MERAFONG MUNICIPALITY

SECTION 52 & 71 ENDING JUNE 2026

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 JUNE MONTH 12 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 JUNE, MONTH 12 AND QUARTER 04 2026 FINANCIAL YEAR

IN-YEAR BUDGET STATEMENT TABLES: MONTH ENDED 30 JUNE OF 2026 FINANCIAL YEAR

The financial results for the Month ended 30 June 2026 are attached and consists of the following tables:

MBRR TABLES:

1. Table C1 Month 12 Budget Statement -Summary
2. Table C2: Month 12 Budget Statement - Financial Performance (Revenue and Expenditure by Functional Classification)
3. Table C3 Month 12 Budget Statement - Financial Performance (revenue and expenditure by municipal vote)
4. Table C4: Month 12 Budget Statement – Financial Performance (Revenue and Expenditure)
5. Table C5: Month 12 Budget Statement – Capital Expenditure by vote, standard classification and funding
6. Table C6: Month 12 Budget Statement – Financial Position
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8. Table SC3: Month 12 Budget Statement – Aged Debtors
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11. Table SC7: Month 12 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 June 2026 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 **30 June 2026**, the ten working day reporting limit expired on **14 July 2026.**

3. Executive summary

The Adjusted budgeted Revenue for the year has been set at an amount of **R2 795 430 308**, the actual revenue as at end of June amounted to **R176 657 000** and for the Fourth Quarter amounted to **R465 587 000** including Grants received in June 2026. The Adjusted budgeted Expenditure for the year has been set at an amount of **R 2 664 875 818**, the actual expenditure as at end of June amounted to **R208 850 000** and for the Fourth Quarter amounted to **R652 882 000.**

The Adjusted Capital Budget for the 2025-26 Financial year is **R162 760 085.00**

The Adjusted Capital Budget amounted to **R162 760 085.00,** and Expenditure incurred on Capital amounted to **R14 763 733.2** for the month of June which is **11.21%** of the total Capital Budget and for the Fourth Quarter amounted to **R34 640 238.95** which is **26.29%** of the total Capital Budget

The Capital expenditure to date amounted to **R131 759 463.73** which is **100%** of the total Budget.

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

ADJUSTED OPERATING AND CAPITAL BUDGET EXPENDITURE	2025/2026 FINAL BUDGET
TOTAL ADJUSTED OPERATING REVENUE	R2 795 430 308.00
TOTAL ADJUSTED OPERATING EXPENDITURE	R2 664 875 818.00
TOTAL ADJUSTED CAPITAL EXPENDITURE	R162 760 085.00
TOTAL ADJUSTED OPEX AND CAPEX BUDGET	R2 827 635 903.00

4.1 Operating Revenue by Source

Description	Adjusted Budget Amount	June Actual	YTD Revenue	%YTD Revenue
Adjusted Operating Revenue	R2 795 430 308	R128 113 000	R2 189 264 000	78.32%
TOTAL Revenue	R2 795 430 308	**R128 113 000**	**R2 189 264 000**	**78.32%**

4.2 Operating Expenditure by Type

Description	Adjusted Budget Amount	June Actual	YTD Expenditure	%YTD Expenditure
-Adjusted Operating Expenditure	R2 664 875 818	R267 310 000	R2 435 505 000	91.39%
TOTAL Revenue	R2 664 875 818	**R267 310 000**	**R2 435 505 000**	**91.39%**

4.3 SALARIES

Description	Adjusted Budget Amount	June Actual	YTD Expenditure	%YTD Expenditure
Employee Related Cost	R452 719 119	R36 228 000	R435 755 000	96.25%
TOTAL	**R452 719 119**	**R36 228 000**	**R435 755 000**	**96.25%**

a. REMUNERATION ON COUNCILLORS

Description	Adjusted Budget Amount	June Actual	YTD Expenditure	%YTD Expenditure
Remunerations of Councillors	R28 451 742	R2 337 000	R28 540 000	**100.00%**
TOTAL	**R28 459 742**	**R2 337 000**	**R28 540 000**	**100.00%**

STAFF OVERTIME

Summary: Overtime

Trading Services

Month	Projected	M10-12 Actuals	Percentage
April	R2 194 583.58	R2 460 994.99	112.14%
May	R2 194 583.58	R2 265 580.58	103.24%
June	R2 194 583.58	R2 525 529.94	115.08%

OVERTIME EXPENDITURE FOR JUNE 2026

SERIAL NUMBER	CATEGORY OF EXPENDITURE	ANNUAL Approved Budgett	April	May	June	Tran current ytd	Positive/Negative Variamce %
	Revenue By Source						
1	INCOME	145 000.00	14 006.76	34 437.98	66 907.48	478 826.45	55.49%
2	EXPENDITURE	112 000.00	22 423.28	22 724.66	31 284.10	266 889.78	12.70%
3	BUDGET & TREASURY	140 000.00	7 625.12	11 995.25	12 266.50	246 244.47	17.83%
4	SUPPLY CHAIN			4 460.55	4 279.71	5 605.82	
5	FINANCE:INTERNS	95 000.00	6 408.00			52 580.35	0.00%
6	TRAFFIC & LICENSING	2 521 639.00	227 307.00	174 654.42	249 971.40	1 861 735.72	7.32%
7	SECURITY	1 200 000.00	128 692.78	110 579.34	109 283.35	995 425.16	8.95%
8	CEMETARY	100 765.00				7 715.53	0.00%
9	REFUSE REMOVAL	7 907 522.00		568 621.12	560 431.62	4 416 319.63	6.01%
10	WATER	5 654 197.00	433 305.65	493 933.75	454 291.53	4 177 405.12	7.52%
11	ELECTRICITY	6 300 500.00	12 999.41	401 580.03	363 668.21	3 176 492.11	5.27%
12	CHIEF OPERATING OFFICER					4 662.38	
13	SECRETARIAT & LEGAL	30 651.00	18 901.51	41 285.91	46 153.32	297 023.65	160.03%
14	IDP/PMS	6 760.00				-	0.00%
15	EXECUTIVE MAYOR	71 107.00	53 277.26	91 355.19	79 559.94	454 162.95	104.45%
16	SPEAKER		36 911.73	35 875.94	14 285.80	251 124.83	
17	S.E. SHARED SERVICES			17 299.68	18 444.96	118 602.74	
18	INTERNAL AUDIT	3 525.00			6 509.98	-	0.00%
19	CHIEF OF STAFF					-	
20	INFORMATION TECHNOLOGY	101 040.00				82 972.16	0.00%
21	MANAGER CIVIL ENGINEERING	55 200.00		15 913.30	9 403.31	64 858.75	13.98%
22	PUBLIC WORKS	468 480.00	98 045.64	81 040.73	142 621.78	792 466.82	25.75%
23	SE ECONOMIC DEVELOPMENT			8 921.10	16 455.80	38 216.04	
24	ROADS & STORMWATER	411 462.00		725.25	63 113.25	864 052.94	27.14%
25	PARKS	918 985.00	194 563.23	72 287.33	194 066.17	1 177 474.73	21.04%
26	MARKETING	1 040.00		8 921.10	9 041.65	45 901.43	817.23%
27	MANAGER SRACH,LIS and Parks	27 775.00		5 304.43		39 542.09	4.34%
28	SOCIAL DEVELOPMENT	5 200.00				-	0.00%
29	HR & SKILLS DEVELOPMENT	41 555.00		41 063.75	53 422.61	233 893.76	72.42%
30	INDUSTRIAL RELATIONS			14 643.12	13 557.48	41 805.19	
31	HOUSING ADMINISTRATION	15 600.00				208 848.78	189.41%
32	SPARTIAL PLANNING					-	
33	LIBRARIES					-	
34	PROJECT MANAGEMET UNIT					-	
35	MUNICIPAL MANAGER		3 835.09			-	
36	LED					-	
37	SE COMMUNITY SERVICE					70 645.41	
38	WATER CAREWORK			7 956.65	6 509.99	114 326.64	
	Total	**26 335 003.00**	**1 258 302.46**	**2 265 580.58**	**2 525 529.94**	**20 585 821.43**	

Summary: Overtime
The approved overtime budget for the **2025/26** financial year is a total amount of **R26 355 003.00.**
During **June 2026** overtime paid was a total amount of **R2 525 529.94** against the projected budget of **R2 194 583.58** which is **115.08%** 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 unfunded 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
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5. In-year budget statement tables

2) Table C1 Monthly Budget Statement Summary

GT484 Merafong City - Table C1 Monthly Budget Statement Summary - M12 June

Description	2024/25	Budget Year 2025/26								
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance										
Property rates	525 259	582 735	648 175	54 189	164 677	665 627	648 175	17 451	3%	582 735
Service charges	885 064	1 329 805	1 202 668	104 851	235 416	872 658	1 266 583	(393 925)	-31%	1 329 805
Investment revenue	11 172	11 744	5 866	155	845	4 886	5 866	(979)	-17%	11 744
Transfers and subsidies - Operational	361 224	358 803	359 091	393	4 031	336 526	350 009	(13 484)	-4%	358 803
Other own revenue	394 705	615 421	579 631	17 068	60 618	309 794	579 631	(269 836)	-47%	615 421
Total Revenue (excluding capital transfers and contributions)	**2 177 424**	**2 898 509**	**2 795 430**	**176 657**	**465 587**	**2 189 491**	**2 850 264**	**(660 773)**	**-23%**	**2 898 509**
Employee costs	439 612	466 721	452 719	36 228	109 444	434 755	452 719	(17 964)	**-4%**	466 721
Remuneration of Councillors	27 103	28 460	28 460	2 337	7 757	28 540	28 460	80	**0%**	28 460
Depreciation and amortisation	177 697	157 984	157 984	–	–	116 885	157 984	(41 099)	**-26%**	157 984
Interest	285 710	116 202	137 062	16 195	74 295	317 106	137 062	180 045	**131%**	116 202
Inventory consumed and bulk purchases	757 227	945 128	819 116	105 163	251 519	920 412	819 116	101 296	**12%**	945 128
Transfers and subsidies	506	596	596	–	42	415	596	(181)	-30%	596
Other expenditure	1 659 926	1 046 930	1 068 939	48 927	209 826	617 391	1 078 555	(461 164)	-43%	1 046 930
Total Expenditure	**3 347 781**	**2 762 021**	**2 664 876**	**208 850**	**652 882**	**2 435 505**	**2 674 492**	**(238 987)**	**-9%**	**2 762 021**
Surplus/(Deficit)	**(1 170 357)**	**136 488**	**130 554**	**(32 193)**	**(187 295)**	**(246 014)**	**175 772**	**(421 786)**	**-240%**	**136 488**
Transfers and subsidies - capital (monetary allocations)	149 974	124 091	127 219	–		111 276	80 409	30 867	38%	124 091
Transfers and subsidies - capital (in-kind)	(126)	–	–	–		–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(1 020 509)**	**260 579**	**257 773**	**(32 193)**	**(187 295)**	**(134 738)**	**256 180**	**(390 919)**	**-153%**	**260 579**
Share of surplus/ (deficit) of associate	–	–	–	–		–	–	–		–
Surplus/ (Deficit) for the year	**(1 020 509)**	**260 579**	**257 773**	**(32 193)**	**(187 295)**	**(134 738)**	**256 180**	**(390 919)**	**-153%**	**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 - M12 June

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
Capital expenditure & funds sources										
Capital expenditure	**217 924**	**155 111**	**158 219**	**22 247**	**337 878**	**337 878**	**158 219**	**179 659**	**114%**	**155 111**
Capital transfers recognised	207 837	124 111	129 172	20 906	–	323 088	129 172	193 916	150%	124 111
Borrowing	–	–	–	–	– **4 050**	–	–	–		–
Internally generated funds	**10 087**	**31 000**	**29 047**	**1 341**	–	**14 789**	**29 047**	**(14 257)**	**-49%**	**31 000**
Total sources of capital funds	**217 924**	**155 111**	**158 219**	**22 247**	**4 050**	**337 878**	**158 219**	**179 659**	**114%**	**155 111**
					–					
Financial position					**4 930**					
Total current assets	962 579	1 311 368	1 255 094		**4 930**	2 155 106				1 311 368
Total non current assets	3 383 526	3 196 553	3 199 661		–	3 393 091				3 196 553
Total current liabilities	3 733 397	1 265 797	1 049 505		–	5 070 227				1 265 797
Total non current liabilities	169 854	959 373	959 373		–	169 854				959 373
Community wealth/Equity	**442 854**	**2 282 751**	**2 279 946**		–	**308 116**				**2 282 751**
Cash flows					–					
Net cash from (used) operating	384 503	504 255	231 585	38 574	**90 682**	1 172 539	3 534 490	2 361 951	67%	515 999
Net cash from (used) investing	(150 850)	(189 663)	(200 428)	–	–	(95 892)	206 428	302 320	146%	(189 663)
Net cash from (used) financing	–	–	–	–	**238 217**	–	–	–		–
Cash/cash equivalents at the month/year end	**389 648**	**472 625**	**189 189**	**355 005**	**98 571**	**457 986**	**3 898 950**	**3 440 964**	**88%**	**–**
Debtors & creditors analysis	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**79 153**	**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis					**348**					
Total By Income Source	155 084	105 974	98 316	101 661	–	130 878	124 846	568 108	6 076 889	7 361 756
Creditors Age Analysis					**337 878**					
Total Creditors	139 133	139 036	83 145	84 290	–	76 634	87 678	829 014	2 499 579	3 938 509
					–					

