 645)	2 282 751
Reserves and funds Other		2 593 631	–	–	2 593 631	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**341 008**	**2 282 751**	**–**	**552 985**	**2 282 751**

8 Table C7: Month 06 Budget Statement – Cash Flow

GT484 Merafong City - Table C7 Monthly Budget Statement - Cash Flow - M06 December

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		(539 915)	408 037	–	–	215 643	204 019	11 624	6%	408 037
Service charges		(605)	1 004 719	–	–	189	502 360	(502 171)	-100%	1 004 719
Other revenue		69 094	64 329	–	9 069	15 054	32 164	(17 110)	-53%	64 329
Transfers and Subsidies - Operational		–	334 256	–	–	306 391	191 675	114 716	60%	334 256
Transfers and Subsidies - Capital		–	124 091	–	–	21 673	62 045	(40 372)	-65%	124 091
Interest		333 458	11 744	–	–	150 973	5 872	145 101	2471%	11 744
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(565 810)	(1 316 381)	–	(28 657)	1 458 704	661 115	(797 588)	-121%	(1 316 381)
Interest		–	(114 200)	–	–	(13 510)	57 100	70 610	124%	(114 200)
Transfers and Subsidies		–	(596)	–	–	–	298	298	100%	(596)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**(703 778)**	**515 999**	**–**	**(19 589)**	**2 155 116**	**1 716 649**	**(438 468)**	**-26%**	**515 999**

GT484 Merafong City - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description R thousands	Ref 1	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
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables	-	–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		217 924	(189 663)	–	(14 228)	(57 110)	97 831	154 941	158%	(189 663)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**217 924**	**(189 663)**	**–**	**(14 228)**	**(57 110)**	**97 831**	**154 941**	**158%**	**(189 663)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**(485 854)**	**326 337**	**–**	**(33 816)**	**2 098 007**	**1 814 480**			**–**
Cash/cash equivalents at beginning:		155 980	158 032	–	–	446 408	158 032			446 408
Cash/cash equivalents at month/year end:		(329 874)	484 369	–	(33 816)	2 544 415	1 972 512			–

TOTAL COST SAVINGS DISCLOSURE UP TO DECEMBER 2025

MEASURES	BUDGET R'000	Q1 PROJECTED	Q1 ACTUALS	Q2 PROJECTED	TOTAL ACTUALS	SAVINGS
Use of Consultants						
Compiling Financial Statements (1100/09016 P45)	R 2 400 000	R 600 000	R 19 000	R 600 000	R 19 000	R 2 381 000
Infratec Asset Management Grant)P87	R 568 289	R 142 072	R 0	R 142 072	R 0	R 568 289
Traveling and other events						
Vehicles used for Political Office Bearers	R 0	R 0	R 0	R 0	R 0	R 0
Travel and Subsistence (11371+11374)	R 69 207	R 17 302	R 2 307	R 17 302	R 2 307	R 66 900
Domestic Accomodation (11370)	R 0	R 0	R 0	R 0	R 0	R 0
Registration Fees : Seminars, Conferences, Workshop:1300/11352, 1046 11354)	1581000	R 395 250	R 129 673	R 395 250	R 129 673	R 1 451 327
Ponsorship,Events and Catering (09027)	R 1 169 793	R 292 448	R 24 192	R 292 448	R 24 192	R 1 145 601
Communication:						
Advertisement (11234+11240)	R 1 218 215	R 304 554	R 13 696	R 304 554	R 13 696	R 1 204 519
Newspapers/Magazines/Information Recourses (2010/11348)	4 300 000	R 29 667	R 0	R 1 075 000	R 0	R 3 254 667
Other Related Expenditure Items:						
Consumables : Standard Rated-(11031)	R 223 525	R 55 881	R 70 166	R 55 881	R 70 166	R 153 359
Materials and Supplies : -(11034)	R 1 200 000	R 300 000	R 523 949	R 300 000	R 523 949	R 676 051
Printing (11351)	R 795 611	R 198 903	R 119 950	R 198 903	R 119 950	R 675 661
Operating Leases : Machinery and Equipment(11216)	R 833 388	R 208 347	R 78 123	R 208 347	R 78 123	R 755 265
Cleaning Services : Laundry Services-(11276)	R 272 340	R 68 085	R 2 144	R 68 085	R 2 144	R 270 196
TOTAL	R 14 631 368	R 2 612 509	R 983 201	R 3 657 842	R 983 201	R 12 602 834