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) - M12 June

Description	Ref	2024/25	Budget Year 2025/26								
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional											
Governance and administration		**1 170 490**	**1 228 465**	**1 245 368**	**69 528**	**224 371**	**1 236 524**	**1 198 557**	37 967	3%	**1 228 465**
Executive and council		13 722	–	–	154	583	4 183	–	4 183	#DIV/0!	–
Finance and administration		1 156 768	1 228 465	1 245 368	69 375	223 788	1 232 341	1 198 557	33 784	3%	1 228 465
Internal audit		–	–	–	–		–	–	–		–
Community and public safety		**63 668**	**31 966**	**30 727**	**269**	**24 056**	**22 501**	**21 645**	856	4%	**31 966**
Community and social services		28 921	28 909	29 197	144	22 440	21 015	20 115	899	4%	28 909
Sport and recreation		15	46	31	(3)	(34)	(34)	31	(66)	-209%	46
Public safety		–	–	–	–	–	–	–	–		–
Housing		34 731	3 012	1 498	128	1 650	1 521	1 498	22	1%	3 012
Health		–	–	–	–		–	–	–		–
Economic and environmental services		**9 362**	**35 614**	**64 360**	**37**	**25 189**	**82 841**	**64 360**	18 481	29%	**35 614**
Planning and development		9 362	4 555	9 385	12 677	37 829	82 853	9 385	73 468	783%	4 555
Road transport		–	31 059	54 975	(12 640)	(12 640)	(12)	54 975	(54 987)	-100%	31 059
Environmental protection		–	–	–	–		–	–	–		–
Trading services		**1 083 753**	**1 726 553**	**1 582 194**	**106 823**	**231 564**	**958 901**	**1 646 110**	**(687 209)**	-42%	**1 726 553**
Energy sources		373 681	761 265	725 233	12 216	42 369	224 740	789 149	(564 409)	-72%	761 265
Water management		588 640	750 603	606 223	84 254	158 468	604 371	606 223	(1 852)	0%	750 603
Waste water management		9 133	102 384	120 683	(458)	(1 320)	1 527	120 683	(119 156)	-99%	102 384
Waste management		112 300	112 301	130 055	10 811	32 046	128 263	130 055	(1 792)	-1%	112 301
Other	4	–	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**2 327 271**	**3 022 600**	**2 922 649**	**176 657**	**505 180**	**2 300 767**	**2 930 673**	**(629 906)**	**-21%**	**3 022 600**

18. Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) – M12 June 2026

GT484 Merafong City - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M12 June

Description	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
R thousands	1									%	
Expenditure - Functional	-										
Governance and administration		**1 007 731**	**544 255**	**627 667**	**40 679**	**193 675**	**487 853**	**627 667**	(139 813)	-22%	**544 255**
Executive and council		101 723	84 030	100 568	6 701	23 852	100 152	100 568	(416)	0%	84 030
Finance and administration		900 719	450 975	516 340	33 547	166 347	378 074	516 340	(138 267)	-27%	450 975
Internal audit		5 289	9 251	10 758	431	3 476	9 628	10 758	(1 130)	-11%	9 251
Community and public safety		**135 413**	**123 259**	**121 397**	**10 060**	**28 921**	**129 649**	**125 323**	4 326	3%	**123 259**
Community and social services		87 586	73 544	73 720	6 538	17 284	82 960	77 646	5 314	7%	73 544
Sport and recreation		27 281	29 902	29 557	2 416	8 554	28 753	29 557	(805)	-3%	29 902
Public safety		6 016	4 231	6 200	521	1 493	6 062	6 200	(138)	-2%	4 231
Housing		14 530	12 447	11 920	584	1 590	11 874	11 920	(46)	0%	12 447
Health		–	3 135	–	–	–	–	–	–		3 135
Economic and environmental services		**200 856**	**211 121**	**208 594**	**8 715**	**24 303**	**159 347**	**214 285**	(54 937)	-26%	**211 121**
Planning and development		82 251	36 019	50 712	3 741	10 966	59 265	56 403	2 862	5%	36 019
Road transport		118 604	175 102	157 882	4 974	13 337	100 083	157 882	(57 799)	-37%	175 102
Environmental protection		–	–	–	–		–	–	–		–
Trading services		**2 003 782**	**1 883 386**	**1 707 218**	**149 396**	**405 983**	**1 658 656**	**1 707 218**	**(48 562)**	-3%	**1 883 386**
Energy sources		817 195	918 468	927 435	107 418	265 153	1 002 010	927 435	74 575	8%	918 468
Water management		927 430	654 481	491 052	26 885	112 798	497 655	491 052	6 603	1%	654 481
Waste water management		114 671	142 533	151 686	3 646	10 268	84 729	151 686	(66 957)	-44%	142 533
Waste management		144 486	167 904	137 045	11 448	17 763	74 261	137 045	(62 784)	-46%	167 904
Other		–	–	–	–	–	–	–	–		–
Total Expenditure - Functional	**3**	**3 347 781**	**2 762 021**	**2 664 876**	**208 850**	**652 882**	**2 435 505**	**2 674 492**	**(238 987)**	**-9%**	**2 762 021**
Surplus/ (Deficit) for the year		**(1 020 509)**	**260 579**	**257 773**	**(32 193)**	**(147 702)**	**(134 738)**	**256 180**	**(390 919)**	**-153%**	**260 579**

1 Table C4: Month 12 Budget Statement – Financial Performance (Revenue and Expenditure)

GT484 Merafong City - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description	Ref	2024/25	Budget Year 2025/26								
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quartely Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue											
Exchange Revenue											
Service charges - Electricity		315 811	481 628	481 628	12 277	52 310	218 499	545 544	(327 045)	-60%	481 628
Service charges - Water		407 417	633 537	511 171	65 238	124 025	452 530	511 171	(58 641)	-11%	633 537
Service charges - Waste Water Management		67 635	102 355	102 355	18 557	33 119	96 650	102 355	(5 705)	-6%	102 355
Service charges - Waste management		94 201	112 285	107 514	8 778	25 962	104 979	107 514	(2 535)	-2%	112 285
Sale of Goods and Rendering of Services		4 241	3 646	3 646	481	1 155	3 770	3 646	124	3%	3 646
Agency services		13 125	17 695	13 912	(12 640)	(12 640)	(485)	13 912	(14 397)	-103%	17 695
Interest		–	–	–	–	–	–	–	–		–
Interest earned from Receivables		180 911	192 599	152 946	1 971	(7 717)	70 598	152 946	(82 348)	-54%	192 599
Interest from Current and Non Current Assets		11 172	11 744	5 866	155	845	4 886	5 866			11 744
Dividends		–	–	–	–	–	–	–	–		–
Rent on Land		1 350	–	6 404	12 373	37 073	76 379	6 404	69 976		–
Rental from Fixed Assets		3 465	3 164	1 617	680	959	2 182	1 617	565	35%	3 164
Licence and permits		4	2 069	495	–	0	(11)	495	(506)	-102%	2 069
Special rating levies		–	–	–	–	–	–	–	–		–
Operational Revenue		9 520	3 201	100	96	99	152	100	51	51%	3 201
Non-Exchange Revenue		–	–	–	–	–	–	–	–		–
Property rates		525 259	582 735	648 175	54 189	164 677	665 627	648 175	17 451	3%	582 735
Surcharges and Taxes		–	–	–	–	–	–	–	–		–
Fines, penalties and forfeits		38 739	31 290	41 065	4	112	568	41 065	(40 497)		31 290
Licence and permits		–	–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		361 224	358 803	359 091	393	4 031	336 526	350 009	(13 484)		358 803
Interest		141 376	152 699	150 386	14 102	41 577	156 642	150 386	6 256		152 699
Fuel Levy		–	–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–	–		–
Gains on disposal of Assets		–	–	–	–	–	–	–	–		–
Other Gains		1 975	209 059	209 059	–	–	–	209 059	(209 059)		209 059
Discontinued Operations		–	–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**2 177 424**	**2 898 509**	**2 795 430**	**176 657**	**465 587**	**2 189 491**	**2 850 264**	**(660 773)**	**-23%**	**2 898 509**

Variance reporting: Revenue

Revenue Description	YTD Actual	YTD Budget	Variance +over/(-under)	Comments
Property Rates	R656 627 000	648 175 000	R17 451 000	The positive variance in the billing for property rates is because of the identification of properties that were previously not billed but are now billed. This contributes positively to the revenue of the municipality. The properties are identified from the reconciliation of the valuation roll to the billing system.
Electricity revenue	R218 499 000	R545 544 000	(327 045 000)	The negative variance of electricity revenue is because of the purchased units exceeding the units sold. The losses in the sales are because of technical and non-technical losses. Consideration also needs to be given to additional costs levied by Eskom on their accounts i.e., generation capacity charge and legacy charge which were not budgeted for at the time of original budget but are charged by Eskom. These charges are passed to the users in the 2026/2027 cost of supply, and it is expected that the negative variance will be reduced.
Water Revenue	R452 530 000	R511 171 000	(R58 641 000)	The negative variance is because of expected usage that was lower than the actual usage. The quantities used will be adjusted downwards to address the variance.
Wastewater management	R96 650 000	R102 355 000	(R5 705 000)	The usage of water also impacts on the wastewater usage. Wastewater variances will be addressed together with the variances of water usage
Waste Management	R104 979 000	R107 514 000	(R2 535 000)	The billing of Waste Management billing is based on the number of bins collected. The variance is not material, and the adjustments will be implemented. It needs to be mentioned however that the waste management section needs to provide statistics of the service provided to improve the reliability of billing and the revenue projections in the budget in the future.
Sale of Goods	R3 770 000	R3 646 000	R124 000	The provisions in the budget for the sale of goods is dependent on the requests by the community for the usage of the facilities of the municipality. A lower demand will result in a lower revenue that is realised. The provisions in the

				budget will be adjusted to be in line with demand.
Interest from Receivable	R70 598 000	152 946 000	(R82 348 000)	A negative variance from interest from receivables signifies that mare users of the services of the municipality are starting to pay for their services. This is a positive development for the municipality. Further efforts should be made to encourage the users to pay for their services to improve the working capital of the municipality and to improve the funding of the budget. This trend is good for the municipality.
Interest from Current and Non-Current Assets	R4 886 000	R5 866 000	(R980 000)	There variance between planned revenue and actual revenue is not significant. The planned amount and the actual amount are almost equal.
Rent on Land	R76 379 000	R6 404 000	R69 976 000	The actual revenue exceeds the revenue that was planned. The projections for rent on land are also based on demand for the usage of municipal facilities by the community. In this case demand exceeded what was planned. The necessary adjustments will be implemented on the budgeted amounts to be in line with the actuals achieved.
Rental from Fixed Assets	R2 182 000	R1 617 000	R555 000	Interest earned from Main Bank account and Call Account
Licences	(R11 000 000)	R495 000	(R506 000)	The revenue from licences is largely agency fees from vehicle licensing from the Provincial Government. The quantity of licence renewal will determine the amount received by the municipality. In this case, past trends will be used to project the future revenue. Cognizance needs to be taken that the Post Office is also issuing vehicle license renewals.
Operational revenue	R152 000	R100 000	R51 000	This is the revenue that is derived from other services rendered by the municipality e.g., clearances. This is also based on requests from the community and cannot be determined precisely.
Fines	R568 000	R41 065 000	(R40 497 000)	This revenue is largely dependent on fines issued by law enforcement. Projections are based on past trends. This line of planning will be continued as it is the best way of forecasting for this revenue source.
Transfer and Subsidies	R336 526 000	R350 000 009	(R13 484 000)	The amounts that are due to the municipality from the national fiscus are gazetted and cannot change.

Interest	R156 642 000	R150 386 000	R6 256 000	Interest Received from funds invested in call account which is dependent on the interest rates
Gains		R209 059 000	(R209 059 000)	This amount can only be determined at the end of the financial year when gains and losses in actuarial assessments and disposal of assets are calculated.

GT484 Merafong City - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description	Ref	2024/25	Budget Year 2025/26								
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quartely Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure By Type	-										
Employee related costs		439 612	466 721	452 719	36 228	109 444	434 755	452 719	(17 964)	-4%	466 721
Remuneration of councillors		27 103	28 460	28 460	2 337	7 757	28 540	28 460	80	0%	28 460
Bulk purchases - electricity		556 457	589 037	619 350	89 169	206 714	727 675	619 350	108 325		589 037
Inventory consumed		200 770	356 090	199 767	15 994	44 805	192 738	199 767	(7 029)		356 090
Debt impairment		934 377	730 363	522 112	–	–	–	522 112	(522 112)	-100%	730 363
Depreciation and amortisation		177 697	157 984	157 984	–	–	116 885	157 984	(41 099)	-26%	157 984
Interest		285 710	116 202	137 062	16 195	74 295	317 106	137 062	180 045	131%	116 202
Contracted services		431 369	173 859	332 671	28 450	68 951	387 323	342 287	45 036	13%	173 859
Transfers and subsidies		506	596	596	–	42	415	596	(181)	-30%	596
Irrecoverable debts written off		43 685	32 079	72 666	2 099	91 749	63 995	72 666	(8 671)		32 079
Operational costs		112 556	70 071	70 071	12 144	22 781	76 494	70 071	6 423	9%	70 071
Losses on Disposal of Assets		171	–	–	–	–	–	–	–		–
Other Losses		137 768	40 559	71 419	6 233	26 345	89 580	71 419	18 161		40 559
Total Expenditure		**3 347 781**	**2 762 021**	**2 664 876**	**208 850**	**652 882**	**2 435 505**	**2 674 492**	**(238 987)**	**-9%**	**2 762 021**
Surplus/(Deficit)		**(1 170 357)**	**136 488**	**130 554**	**(32 193)**	**(187 295)**	**(246 014)**	**175 772**	**(421 786)**	**-240%**	**136 488**
Transfers and subsidies - capital (monetary allocations)		149 974	124 091	127 219	–		111 276	80 409	30 867	38%	124 091
Transfers and subsidies - capital (in-kind)		(126)	–	–	–		–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(1 020 509)**	**260 579**	**257 773**	**(32 193)**	**(187 295)**	**(134 738)**	**256 180**	**(390 919)**	**-153%**	**260 579**
Income Tax		–	–	–	–		–	–			–
Surplus/(Deficit) after income tax		**(1 020 509)**	**260 579**	**257 773**	**(32 193)**	**(187 295)**	**(134 738)**	**256 180**	**(390 919)**	**-153%**	**260 579**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–		–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–		–	–			–
Surplus/(Deficit) attributable to municipality		**(1 020 509)**	**260 579**	**257 773**	**(32 193)**	**(187 295)**	**(134 738)**	**256 180**	**(390 919)**	**-153%**	**260 579**
Share of Surplus/Deficit attributable to Associate		–	–	–	–		–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–		–	–			–
Surplus/ (Deficit) for the year		**(1 020 509)**	**260 579**	**257 773**	**(32 193)**	**(187 295)**	**(134 738)**	**256 180**	**(390 919)**	**-153%**	**260 579**

Additional comments on expenditure performance

Expenditure Description	YTD Actual	YTD Budget	Variance +over/(-under)	Comments
Employee related costs	R434 755 000	R452 719 000	(R17 964 000)	The actual amount is lower than the budgeted amount due to delays in filling planned vacancies. The variance is attributable to a lag in the recruitment of positions that were budgeted to be filled.
Remuneration of councillors	R28 540 000	R28 460 000	R80 000	Provision was made in the budget for anticipated increases in councillors' salaries and allowances.
Bulk Purchases	R727 0000	R619 350 000	R108 350 000	The budgeted provision is for bulk electricity purchases from Eskom. Actual expenditure is influenced by demand, which fluctuates in line with seasonal consumption trends.
Inventory Consumed	R192 738 000	R199 757 000	(R7 029 000)	The provision is for water revenue billed to consumers. Actual billings were below budget, and future projections will be adjusted in line with past consumption patterns.
Debt impairment		R522 112 000	(R522 112 000)	This provision represents a non-cash allowance for debtors who are unlikely to settle their municipal accounts. Efforts should be intensified to reduce the provision by encouraging collections, thereby improving cash flow and the municipality's working capital position.
Depreciation & asset impairment	R116 885 000	R157 984 000	(R41 099 000)	The actual depreciation and impairment are determined at year-end, with final figures to be confirmed upon completion of the financial year.
Interest	R317 106 000	R137 062 000	R180 045 000	The provision represents charges incurred due to the late settlement of creditor accounts and is regarded as fruitless and wasteful expenditure. Estimating this provision is challenging, as the value of outstanding obligations cannot be reliably determined during the projection phase. Timely settlement of creditors is

				essential to prevent the incurrence of these charges
Contracted Services	R387 323 000	R342 287 000	R45 036 000	The provision pertains to expenditure on external contractors, with actual costs exceeding the budgeted amount. Strategic measures should be implemented to internalise functions where feasible, in order to limit contractor usage and optimise resource allocation toward service delivery and the reduction of long-outstanding liabilities
Irrecoverable Debt	R63 995 000	R72 666 000	(R8 671 000)	This provision relates to the write-off of debts, particularly indigent debts. The amount is dependent on the evaluation of outstanding balances and is estimated based on historical trends.
Transfers and Subsidies	R415 000	R596 000	(R181 000)	This provision relates to payments to external organisations that perform functions on behalf of the municipality (e.g., the SPCA). The provision is based on historical expenditure trend
Operational Cost	R76 494 000	R70 071 000	R6 423 000	The provision is made for other operational expenditure, which is dependent on actual usage levels. Budget allocations are determined with reference to past trends.
Other Losses	R89 580 000	R71 419 000	R18 161 000	This provision relates to losses, including water losses. Estimates are based on historical experience, and budget provisions are aligned accordingly

2 Table C5: Month 12 Budget Statement – Capital Expenditure by vote, standard classification and funding

GT484 Merafong City - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Single Year expenditure appropriation	2									
Vote 1 - Municipal Manager		–	3 000	–	–	–	–	–		3 000
Vote 2 - Finance		6 382	–	–	1 307	3 868	–	3 868	#DIV/0!	–
Vote 3 - Community and Social Services		4 361	4 000	1 671	–	4 930	1 671	3 258	195%	4 000
Vote 4 - Sport and Recreation		–	2 000	2 000	–	–	2 000	(2 000)	-100%	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	55 855	2 992	90 682	55 855	34 826	62%	44 533
Vote 10 - Energy Sources		76 815	44 601	28 453	2 326	98 571	28 453	70 117	246%	44 601
Vote 11 - Water Management		42 762	39 980	32 009	4 222	60 144	32 009	28 135	88%	39 980
Vote 12 - Waste Water Management		35 722	10 497	36 230	11 400	79 153	36 230	42 923	118%	10 497
Vote 13 - Waste Management		–	6 500	2 000	–	348	2 000	(1 652)	-83%	6 500
Vote 14 - Internal Audit		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	182	–	182	#DIV/0!	–
Total Capital single-year expenditure	4	217 924	155 111	158 219	22 247	337 878	158 219	**179 659**	**114%**	155 111
Total Capital Expenditure		**217 924**	**155 111**	**158 219**	**22 247**	**337 878**	**158 219**	**179 659**	**114%**	**155 111**

GT484 Merafong City - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital Expenditure - Functional Classification										
Governance and administration		**6 382**	**3 000**	**–**	**1 307**	**4 050**	**–**	4 050	#DIV/0!	**3 000**
Executive and council		–	3 000	–	–	–	–	–		3 000
Finance and administration		6 382	–	–	1 307	4 050	–	4 050	#DIV/0!	–
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**4 361**	**6 000**	**3 671**	**–**	**4 930**	**3 671**	1 258	34%	**6 000**
Community and social services		4 361	4 000	1 671	–	4 930	1 671	3 258	195%	4 000
Sport and recreation		–	2 000	2 000	–	–	2 000	(2 000)	-100%	2 000
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**51 882**	**44 533**	**55 855**	**2 992**	**90 682**	**55 855**	34 826	62%	**44 533**
Planning and development		–	–	–	–	–	–	–		–
Road transport		51 882	44 533	55 855	2 992	90 682	55 855	34 826	62%	44 533
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**155 299**	**101 578**	**98 692**	**17 948**	**238 217**	**98 692**	139 524	141%	**101 578**
Energy sources		76 815	44 601	28 453	2 326	98 571	28 453	70 117	246%	44 601
Water management		42 762	39 980	32 009	4 222	60 144	32 009	28 135	88%	39 980
Waste water management		35 722	10 497	36 230	11 400	79 153	36 230	42 923	118%	10 497
Waste management		–	6 500	2 000	–	348	2 000	(1 652)	-83%	6 500
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**217 924**	**155 111**	**158 219**	**22 247**	**337 878**	**158 219**	**179 659**	**114%**	**155 111**

GT484 Merafong City - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Funded by:										
National Government		207 837	124 111	129 172	20 906	323 088	129 172	193 916	150%	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		**207 837**	**124 111**	**129 172**	**20 906**	**323 088**	**129 172**	**193 916**	**150%**	**124 111**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		10 087	31 000	29 047	1 341	14 789	29 047	(14 257)	-49%	31 000
Total Capital Funding		**217 924**	**155 111**	**158 219**	**22 247**	**337 878**	**158 219**	**179 659**	**114%**	**155 111**

3 Table C6: Month 12 Budget Statement – Financial Position

GT484 Merafong City - Table C6 Monthly Budget Statement - Financial Position - M12 June

Description	Ref	2024/25	Budget Year 2025/26			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		82 029	482 367	194 039	14 205	482 367
Trade and other receivables from exchange transactions		245 857	240 488	281 539	823 735	240 488
Receivables from non-exchange transactions		72 990	220 893	231 117	577 864	220 893
Current portion of non-current receivables		–	–	–	–	–
Inventory		830	1 062	126 342	(21 285)	1 062
VAT		560 872	366 559	422 056	760 587	366 559
Other current assets		–	–	–	–	–
Total current assets		**962 579**	**1 311 368**	**1 255 094**	**2 155 106**	**1 311 368**
Non current assets						
Investments		–	–	–	–	–
Investment property		223 818	217 300	217 300	223 818	217 300
Property, plant and equipment		3 145 626	2 978 912	2 982 020	3 158 465	2 978 912
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		190	136	136	190	136
Intangible assets		13 892	205	205	10 618	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**	**3 199 661**	**3 393 091**	**3 196 553**
TOTAL ASSETS		**4 346 105**	**4 507 921**	**4 454 755**	**5 548 197**	**4 507 921**

GT484 Merafong City - Table C6 Monthly Budget Statement - Financial Position - M12 June

Description	Ref	2024/25	Budget Year 2025/26			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
LIABILITIES						
Current liabilities	-					
Bank overdraft		–	51 960	(51 960)	–	51 960
Financial liabilities		3 391	13 521	13 521	514	13 521
Consumer deposits		21 309	–	–	21 608	–
Trade and other payables from exchange transactions		3 226 234	1 072 734	1 114 142	4 409 840	1 072 734
Trade and other payables from non-exchange transactions		17 585	31 294	(31 006)	33 836	31 294
Provision		55 293	39 388	39 388	55 293	39 388
VAT		409 585	56 900	(34 581)	549 135	56 900
Other current liabilities		–	–	–	–	–
Total current liabilities		**3 733 397**	**1 265 797**	**1 049 505**	**5 070 227**	**1 265 797**
Non current liabilities						
Financial liabilities		4 509	17 535	17 535	4 509	17 535
Provision		32 555	29 894	29 894	32 555	29 894
Long term portion of trade payables		–	911 944	911 944	–	911 944
Other non-current liabilities		132 790	–	–	132 790	–
Total non current liabilities		**169 854**	**959 373**	**959 373**	**169 854**	**959 373**
TOTAL LIABILITIES		**3 903 251**	**2 225 170**	**2 008 878**	**5 240 081**	**2 225 170**
NET ASSETS	2	**442 854**	**2 282 751**	**2 445 877**	**308 116**	**2 282 751**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		(2 150 776)	2 282 751	2 279 946	(2 285 514)	2 282 751
Reserves and funds		2 593 631	–	–	2 593 631	–
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	**442 854**	**2 282 751**	**2 279 946**	**308 116**	**2 282 751**

v

4 Table C7: Month 12 Budget Statement – Cash Flow

GT484 Merafong City - Table C7 Monthly Budget Statement - Cash Flow - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		65 063	408 037	470 502	11 402	169 924	470 525	(300 601)	-64%	408 037
Service charges		242 419	1 004 719	853 874	43 151	1 368 947	853 874	515 073	60%	1 004 719
Other revenue		246 730	64 329	62 823	20 759	64 218	62 823	1 395	2%	64 329
Transfers and Subsidies - Operational		248 181	334 256	334 256	–	327 663	383 350	(55 686)	-15%	334 256
Transfers and Subsidies - Capital		74 529	124 091	127 219	–	54 617	127 219	(72 602)	-57%	124 091
Interest		73 390	–	5 866	3 029	–	5 866	(5 866)	-100%	11 744
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(565 810)	(1 316 381)	(1 486 851)	(39 767)	(799 322)	1 494 728	2 294 050	153%	(1 316 381)
Interest		–	(114 200)	(135 509)	–	(13 510)	135 509	149 018	110%	(114 200)
Transfers and Subsidies		–	(596)	(596)	–	–	596	596	100%	(596)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**384 503**	**504 255**	**231 585**	**38 574**	**1 172 539**	**3 534 490**	**2 361 951**	**67%**	**515 999**
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		(150 850)	(189 663)	(200 428)	–	(95 892)	206 428	302 320	146%	(189 663)

GT484 Merafong City - Table C7 Monthly Budget Statement - Cash Flow - M12 June

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 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		**233 653**	**314 593**	**31 157**	**38 574**	**1 076 647**	**3 740 918**			**–**
Cash/cash equivalents at beginning:		155 995	158 032	158 032	316 431	(618 661)	158 032			(618 661)
Cash/cash equivalents at month/year end:		389 648	472 625	189 189	355 005	457 986	3 898 950			–

GT484 Merafong City - Table C7 Monthly Budget Statement - Cash Flow - M12 June

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 FINANCING ACTIVITIES										
Receipts										
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–		–
NET INCREASE/ (DECREASE) IN CASH HELD		**233 653**	**314 593**	**31 157**	**38 574**	**1 076 647**	**3 740 918**			**–**
Cash/cash equivalents at beginning:		155 995	158 032	158 032	316 431	(618 661)	158 032			(618 661)
Cash/cash equivalents at month/year end:		389 648	472 625	189 189	355 005	457 986	3 898 950			–

References

1. Material variances to be explained in Table SC1

PART 2: SUPPORTING DOCUMENTATION

6. Debtors' Analysis

Debtors Collection

Consumer debtors have increased due to continued non -payment

CONSUMER DEBTORS
R7 361 756 000

7. REVENUE MANAGEMENT

REVENUE PER SOURCE BILLING VERSUS CASH RECEIVED FOR THE MONTH OF JUNE 2026

	APRIL		MAY		JUNE	
Revenue Per Source	Billing	Receipts	Billing	Receipts	Billing	Receipts
Property Rates	51 652 431	24 652 410	51 652 431	24 652 410	53 646 541	38 964 210
Electricity Basic	22 946 210	11 694 205	22 946 210	11 694 205	21 498 720	12 946 243
Water Availability	46 646 210	16 958 421	46 646 210	16 958 421	48 976 436	16 954 230
Refuse Removal	12 684 610	9 495 461	12 684 610	9 495 461	17 68 542	11 695 410
Sewer Availability	12 684 610	16 698 421	12 684 610	16 698 421	24 695 413	21 694 610
Interest	23 846 521	7 642 410	23 846 521	7 642 410	27 986 520	12 698 461
Grand Total	**21 649 540**	**90 141 410**	**21 649 540**	**90 141 410**	**194 772 172**	**114 953 164**
	50.24%		**57.88%**		**59.02%**	

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%
Sept-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%**
Jan-26	174 952 531	100 044 720	57.18%	60%	4 926 799	2.82%
Feb-26	169 886 429	96 911 500	57.04%	60%	5 020 357	2.96%
Mar-26	179 353 621	105 897 020	59.04%	60%	1 715 153	0.96%
Quarter 3	**524 192 581**	**302 853 240**	**57.78%**	**60%**	**11 662 309**	**2.22%**
Apr-26	179 425 522	90 141 328	**50.24%**	60%	17 513 985	9.76%
May-26	190 425 818	110 220 147	**57.88%**	60%	4 035 344	2.12%
Jun-26	194 772 172	114 953 164	**59.02%**	60%	1 910 139	0.98%
Quarter 4	**564 623 512**	**315 314 639**	**55.85%**	**60%**	**23 459 468**	4.15%
TOTAL	**2 222 315 730**	**1 271 046 523**	**57.19%**	**60%**	**38 883 447**	**1.75%**

The collection rate
for the month of June is **59.02%**

Collection per Ward

Wards	Billing	Collections	Percentage
Ward 1	**4 331 232.80**	**808 761.15**	19%
Elec Cons - KVA	159 019.07	136 466.83	86%
Elec Cons - KWH	234 253.15	176 079.96	75%
Electricity	-	1 466.86	0%
Electricity Basic	435 109.02	18 298.13	4%
Interest	-	204.38	0%
Other	-	35 936.27	0%
Property Rates	483 630.36	350 507.35	72%
Refuse Removal	427 898.25	12 906.53	3%
Rental	2 448.60	-	0%
Sewer Availability	228.42	131.34	57%
Sewer Basic	220 326.42	6 804.13	3%
Sewer Charge Cons	391 645.25	9 908.05	3%
Sewerage	-	4 881.03	0%
Water	-	1 887.18	0%
Water Availability	276.94	159.24	57%
Water Basic	163 965.00	4 699.26	3%
Water Cons	1 812 432.32	48 424.61	3%
Ward 2	**3 282 175.10**	**123 968.83**	4%
Elec Cons - KVA	-	-	0%
Elec Cons - KWH	19 328.45	5 397.58	28%
Electricity	-	279.78	0%
Electricity Basic	468 563.20	12 603.56	3%
Interest	-	81.44	0%
Other	-	63 273.59	0%
Property Rates	20 055.22	1 792.72	9%
Refuse Removal	497 234.10	6 189.88	1%
Rental	7 689.65	-	0%
Sewer Availability	342.63	-	0%
Sewer Basic	248 756.17	6 544.80	3%
Sewer Charge Cons	283 714.95	7 229.26	3%
Sewerage	-	3 576.82	0%
Water	-	1 507.78	0%
Water Availability	415.41	-	0%
Water Basic	141 605.00	2 128.57	2%
Water Cons	1 594 470.32	13 363.05	1%
Ward 3	**850 962.06**	**6 358.82**	1%
Elec Cons - KVA	48 679.61	-	0%
Elec Cons - KWH	82 045.82	704.20	1%
Electricity Basic	2 927.70	184.87	6%

Interest	-	88.15	0%
Other	-	1 470.00	0%
Property Rates	30 238.96	548.31	2%
Refuse Removal	145 513.35	879.38	1%
Rental	265.00	-	0%
Sewer Basic	51 548.42	524.29	1%
Sewer Charge Cons	56 031.22	474.31	1%
Water Basic	35 420.00	299.00	1%
Water Cons	398 291.98	1 186.31	0%

Ward 4	**667 103.22**	**24 462.70**	4%
Electricity Basic	160.76	-	0%
Interest	-	173.25	0%
Other	-	400.00	0%
Property Rates	8 555.28	390.00	5%
Refuse Removal	175 987.35	879.08	0%
Sewer Basic	62 961.59	335.18	1%
Sewer Charge Cons	98 938.02	682.59	1%
Sewerage	-	2 500.00	0%
Water	-	16 500.00	0%
Water Basic	43 330.00	149.50	0%
Water Cons	277 170.22	2 453.10	1%

Ward 5	**7 065 690.81**	**1 590 782.99**	23%
Interest	-	1 566 124.65	0%
Other	-	2 320.00	0%
Property Rates	5 128 190.37	22 338.34	0%
Refuse Removal	1 777.65	-	0%
Sewer Charge Cons	1 430.65	-	0%
Water Basic	1 050.00	-	0%
Water Cons	1 933 242.14	-	0%

Ward 6	**1 993 880.50**	**53 065.50**	3%
Elec Cons - KWH	-	-	0%
Electricity	-	-	0%
Electricity Basic	803.80	87.19	11%
Interest	-	516.44	0%
Other	-	26 073.46	0%
Property Rates	95 324.27	5 311.43	6%
Refuse Removal	255 875.29	5 105.72	2%
Sewer Availability	3 768.93	-	0%
Sewer Basic	88 343.23	2 533.71	3%
Sewer Charge Cons	109 904.22	4 920.16	4%
Sewerage	-	1 765.55	0%
Water	-	703.13	0%
Water Availability	4 569.51	-	0%
Water Basic	60 710.00	1 552.40	3%
Water Cons	1 374 581.25	4 496.31	0%

Ward 7	4 128 912.71	364 641.96	9%
Elec Cons - KVA	44 018.23	-	0%
Elec Cons - KWH	84 706.30	67 296.99	79%
Electricity Basic	3 751.76	2 064.82	55%
Interest	-	10 279.44	0%
Other	-	172 955.18	0%
Property Rates	261 791.69	32 830.36	13%
Refuse Removal	340 695.67	21 278.10	6%
Rental	477.00	-	0%
Sewer Availability	913.68	-	0%
Sewer Basic	108 799.85	6 875.91	6%
Sewer Charge Cons	168 123.38	9 803.83	6%
Sewerage	-	2 654.54	0%
Water	-	2 233.36	0%
Water Availability	1 107.76	-	0%
Water Basic	77 645.00	2 726.08	4%
Water Cons	3 036 882.39	33 643.35	1%

Ward 8	547 972.99	12 441.29	2%
Interest	-	633.97	0%
Other	-	1 200.11	0%
Property Rates	20 364.90	517.69	3%
Refuse Removal	149 380.01	3 794.85	3%
Sewer Availability	571.05	-	0%
Sewer Basic	49 078.78	849.69	2%
Sewer Charge Cons	71 046.82	1 333.55	2%
Sewerage	-	622.84	0%
Water	-	15.89	0%
Water Availability	692.35	-	0%
Water Basic	33 595.00	523.25	2%
Water Cons	223 244.08	2 949.45	1%

Ward 9	396 240.24	13 339.94	3%
Elec Cons - KWH	30.90	-	0%
Electricity Basic	482.28	-	0%
Interest	-	138.11	0%
Other	-	6 433.79	0%
Property Rates	3 386.89	481.34	14%
Refuse Removal	84 565.35	3 013.29	4%
Sewer Basic	31 412.99	920.13	3%
Sewer Charge Cons	56 133.98	296.28	1%
Water	-	350.00	0%
Water Basic	21 465.00	254.30	1%
Water Cons	198 762.85	1 452.70	1%

Ward 10	1 258 280.50	19 751.77	2%
Electricity Basic	160.76	-	0%
Interest	-	5.44	0%
Other	-	4 693.42	0%
Property Rates	58 298.30	543.70	1%
Refuse Removal	279 558.09	5 732.11	2%

Sewer Availability	114.21	-	0%
Sewer Basic	94 139.03	2 103.95	2%
Sewer Charge Cons	129 767.09	2 102.28	2%
Sewerage	-	76.58	0%
Water Availability	138.47	-	0%
Water Basic	66 360.00	477.02	1%
Water Cons	629 744.55	4 017.27	1%

Ward 11	**5 607 376.31**	**267 859.15**	5%
Elec Cons - KVA	-	-	0%
Elec Cons - KWH	864 594.38	34 914.77	4%
Electricity	-	6 465.88	0%
Electricity Basic	91 716.70	20 395.04	22%
Interest	-	1 409.12	0%
Other	-	91 070.87	0%
Property Rates	1 666 133.82	7 105.73	0%
Refuse Removal	295 765.51	11 571.58	4%
Sewer Availability	5 710.50	1 677.39	29%
Sewer Basic	44 110.94	14 152.99	32%
Sewer Charge Cons	86 973.20	16 494.50	19%
Sewerage	-	2 465.78	0%
Water	-	1 003.66	0%
Water Availability	6 923.50	1 187.55	17%
Water Basic	32 960.00	3 482.20	11%
Water Cons	2 512 487.76	54 462.09	2%

Ward 12	**6 599 646.03**	**1 242 180.25**	19%
Elec Cons - KVA	-	-	0%
Elec Cons - KWH	271 420.90	140 906.58	52%
Electricity	-	2 772.05	0%
Electricity Basic	773 191.46	90 994.36	12%
Interest	-	5 989.75	0%
Other	-	113 734.06	0%
Property Rates	2 798 851.55	221 480.53	8%
Refuse Removal	283 359.30	98 494.60	35%
Rental	106.00	261.97	247%
Sewer Availability	33 920.37	6 918.60	20%
Sewer Basic	276 671.36	66 450.59	24%
Sewer Charge Cons	369 513.68	127 232.74	34%
Sewerage	-	2 635.65	0%
Water	-	4 283.94	0%
Water Availability	41 116.59	5 576.72	14%
Water Basic	172 175.00	33 972.42	20%
Water Cons	1 579 319.82	320 475.69	20%

Ward 13	**6 656 090.43**	**898 496.01**	13%
Elec Cons - KVA	-	-	0%
Elec Cons - KWH	388 502.68	176 104.68	45%
Electricity	-	1 706.67	0%
Electricity Basic	122 313.30	19 413.33	16%
Interest	-	3 630.28	0%
Other	-	421 238.47	0%

Property Rates	5 130 377.37	57 501.13	1%
Refuse Removal	164 051.70	40 062.01	24%
Sewer Availability	80 061.21	1 494.04	2%
Sewer Basic	47 437.12	20 931.82	44%
Sewer Charge Cons	90 237.82	45 026.20	50%
Sewerage	-	276.26	0%
Water	-	115.45	0%
Water Availability	96 912.00	20 517.85	21%
Water Basic	31 540.00	3 340.30	11%
Water Cons	504 657.23	87 137.52	17%

Ward 14	**11 437 214.19**	**5 107 093.18**	45%
Elec Cons - KVA	-	-	0%
Elec Cons - KWH	166 755.97	152 798.15	92%
Electricity	-	9 362.43	0%
Electricity Basic	145 489.88	142 173.44	98%
Interest	-	8 135.57	0%
Other	-	383 744.12	0%
Property Rates	8 081 352.89	802 576.85	10%
Refuse Removal	412 643.78	373 350.26	90%
Sewer Availability	17 816.76	19 619.71	110%
Sewer Basic	72 747.36	92 616.53	127%
Sewer Charge Cons	121 561.27	175 620.70	144%
Sewerage	-	1 107.72	0%
Water	-	1 829.29	0%
Water Availability	21 324.38	12 787.06	60%
Water Basic	53 760.00	54 207.98	101%
Water Cons	2 343 761.90	2 877 163.37	123%

Ward 15	**3 773 114.90**	**490 276.95**	13%
Elec Cons - KWH	56 842.05	15 683.57	28%
Electricity	-	-	0%
Electricity Basic	8 868.94	1 072.18	12%
Interest	-	70 765.05	0%
Other	-	89 477.34	0%
Property Rates	3 502 533.87	93 693.03	3%
Refuse Removal	74 407.35	7 687.79	10%
Sewer Availability	8 908.38	-	0%
Sewer Basic	3 340.44	1 489.18	45%
Sewer Charge Cons	6 810.94	4 546.19	67%
Water	-	-	0%
Water Availability	10 800.66	18 053.21	167%
Water Basic	2 555.00	705.34	28%
Water Cons	98 047.27	187 104.07	191%

Ward 16	**7 061 085.02**	**5 015 757.39**	71%
Elec Cons - KVA	80 691.61	103 415.49	128%
Elec Cons - KWH	2 098 077.37	1 108 850.88	53%
Electricity	-	37 221.53	0%
Electricity Basic	326 461.76	229 194.36	70%
Interest	-	12 294.36	0%
Other	-	1 228 624.14	0%

Property Rates	1 408 527.93	758 377.70	54%
Refuse Removal	435 063.02	294 621.85	68%
Rental	74 815.60	19 624.88	26%
Sewer Availability	3 654.72	656.70	18%
Sewer Basic	136 686.86	137 258.64	100%
Sewer Charge Cons	270 731.88	308 441.37	114%
Sewerage	-	4 297.25	0%
Water	-	18 068.40	0%
Water Availability	4 421.04	1 200.61	27%
Water Basic	92 490.00	54 026.15	58%
Water Cons	2 129 463.23	699 583.08	33%

Ward 17	**6 041 261.43**	**5 420 735.27**	90%
Elec Cons - KVA	314 637.55	288 565.12	92%
Elec Cons - KWH	1 676 235.61	1 633 725.87	97%
Electricity	-	13 666.86	0%
Electricity Basic	448 615.38	434 053.18	97%
Interest	-	46 812.63	0%
Other	-	250 255.51	0%
Property Rates	1 893 600.93	1 276 809.70	67%
Refuse Removal	337 830.41	330 055.07	98%
Sewer Availability	2 169.99	1 592.70	73%
Sewer Basic	99 206.81	127 315.51	128%
Sewer Charge Cons	177 264.14	293 655.72	166%
Sewerage	-	3 948.34	0%
Water	-	3 611.56	0%
Water Availability	2 630.93	946.91	36%
Water Basic	76 640.00	66 658.61	87%
Water Cons	1 012 429.68	649 061.98	64%

Ward 18	**16 528 205.72**	**14 395 181.48**	87%
Elec Cons - KVA	1 872 334.66	1 785 325.44	95%
Elec Cons - KWH	5 861 528.90	5 139 649.39	88%
Electricity	-	116 356.19	0%
Electricity Basic	780 227.08	694 180.44	89%
Interest	-	48 409.06	0%
Other	-	2 078 480.80	0%
Property Rates	4 189 196.83	1 970 751.76	47%
Refuse Removal	757 056.31	589 907.05	78%
Rental	35 316.70	2 751.55	8%
Sewer Availability	12 677.31	3 778.75	30%
Sewer Basic	113 632.08	131 352.49	116%
Sewer Charge Cons	368 619.71	387 126.21	105%
Sewerage	-	5 984.19	0%
Water	-	32 781.94	0%
Water Availability	15 358.17	5 041.23	33%
Water Basic	98 620.00	73 153.82	74%
Water Cons	2 423 637.97	1 330 151.17	55%

Ward 19	5 142 779.09	2 557 693.27	50%
Elec Cons - KVA	310 320.02	338 343.42	109%
Elec Cons - KWH	224 265.11	243 482.33	109%
Electricity Basic	1 795.50	2 064.82	115%
Interest	-	960 951.60	0%
Property Rates	4 473 553.80	313 154.72	7%
Refuse Removal	12 443.55	14 482.58	116%
Sewer Basic	92.79	106.71	115%
Sewer Charge Cons	396.89	456.42	115%
Water Basic	1 500.00	172.50	12%
Water Cons	118 411.43	684 478.17	578%

Ward 20	2 590 921.49	95 765.85	4%
Elec Cons - KWH	59 255.89	671.33	1%
Electricity	-	4 601.50	0%
Electricity Basic	274 337.98	3 890.45	1%
Interest	-	243.52	0%
Other	-	18 912.00	0%
Property Rates	79 815.36	7 587.87	10%
Refuse Removal	424 350.45	7 753.12	2%
Rental	84.80	-	0%
Sewer Availability	11 992.05	625.36	5%
Sewer Basic	213 360.38	9 969.59	5%
Sewer Charge Cons	209 936.50	14 002.09	7%
Sewerage	-	698.71	0%
Water	-	74.75	0%
Water Availability	14 400.88	13 038.73	91%
Water Basic	86 770.00	1 560.32	2%
Water Cons	1 216 617.20	12 136.51	1%

Ward 21	13 033 069.97	11 554 739.91	89%
Elec Cons - KVA	748 595.28	1 148 093.76	153%
Elec Cons - KWH	3 000 872.39	3 952 053.37	132%
Electricity	-	26 501.04	0%
Electricity Basic	799 356.06	673 710.74	84%
Interest	-	51 728.97	0%
Other	-	682 809.66	0%
Property Rates	4 177 628.88	2 397 224.81	57%
Refuse Removal	735 932.84	409 594.04	56%
Rental	939.86	-	0%
Sewer Availability	13 248.36	9 084.31	69%
Sewer Basic	245 301.09	251 087.75	102%
Sewer Charge Cons	1 206 856.99	474 727.79	39%
Sewerage	-	3 833.18	0%
Water	-	4 523.98	0%
Water Availability	15 920.05	10 001.50	63%
Water Basic	190 275.00	158 241.59	83%
Water Cons	1 898 143.17	1 301 523.42	69%

Ward 22	**7 545 864.68**	**4 071 763.76**	54%
Elec Cons - KWH	-	-	0%
Electricity	-	-	0%
Electricity Basic	338 293.32	3 612.44	1%
Interest	-	200 738.97	0%
Other	-	13 997.91	0%
Property Rates	3 013 333.30	93 838.52	3%
Refuse Removal	234 395.85	2 915.01	1%
Rental	371.00	-	0%
Sewer Availability	571.05	-	0%
Sewer Basic	114 224.49	2 961.55	3%
Sewer Charge Cons	120 004.64	2 460.14	2%
Water Availability	692.35	-	0%
Water Basic	58 055.00	2 351.75	4%
Water Cons	3 665 923.68	3 748 887.47	102%

Ward 23	**2 509 002.17**	**129 207.93**	5%
Elec Cons - KWH	63 845.89	3 495.55	5%
Electricity	-	2 443.98	0%
Electricity Basic	166 843.82	10 309.92	6%
Interest	-	477.14	0%
Other	-	29 192.95	0%
Property Rates	59 518.54	3 877.21	7%
Refuse Removal	269 694.90	10 060.33	4%
Sewer Availability	12 791.52	1 079.08	8%
Sewer Basic	93 368.17	16 334.62	17%
Sewer Charge Cons	172 478.61	21 399.87	12%
Sewerage	-	2 819.90	0%
Water	-	301.38	0%
Water Availability	15 503.64	2 378.36	15%
Water Basic	64 290.00	3 255.27	5%
Water Cons	1 590 667.08	21 782.37	1%

Ward 24	**3 293 640.89**	**1 652 038.42**	50%
Elec Cons - KVA	254 436.94	265 142.83	104%
Elec Cons - KWH	749 138.11	396 540.59	53%
Electricity	-	3 214.80	0%
Electricity Basic	204 764.36	93 514.45	46%
Interest	-	23 681.62	0%
Other	-	98 345.04	0%
Property Rates	848 741.55	303 816.11	36%
Refuse Removal	226 572.97	71 354.10	31%
Rental	217.30	-	0%
Sewer Availability	11 192.58	3 548.42	32%
Sewer Basic	74 510.37	47 277.19	63%
Sewer Charge Cons	181 049.75	112 647.77	62%
Sewerage	-	308.52	0%
Water	-	149.76	0%
Water Availability	13 568.06	3 840.01	28%
Water Basic	56 630.00	23 551.30	42%
Water Cons	672 818.90	205 105.91	30%

Ward 25	**1 981 200.78**	**81 220.21**	4%
Elec Cons - KWH	18 848.22	9 997.85	53%
Electricity	-	2 727.70	0%
Electricity Basic	233 504.94	2 384.29	1%
Interest	-	3.09	0%
Other	-	1 917.45	0%
Property Rates	21 190.20	3 395.58	16%
Refuse Removal	371 020.95	10 912.47	3%
Rental	344.50	-	0%
Sewer Availability	342.63	-	0%
Sewer Basic	131 647.60	5 099.14	4%
Sewer Charge Cons	229 947.54	9 044.60	4%
Sewerage	-	-	0%
Water	-	705.45	0%
Water Availability	414.41	-	0%
Water Basic	92 360.00	2 363.00	3%
Water Cons	881 579.79	32 669.59	4%

Ward 26	**2 472 395.81**	**288 941.80**	12%
Elec Cons - KVA	-	-	0%
Elec Cons - KWH	28 652.04	139 551.35	487%
Electricity	-	1 103.98	0%
Electricity Basic	301 988.70	14 443.20	5%
Interest	-	1 001.00	0%
Other	-	5 301.10	0%
Property Rates	30 815.27	26 594.16	86%
Refuse Removal	449 999.40	7 285.24	2%
Sewer Availability	1 370.52	2 906.92	212%
Sewer Basic	163 495.98	3 779.30	2%
Sewer Charge Cons	270 779.34	14 006.37	5%
Sewerage	-	232.44	0%
Water Availability	1 657.64	3 634.50	219%
Water Basic	114 695.00	2 802.09	2%
Water Cons	1 108 941.92	66 300.15	6%

Ward 27	**5 536 042.17**	**846 931.28**	15%
Other	-	193.78	0%
Property Rates	5 532 847.13	846 737.50	15%
Refuse Removal	3 195.04	-	0%

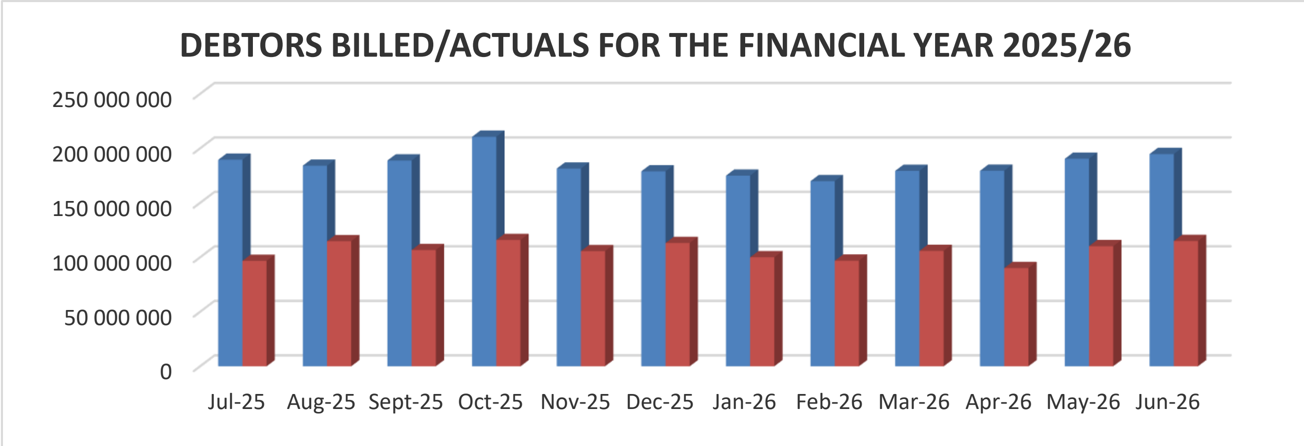
Ward 28	**8 923 544.13**	**6 471 421.91**	73%
Elec Cons - KVA	459 591.32	459 744.97	100%
Elec Cons - KWH	2 429 774.47	1 626 701.95	67%
Electricity	-	44 182.91	0%
Electricity Basic	378 676.56	257 573.06	68%
Interest	-	13 431.51	0%
Other	-	853 737.48	0%
Property Rates	2 114 050.86	1 304 601.94	62%
Refuse Removal	470 752.15	313 493.81	67%
Rental	-	227.05	0%
Sewer Availability	23 413.05	8 950.04	38%
Sewer Basic	160 755.14	186 677.17	116%

Sewer Charge Cons	322 789.87	345 052.53	107%
Sewerage	-	10 157.77	0%
Water	-	1 587.22	0%
Water Availability	28 382.35	9 921.51	35%
Water Basic	116 575.00	83 734.69	72%
Water Cons	2 418 783.36	951 646.30	39%

Other	**284 598.61**	**14 219 377.61**	4996%
Elec Cons - KVA	-	-	0%
Elec Cons - KWH	18 310.64	41 266.60	225%
Electricity Basic	66 074.44	14 550.04	22%
Interest	-	863.89	0%
Other	-	14 135 315.85	0%
Property Rates	111 556.44	16 206.17	15%
Refuse Removal	11 067.79	3 855.48	35%
	1 172.36		0%
Sewer Availability	37 232.46	656.70	2%
Sewer Basic	21 691.47	3 365.03	16%
Sewer Charge Cons	3 480.75	5 853.88	168%
Water Availability	45 002.75	796.20	2%
Water Basic	15 769.35	1 528.76	10%
Water Cons	18 873.15	460 885.14	2442%

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	174 952 531	100 044 720	57%
2026/02/01	169 886 429	96 911 500	57%
2026/03/01	179 353 621	105 897 020	59%
2026/04/01	179 425 522	90 141 328	50%
2026/05/01	190 425 818	110 220 147	58%
2026/06/01	194 772 172	114 953 164	59%



Distribution Losses
Water Losses

MERAFONG ACTUALS STATISTICAL DATA

MERAFONG CITY LOCAL MUNICIPALITY - 2025/2026

WATER PURCHASED/SOLD

PRIVATE

WATER LOSSESS JULY 2025 TO JUNE 2026

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%
Sept-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	1 223 008.00	84.75%	15.25%
Dec-25	980 156.04	1 363 141.00	71.90%	28.10%
Jan-26	910 094.70	1 486 601.00	61.22%	38.78%
Feb-26	1 059 280.97	1 271 184.00	83.33%	16.67%
Mar-26	1 053 416.03	1 240 038.00	84.95%	15.05%
Apr-26	954 902.04	1 530 495.00	62.39%	37.61%
May-26	875 098.28	1 579 282.00	55.41%	44.59%
Jun-26	1 008 700.79	1 405 051.00	71.79%	28.21%
AVERAGE	2 861 167.70	4 621 017.00	61.92%	38.08

WATER LOSSESS JULY 2025 TO JUNE 2026

	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
Sept-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
Jan-26	14 397 295	23 517 369	61.22	38.78
Feb-26	16 779 298	20 135 899	83.33	16.67
Mar-26	16 656 136	19 606 918	84.95	15.05
Apr-26	15 027 413	24 085 592	62.39	37.61
May-26	13 736 559	24 790 244	55.41	44.59
Jun-26	15 862 978	22 096 040	71.79	28.21
AVERAGE	191 716 032.53	284 428 287.25	67.40	32.60

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 June 2026 the water loss is 32.60% against the norm of the industrial Gazetted standard norm that is between **15%**

Distribution Losses

Electricity

MERAFONG ACTUALS STATISTICAL DATA

MERAFONG CITY LOCAL MUNICIPALITY - 2025/2026

ELECTRICITY PURCHASED/SOLD

PRIVATE

ELECTRICITY LOSSESS JULY 2025 TO JUNE 2026

	UNIT	UNIT	%	%
	SOLD	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
Sept-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
Jan-26	9 014 048	18 064 809	49.90	50.10
Feb-26	10 137 520	17 365 576	58.38	41.62
Mar-26	9 167 052	19 795 915	46.31	53.69
Apr-26	9 123 591	21 362 625	42.71	57.29
May-26	10 025 837	27 390 492	36.60	63.40
Jun-26	9 912 344	21 837 227	45.39	54.61
AVERAGE	120 000 586	254 273 880	47.19	52.81

ELECTRICITY LOSSESS JULY 2025 TO JUNE 2026

100

	RAND VALUE	RAND VALUE	%	%
	SOLD	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
Sept-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

Jan-26	19 443 372	38 965 936	49.90	50.10
Feb-26	23 203 112	39 746 940	58.38	41.62
Mar-26	21 044 783	45 445 445	46.31	53.69
Apr-26	22 191 846	51 961 570	42.71	57.29
May-26	24 005 472	65 582 721	36.60	63.40
Jun-26	40 475 768	89 169 476.67	45.39	54.61
AVERAGE	**326 471 668.26**	**674 318 211.35**	**48.42**	**51.58**

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 June 2026 the Electricity loss is 54.61% 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		12 920.94
FNB	Call Account		7 991 797.38
Total			**8 004 718.32**

BANK BALANCE

Name of institution

NEDBANK	2 240 467.80
FNB	3 925 520.94

Council had a positive Bank Balance of **R6 165 988.74**

09.CREDITORS AGE ANALYSIS

Merafong Creditors as of 30 June amounted to **R3 761 356 109.81**

Creditors not paid within 30 days as at 30 June 2026:

NO	SUPPLIER NAME	DESCRIPTION/ NATURE OF SERVICE	TOTAL
1	ESKOM	BULK PURCHASES	R2 212 731 238.78
2	RAND WATER	BULK PURCHASES	R1 549 416 283.66
		Total	**R3 644 681 109.81**

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.

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 JUNE 2026	JUNE 2026		CLOSING BALANCE AS AT 30 JUNE 2026
			CAPITAL PAYMENT	INTEREST	
DBSA	01/10/2007	4 446 428.04			4 446 428.04
TOTAL		4 426 428.04			4 446 428.04

Long-term loan balance as at 30 June 2026 amounts to R4 446 428.04

PERFORMANCE ON CONDITIONAL GRANTS 25//26

- ADJUSTED CAPEX GRANT SPENDING JUNE			
	Budget	YTD Spent	% Spent
MIG	90 822 000.00	90 821 473.65	100%
INEP	17 533 000.00	17 532 968.11	100%
WSIG	23 405 085.00	23 405 021.97	100%
	131 760 085.00	**131 759 463.73**	**100%**

PERFORMANCE ON NON - CAPITAL GRANTS

ADJUSTED NON- CAPITAL GRANT SPENDING JUNE	Original Budget	YTD spent	%Spent
FMG	2 800 000.00	2 800 000.00	100.00%
LIBRARY	23 494 000.00	23 494 000.00	100.00%
EPWP(COGTA)	1 553 000.00	1 553 000.00	100.00%
EXECUTIVE MAYOR CAMPAIGN/HIV & AIDS	2 955 312.00	2 955 312.00	100.00%
TOTAL	**30 802 312.00**	**30 802 312.00**	**100.00%**

12. Capital programme performance

The Capital Budget amounted to **R131 760 084.90,** and Capital Expenditure incurred on for the month of June amounted to **R14 763 733.20** which is which is **11.21%** of the total Capital Budget and for the fourth Quarter amounted to **R34 640 238.95** which is **26.29%** of the total Capital Budget

The Capital expenditure to date amounted to **R131 759 463** which is **100%** 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	Contractor	April	May	June	YTD Exp	Adjusted Budget
MIG PROJECTS										
P620		P M U Operational Expenses		MIG	Operational Expenses	90 608.81			4 541 100.00	4 541 100.00
P769/ Ph8 B		Khutsong Roads and Stormwater (Phase 8) B	1,2	MIG	Malindo Civil and Construction Appointment 02-10-2024	271 795.45	2 015 878.21	1 433 760.15	12 160 157.43	12 000 000.00
P795/ Ph9		Khutsong Roads and Stormwater (Phase 9)	1,2	MIG	Malindo Civil and Construction Appointment 02-10-2024	1 640 646.60	1 092 027.59	330 348.81	11 024 644.50	10 422 478.52
P794/ Ph 10		Khutsong Roads and Stormwater (Phase 10)	1,2	MIG	Malindo Civil and Construction Appointment 02-10-2024				1 693 963.65	1 730 215.58
P770/ Ph 8 B	WIP988	Kokosi Roads and Stormwater (Phase 4) (2)B	24	MIG	Sivuthumlilo Trading Appointment 16-05-2024				7 774 976.08	8 125 823.80
P771 Ph 8 B	WIP989	Kokosi Roads and Stormwater (Phase 8) B	22,26	MIG	Contractor - Nandzu Trade and General Projects Appointed 16-05-2024.				5 056 356.58	4 847 688.01
P773 STAGE 4 B		Khutsong North Water & Sewer Reticulation Stage 4 B	3-7	MIG	Malindo Civil and Construction Appointment 24-04-2024	465 915.99	1 075 215.20	3 539 111.11	12 698 125.92	10 424 821.36
P775	WIP993	Upgrading of Wedela Recreation Club		MIG	Moribo iGroup Appointment 16-05-2024				471 143.68	471 143.68
P776	WIP994	Refurbishing of Kokosi Stadium		MIG	Buyisa Projects Appointment 30-09-2024	175 682.88	38 320.89		1 353 037.49	2 000 000.00
P780		Rehabilitation of Carletonville Cemetery Road		MIG	RhuoneProjects and Plant Hire Appointment 07-10-2024		3 150 109.26	2 340 048.32	10 855 511.05	11 356 728.99

P783		Merafong Roads and Stormwater Maintenance		MIG		673 894.25			8 822 702.84	8 996 064.32
P784		Merafong Water and Sanitation Maintenance		MIG	Zacks Business Enterprise JV OPM Construction Appointment 07-10-2024			1 845 868.18	11 491 498.18	10 529 114.32
P788		Merafong Solar Highmast Lights & Solar Street Lights (Khut Proper & Kokosi Ext 6)		MIG		274 589.90			2 042 561.43	2 047 850.00
P796		Bulk Supply line from Khutsong		MIG					694 289.63	1 328 971.42
P799		Expansion of Carletonville Landfill Site		MIG					-	-
P797		Kokosi waste Buyback Centre		MIG					141 405.19	2 000 000.00
P798		Wedela Industrial Hub		MIG					-	-
						3 593 133.88	7 371 551.15	9 489 136.57	90 821 473.65	90 822 000.00

INTEGRATED NATIONAL ELECTRIFICATION PROGRAM (INEP) GRANT										
P765	WIP968	2 x 40 MVA 132/11 kV Plover Substation	12	INEP	Kunjalo Kunje Trading Appointment 17-05-2024				8 000 000.00	8 000 000.00
P792		Khutsong South Ext 5,6 Electrification Change Control		INEP	Kunjalo Kunje Trading Appointment 20-09-2024	3 515 246.99		2 674 711.22	9 532 968.11	9 533 000.00
						3 515 246.99	-	2 674 711.22	17 532 968.11	17 533 000.00

WATER SERVICES INFRASTRUCTURE GRANT										
P777 Ph B	WIP995	Foundation Stabilisation of Addata Reservoir	18	WSIG	VTR Construction CC Appointment 20-05-2024	1 499 092.58	664 946.68		11 277 516.55	11 281 280.17
P791		Welverdiend WWTW		WSIG	PK Financial Consultants Appointment 04-10-2024		2 463 875.00	2 561 336.74	9 061 482.69	9 048 830.04
P789		Refurbishment Khutsong WWTW		WSIG	ZM and Nikiwenono Construction Appointment 09-10-2024				-	
P787		Installation of Zone Meters and PRV's		WSIG		191 642.37	577 017.10	38 548.67	3 066 022.73	3 074 974.69
						1 690 734.95	3 705 838.78	2 599 885.41	23 405 021.97	23 405 084.90
		Totals				8 799 115.82	11 077 389.93		131 759 463.73	131 760 084.90

13. Other supporting documents.

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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 R30 166 036.33**

There is Fruitless and wasteful expenditure for the month of June 2026 amounts to **R30 166 036.33**

The Fruitless and wasteful expenditure for the fourth Quarter ending month of June 2026 amounts to **R86 993 781.05**

IRREGULAR EXPENDITURE

Irregular Expenditure		
Total		**Amount R6 034 148.47**

The Irregular expenditure for the month of June 2026 amounts to **R6 034 148.47**

The Irregular expenditure for the fourth Quarter ending month of June 2026 amounts to **R17 320 325.25**

14. Other supporting documents.

Status of MSCOA CCG Systems Implementation:

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 Testin	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 – JULY 2026 (MERAFONG CITY LOCAL MUNICIPALITY)

1. Herewith attached is the certificate of compliance for the month ending 30 June 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 July 2026. The April Eskom account was R2 207 727 211.21 with the bulk account due date in June 2026. The municipality paid for the LPU accounts before the due date. The municipality is in arrears from the January 2026 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 R8 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 plan for 2025/26 MTREF with the final budget that is in an unfunded position. The unfunded budget is based on the assumptions that the municipality only achieves minimum collection rate averaging 58,61% as end of second 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 third quarter of 2025/26 financial year, the municipality is still within the Debt Relief and reports monthly pertaining the progress on the 14 conditions of the programme.

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 58,71% for the period ended March 2026 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. Khustong 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 2026/27 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 2026/27.
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 2026/27 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 2026/27 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 58,61% 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.
19. Out of the 2,000 meters ordered, 358 meters have been installed as at December 2025, and 1,642 meters remain in Equalizer storage. Municipality installed 666 meters from January 2026 to date this is a support from MISA. Currently, Merafong installations have been temporarily paused due to a shortage of meter stock. Work will resume once additional stock becomes available.
20. As at 06 May 2026 the implementation of meter replacement and installation programming is aimed at improving billing accuracy, reducing apparent water losses, and strengthening revenue collection within the municipality. The replacement programme was undertaken through internal operations and maintenance teams to address replacement of dysfunctional water meters, replacement of stolen water meters, installation of new water meters where required, maintenance and upgrading of existing meter connections. A total of 178-meter meters have been installed through the meter replacement and maintenance programme.

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

21. 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 2026/27 Final budget in May 2026 and has budget for smart meters.

Plan to address non-compliance

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

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

VALUATION APPEAL BOARD

24. 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.

25. Further dates for the continuation of the hearing are 3-6 March, 9-12 March, 13-16 April, 21-24 C, 19-22 May, 17-19 June, 23-26 June and 30 June-2 July 2026

INSTALLATION OF SMART METERS

A total of **580 smart meters** has been installed to date, with **284** installed for **City Power** and **296** installed for Merafong. The installations for both municipalities consist of **Hexing Smart Meters**.

Equalizer installations were completed using the following meter types:

1. VeryCo VC1100 Smart DIN Rail Single Phase Prepaid Meter,
2. VeryCo VC1800 Smart Split DIN-Rail Single Phase Prepaid Meter,
3 VeryCo VC1000 Smart 4G Single Phase Keypad Prepaid Meter.

Out of the **2,000** meters ordered, **358** meters have been installed, **298** meters have been collected, and **1,344** meters remain in Equalizer storage.

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	**M12 June**		
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)	2 543 978.95	**Please note for July's return, this amount would be 0.**					
Total spending this month	256 021.05	**Aggregate spending from previous months**	**Total spending to date**	**Allocation as per support plan**	**Allocation Unspent**		**Comment**
- Interns Stipend/Salary and Training		751 944.85	751 944.85	751 944.85	-		
- Training in support of Minimum Competency Regulations			-		-		
- Towards strengthening capacity in Budget and Treasury Office (BTO), internal audit and audit committees			-	-	-		
- Acquisition, Upgrading and Maintenance of Financial Systems	256 021.05	1 792 034.10	2 048 055.15	2 048 055.15	-		
Total FMG spent	2 800 000.00	2 543 978.95	2 800 000.00	2 800 000.00	-		
Percentage spent	100.00						
Total FMG unspent for current financial year	**0.00**	**Note - AO/MM must return any unspent FMG allocations not approved for rollover, to the National Revenue Fund**					
Section C: (Current Financial Year)							
The municipality is required to compile and submit the FMG Support Plan to the National Treasury in April, prior to the commencement of the new financial year and any amendments thereafter, within 30 days							
Performance Information: Institutional	**Yes/No**	**Number**					

Number of officials compliant with the competency regulations		2				
Number of intial management Training conducted during the financial year		4				
Is the municipality MSCOA compliant?	Yes					
Number of interns absorbed since 2000		9				
Number of interns appointed	6					

16. Conclusion

1) That cognizance be taken of the financial performance achievements for month 12 of the financial year ended June 2026 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 12 of the financial year ended June 2026 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 - M12 June

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	648 175	54 189	164 677	665 627	648 175	17 451	3%	582 735
Service charges	885 064	1 329 805	1 202 668	104 851	235 416	872 658	1 266 583	(393 925)	-31%	1 329 805
Investment revenue	11 172	11 744	5 866	155	845	4 886	5 866	(979)	-17%	11 744
Transfers and subsidies - Operational	361 224	358 803	359 091	393	4 031	336 526	350 009	(13 484)	-4%	358 803
Other own revenue	394 705	615 421	579 631	17 068	60 618	309 794	579 631	(269 836)	-47%	615 421
Total Revenue (excluding capital transfers and contributions)	**2 177 424**	**2 898 509**	**2 795 430**	**176 657**	**465 587**	**2 189 491**	**2 850 264**	**(660 773)**	**-23%**	**2 898 509**
Employee costs	439 612	466 721	452 719	36 228	109 444	434 755	452 719	(17 964)	**-4%**	466 721
Remuneration of Councillors	27 103	28 460	28 460	2 337	7 757	28 540	28 460	80	**0%**	28 460
Depreciation and amortisation	177 697	157 984	157 984	–	–	116 885	157 984	(41 099)	**-26%**	157 984
Interest	285 710	116 202	137 062	16 195	74 295	317 106	137 062	180 045	**131%**	116 202
Inventory consumed and bulk purchases	757 227	945 128	819 116	105 163	251 519	920 412	819 116	101 296	**12%**	945 128
Transfers and subsidies	506	596	596	–	42	415	596	(181)	-30%	596
Other expenditure	1 659 926	1 046 930	1 068 939	48 927	209 826	617 391	1 078 555	(461 164)	-43%	1 046 930
Total Expenditure	**3 347 781**	**2 762 021**	**2 664 876**	**208 850**	**652 882**	**2 435 505**	**2 674 492**	**(238 987)**	**-9%**	**2 762 021**
Surplus/(Deficit)	**(1 170 357)**	**136 488**	**130 554**	**(32 193)**	**(187 295)**	**(246 014)**	**175 772**	**(421 786)**	**-240%**	**136 488**
Transfers and subsidies - capital (monetary allocations)	149 974	124 091	127 219	–		111 276	80 409	30 867	38%	124 091
Transfers and subsidies - capital (in-kind)	(126)	–	–	–		–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(1 020 509)**	**260 579**	**257 773**	**(32 193)**	**(187 295)**	**(134 738)**	**256 180**	**(390 919)**	**-153%**	**260 579**
Share of surplus/ (deficit) of associate	–	–	–	–		–	–	–		–
Surplus/ (Deficit) for the year	**(1 020 509)**	**260 579**	**257 773**	**(32 193)**	**(187 295)**	**(134 738)**	**256 180**	**(390 919)**	**-153%**	**260 579**

GT484 Merafong City - Table C1 Monthly Budget Statement Summary - M12 June

Description	2024/25	Budget Year 2025/26								
R thousands	**Audited Outcome**	**Original Budget**	**Adjusted Budget**	**Monthly actual**	**Quarterly Actual**	**YearTD actual**	**YearTD budget**	**YTD variance**	**YTD variance %**	**Full Year Forecast**
Capital expenditure & funds sources										
Capital expenditure	**217 924**	**155 111**	**158 219**	**22 247**	**337 878**	**337 878**	**158 219**	**179 659**	**114%**	**155 111**
Capital transfers recognised	207 837	124 111	129 172	20 906	–	323 088	129 172	193 916	150%	124 111
Borrowing	–	–	–	–	– **4 050**	–	–	–		–
Internally generated funds	10 087	31 000	29 047	1 341	–	14 789	29 047	(14 257)	-49%	31 000
Total sources of capital funds	**217 924**	**155 111**	**158 219**	**22 247**	**4 050** –	**337 878**	**158 219**	**179 659**	**114%**	**155 111**
Financial position					**4 930**					
Total current assets	962 579	1 311 368	1 255 094		**4 930**	2 155 106				1 311 368
Total non current assets	3 383 526	3 196 553	3 199 661		–	3 393 091				3 196 553
Total current liabilities	3 733 397	1 265 797	1 049 505		–	5 070 227				1 265 797
Total non current liabilities	169 854	959 373	959 373		–	169 854				959 373
Community wealth/Equity	**442 854**	**2 282 751**	**2 279 946**		–	**308 116**				**2 282 751**
Cash flows					–					
Net cash from (used) operating	384 503	504 255	231 585	38 574	**90 682**	1 172 539	3 534 490	2 361 951	67%	515 999
Net cash from (used) investing	(150 850)	(189 663)	(200 428)	–	–	(95 892)	206 428	302 320	146%	(189 663)
Net cash from (used) financing	–	–	–	–	**238 217**	–	–	–		–
Cash/cash equivalents at the month/year end	**389 648**	**472 625**	**189 189**	**355 005**	**98 571**	**457 986**	**3 898 950**	**3 440 964**	**88%**	**–**
Debtors & creditors analysis	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**79 153**	**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis					**348**					
Total By Income Source	155 084	105 974	98 316	101 661	–	130 878	124 846	568 108	6 076 889	7 361 756
Creditors Age Analysis					**337 878**					
Total Creditors	139 133	139 036	83 145	84 290	– –	76 634	87 678	829 014	2 499 579	3 938 509

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) - M12 June

Description	Ref	2024/25	Budget Year 2025/26								
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional											
Governance and administration		**1 170 490**	**1 228 465**	**1 245 368**	**69 528**	**224 371**	**1 236 524**	**1 198 557**	37 967	3%	**1 228 465**
Executive and council		13 722	–	–	154	583	4 183	–	4 183	#DIV/0!	–
Finance and administration		1 156 768	1 228 465	1 245 368	69 375	223 788	1 232 341	1 198 557	33 784	3%	1 228 465
Internal audit		–	–	–	–		–	–	–		–
Community and public safety		**63 668**	**31 966**	**30 727**	**269**	**24 056**	**22 501**	**21 645**	856	4%	**31 966**
Community and social services		28 921	28 909	29 197	144	22 440	21 015	20 115	899	4%	28 909
Sport and recreation		15	46	31	(3)	(34)	(34)	31	(66)	-209%	46
Public safety		–	–	–	–	–	–	–	–		–
Housing		34 731	3 012	1 498	128	1 650	1 521	1 498	22	1%	3 012
Health		–	–	–	–		–	–	–		–
Economic and environmental services		**9 362**	**35 614**	**64 360**	**37**	**25 189**	**82 841**	**64 360**	18 481	29%	**35 614**
Planning and development		9 362	4 555	9 385	12 677	37 829	82 853	9 385	73 468	783%	4 555
Road transport		–	31 059	54 975	(12 640)	(12 640)	(12)	54 975	(54 987)	-100%	31 059
Environmental protection		–	–	–	–		–	–	–		–
Trading services		**1 083 753**	**1 726 553**	**1 582 194**	**106 823**	**231 564**	**958 901**	**1 646 110**	**(687 209)**	-42%	**1 726 553**
Energy sources		373 681	761 265	725 233	12 216	42 369	224 740	789 149	(564 409)	-72%	761 265
Water management		588 640	750 603	606 223	84 254	158 468	604 371	606 223	(1 852)	0%	750 603
Waste water management		9 133	102 384	120 683	(458)	(1 320)	1 527	120 683	(119 156)	-99%	102 384
Waste management		112 300	112 301	130 055	10 811	32 046	128 263	130 055	(1 792)	-1%	112 301
Other	4	–	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**2 327 271**	**3 022 600**	**2 922 649**	**176 657**	**505 180**	**2 300 767**	**2 930 673**	**(629 906)**	**-21%**	**3 022 600**

20. Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) – M12 June 2026

GT484 Merafong City - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M12 June

Description	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
R thousands	1									%	
Expenditure - Functional	-										
Governance and administration		**1 007 731**	**544 255**	**627 667**	**40 679**	**193 675**	**487 853**	**627 667**	(139 813)	-22%	**544 255**
Executive and council		101 723	84 030	100 568	6 701	23 852	100 152	100 568	(416)	0%	84 030
Finance and administration		900 719	450 975	516 340	33 547	166 347	378 074	516 340	(138 267)	-27%	450 975
Internal audit		5 289	9 251	10 758	431	3 476	9 628	10 758	(1 130)	-11%	9 251
Community and public safety		**135 413**	**123 259**	**121 397**	**10 060**	**28 921**	**129 649**	**125 323**	4 326	3%	**123 259**
Community and social services		87 586	73 544	73 720	6 538	17 284	82 960	77 646	5 314	7%	73 544
Sport and recreation		27 281	29 902	29 557	2 416	8 554	28 753	29 557	(805)	-3%	29 902
Public safety		6 016	4 231	6 200	521	1 493	6 062	6 200	(138)	-2%	4 231
Housing		14 530	12 447	11 920	584	1 590	11 874	11 920	(46)	0%	12 447
Health		–	3 135	–	–	–	–	–	–		3 135
Economic and environmental services		**200 856**	**211 121**	**208 594**	**8 715**	**24 303**	**159 347**	**214 285**	(54 937)	-26%	**211 121**
Planning and development		82 251	36 019	50 712	3 741	10 966	59 265	56 403	2 862	5%	36 019
Road transport		118 604	175 102	157 882	4 974	13 337	100 083	157 882	(57 799)	-37%	175 102
Environmental protection		–	–	–	–		–	–	–		–
Trading services		**2 003 782**	**1 883 386**	**1 707 218**	**149 396**	**405 983**	**1 658 656**	**1 707 218**	**(48 562)**	-3%	**1 883 386**
Energy sources		817 195	918 468	927 435	107 418	265 153	1 002 010	927 435	74 575	8%	918 468
Water management		927 430	654 481	491 052	26 885	112 798	497 655	491 052	6 603	1%	654 481
Waste water management		114 671	142 533	151 686	3 646	10 268	84 729	151 686	(66 957)	-44%	142 533
Waste management		144 486	167 904	137 045	11 448	17 763	74 261	137 045	(62 784)	-46%	167 904
Other		–	–	–	–	–	–	–	–		–
Total Expenditure - Functional	**3**	**3 347 781**	**2 762 021**	**2 664 876**	**208 850**	**652 882**	**2 435 505**	**2 674 492**	**(238 987)**	**-9%**	**2 762 021**
Surplus/ (Deficit) for the year		**(1 020 509)**	**260 579**	**257 773**	**(32 193)**	**(147 702)**	**(134 738)**	**256 180**	**(390 919)**	**-153%**	**260 579**

5 Table C4: Month 12 Budget Statement – Financial Performance (Revenue and Expenditure)

GT484 Merafong City - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description R thousands	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	Quartely Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue											
Exchange Revenue											
Service charges - Electricity		315 811	481 628	481 628	12 277	52 310	218 499	545 544	(327 045)	-60%	481 628
Service charges - Water		407 417	633 537	511 171	65 238	124 025	452 530	511 171	(58 641)	-11%	633 537
Service charges - Waste Water Management		67 635	102 355	102 355	18 557	33 119	96 650	102 355	(5 705)	-6%	102 355
Service charges - Waste management		94 201	112 285	107 514	8 778	25 962	104 979	107 514	(2 535)	-2%	112 285
Sale of Goods and Rendering of Services		4 241	3 646	3 646	481	1 155	3 770	3 646	124	3%	3 646
Agency services		13 125	17 695	13 912	(12 640)	(12 640)	(485)	13 912	(14 397)	-103%	17 695
Interest		–	–	–	–	–	–	–	–		–
Interest earned from Receivables		180 911	192 599	152 946	1 971	(7 717)	70 598	152 946	(82 348)	-54%	192 599
Interest from Current and Non Current Assets		11 172	11 744	5 866	155	845	4 886	5 866			11 744
Dividends		–	–	–	–	–	–	–	–		–
Rent on Land		1 350	–	6 404	12 373	37 073	76 379	6 404	69 976		–
Rental from Fixed Assets		3 465	3 164	1 617	680	959	2 182	1 617	565	35%	3 164
Licence and permits		4	2 069	495	–	0	(11)	495	(506)	-102%	2 069
Special rating levies		–	–	–	–	–	–	–	–		–
Operational Revenue		9 520	3 201	100	96	99	152	100	51	51%	3 201
Non-Exchange Revenue		–	–	–	–	–	–	–	–		–
Property rates		525 259	582 735	648 175	54 189	164 677	665 627	648 175	17 451	3%	582 735
Surcharges and Taxes		–	–	–	–	–	–	–	–		–
Fines, penalties and forfeits		38 739	31 290	41 065	4	112	568	41 065	(40 497)		31 290
Licence and permits		–	–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		361 224	358 803	359 091	393	4 031	336 526	350 009	(13 484)		358 803
Interest		141 376	152 699	150 386	14 102	41 577	156 642	150 386	6 256		152 699
Fuel Levy		–	–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–	–		–
Gains on disposal of Assets		–	–	–	–	–	–	–	–		–
Other Gains		1 975	209 059	209 059	–	–	–	209 059	(209 059)		209 059
Discontinued Operations		–	–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**2 177 424**	**2 898 509**	**2 795 430**	**176 657**	**465 587**	**2 189 491**	**2 850 264**	**(660 773)**	**-23%**	**2 898 509**

GT484 Merafong City - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description R thousands	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	Quartely Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure By Type	-										
Employee related costs		439 612	466 721	452 719	36 228	109 444	434 755	452 719	(17 964)	-4%	466 721
Remuneration of councillors		27 103	28 460	28 460	2 337	7 757	28 540	28 460	80	0%	28 460
Bulk purchases - electricity		556 457	589 037	619 350	89 169	206 714	727 675	619 350	108 325		589 037
Inventory consumed		200 770	356 090	199 767	15 994	44 805	192 738	199 767	(7 029)		356 090
Debt impairment		934 377	730 363	522 112	–	–	–	522 112	(522 112)	-100%	730 363
Depreciation and amortisation		177 697	157 984	157 984	–	–	116 885	157 984	(41 099)	-26%	157 984
Interest		285 710	116 202	137 062	16 195	74 295	317 106	137 062	180 045	131%	116 202
Contracted services		431 369	173 859	332 671	28 450	68 951	387 323	342 287	45 036	13%	173 859
Transfers and subsidies		506	596	596	–	42	415	596	(181)	-30%	596
Irrecoverable debts written off		43 685	32 079	72 666	2 099	91 749	63 995	72 666	(8 671)		32 079
Operational costs		112 556	70 071	70 071	12 144	22 781	76 494	70 071	6 423	9%	70 071
Losses on Disposal of Assets		171	–	–	–	–	–	–	–		–
Other Losses		137 768	40 559	71 419	6 233	26 345	89 580	71 419	18 161		40 559
Total Expenditure		**3 347 781**	**2 762 021**	**2 664 876**	**208 850**	**652 882**	**2 435 505**	**2 674 492**	**(238 987)**	**-9%**	**2 762 021**
Surplus/(Deficit)		**(1 170 357)**	**136 488**	**130 554**	**(32 193)**	**(187 295)**	**(246 014)**	**175 772**	**(421 786)**	**-240%**	**136 488**
Transfers and subsidies - capital (monetary allocations)		149 974	124 091	127 219	–		111 276	80 409	30 867	38%	124 091
Transfers and subsidies - capital (in-kind)		(126)	–	–	–		–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(1 020 509)**	**260 579**	**257 773**	**(32 193)**	**(187 295)**	**(134 738)**	**256 180**	**(390 919)**	**-153%**	**260 579**
Income Tax		–	–	–	–		–	–			–
Surplus/(Deficit) after income tax		**(1 020 509)**	**260 579**	**257 773**	**(32 193)**	**(187 295)**	**(134 738)**	**256 180**	**(390 919)**	**-153%**	**260 579**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–		–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–		–	–			–
Surplus/(Deficit) attributable to municipality		**(1 020 509)**	**260 579**	**257 773**	**(32 193)**	**(187 295)**	**(134 738)**	**256 180**	**(390 919)**	**-153%**	**260 579**
Share of Surplus/Deficit attributable to Associate		–	–	–	–		–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–		–	–			–
Surplus/ (Deficit) for the year		**(1 020 509)**	**260 579**	**257 773**	**(32 193)**	**(187 295)**	**(134 738)**	**256 180**	**(390 919)**	**-153%**	**260 579**

6 Table C5: Month 12 Budget Statement – Capital Expenditure by vote, standard classification and funding

GT484 Merafong City - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Single Year expenditure appropriation	2									
Vote 1 - Municipal Manager		–	3 000	–	–	–	–	–		3 000
Vote 2 - Finance		6 382	–	–	1 307	3 868	–	3 868	#DIV/0!	–
Vote 3 - Community and Social Services		4 361	4 000	1 671	–	4 930	1 671	3 258	195%	4 000
Vote 4 - Sport and Recreation		–	2 000	2 000	–	–	2 000	(2 000)	-100%	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	55 855	2 992	90 682	55 855	34 826	62%	44 533
Vote 10 - Energy Sources		76 815	44 601	28 453	2 326	98 571	28 453	70 117	246%	44 601
Vote 11 - Water Management		42 762	39 980	32 009	4 222	60 144	32 009	28 135	88%	39 980
Vote 12 - Waste Water Management		35 722	10 497	36 230	11 400	79 153	36 230	42 923	118%	10 497
Vote 13 - Waste Management		–	6 500	2 000	–	348	2 000	(1 652)	-83%	6 500
Vote 14 - Internal Audit		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	182	–	182	#DIV/0!	–
Total Capital single-year expenditure	4	217 924	155 111	158 219	22 247	337 878	158 219	**179 659**	**114%**	155 111
Total Capital Expenditure		**217 924**	**155 111**	**158 219**	**22 247**	**337 878**	**158 219**	**179 659**	**114%**	**155 111**

GT484 Merafong City - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June

Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Capital Expenditure - Functional Classification										
Governance and administration		**6 382**	**3 000**	**–**	**1 307**	**4 050**	**–**	4 050	#DIV/0!	**3 000**
Executive and council		–	3 000	–	–	–	–	–		3 000
Finance and administration		6 382	–	–	1 307	4 050	–	4 050	#DIV/0!	–
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**4 361**	**6 000**	**3 671**	**–**	**4 930**	**3 671**	1 258	34%	**6 000**
Community and social services		4 361	4 000	1 671	–	4 930	1 671	3 258	195%	4 000
Sport and recreation		–	2 000	2 000	–	–	2 000	(2 000)	-100%	2 000
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**51 882**	**44 533**	**55 855**	**2 992**	**90 682**	**55 855**	34 826	62%	**44 533**
Planning and development		–	–	–	–	–	–	–		–
Road transport		51 882	44 533	55 855	2 992	90 682	55 855	34 826	62%	44 533
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**155 299**	**101 578**	**98 692**	**17 948**	**238 217**	**98 692**	139 524	141%	**101 578**
Energy sources		76 815	44 601	28 453	2 326	98 571	28 453	70 117	246%	44 601
Water management		42 762	39 980	32 009	4 222	60 144	32 009	28 135	88%	39 980
Waste water management		35 722	10 497	36 230	11 400	79 153	36 230	42 923	118%	10 497
Waste management		–	6 500	2 000	–	348	2 000	(1 652)	-83%	6 500
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**217 924**	**155 111**	**158 219**	**22 247**	**337 878**	**158 219**	**179 659**	**114%**	**155 111**

GT484 Merafong City - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Funded by:										
National Government		207 837	124 111	129 172	20 906	323 088	129 172	193 916	150%	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		**207 837**	**124 111**	**129 172**	**20 906**	**323 088**	**129 172**	**193 916**	**150%**	**124 111**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		10 087	31 000	29 047	1 341	14 789	29 047	(14 257)	-49%	31 000
Total Capital Funding		**217 924**	**155 111**	**158 219**	**22 247**	**337 878**	**158 219**	**179 659**	**114%**	**155 111**

7 Table C6: Month 12 Budget Statement – Financial Position

GT484 Merafong City - Table C6 Monthly Budget Statement - Financial Position - M12 June

Description	Ref	2024/25	Budget Year 2025/26			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		82 029	482 367	194 039	14 205	482 367
Trade and other receivables from exchange transactions		245 857	240 488	281 539	823 735	240 488
Receivables from non-exchange transactions		72 990	220 893	231 117	577 864	220 893
Current portion of non-current receivables		–	–	–	–	–
Inventory		830	1 062	126 342	(21 285)	1 062
VAT		560 872	366 559	422 056	760 587	366 559
Other current assets		–	–	–	–	–
Total current assets		**962 579**	**1 311 368**	**1 255 094**	**2 155 106**	**1 311 368**
Non current assets						
Investments		–	–	–	–	–
Investment property		223 818	217 300	217 300	223 818	217 300
Property, plant and equipment		3 145 626	2 978 912	2 982 020	3 158 465	2 978 912
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		190	136	136	190	136
Intangible assets		13 892	205	205	10 618	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**	**3 199 661**	**3 393 091**	**3 196 553**
TOTAL ASSETS		**4 346 105**	**4 507 921**	**4 454 755**	**5 548 197**	**4 507 921**

GT484 Merafong City - Table C6 Monthly Budget Statement - Financial Position - M12 June

Description R thousands	Ref 1	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
LIABILITIES						
Current liabilities	-					
Bank overdraft		–	51 960	(51 960)	–	51 960
Financial liabilities		3 391	13 521	13 521	514	13 521
Consumer deposits		21 309	–	–	21 608	–
Trade and other payables from exchange transactions		3 226 234	1 072 734	1 114 142	4 409 840	1 072 734
Trade and other payables from non-exchange transactions		17 585	31 294	(31 006)	33 836	31 294
Provision		55 293	39 388	39 388	55 293	39 388
VAT		409 585	56 900	(34 581)	549 135	56 900
Other current liabilities		–	–	–	–	–
Total current liabilities		**3 733 397**	**1 265 797**	**1 049 505**	**5 070 227**	**1 265 797**
Non current liabilities						
Financial liabilities		4 509	17 535	17 535	4 509	17 535
Provision		32 555	29 894	29 894	32 555	29 894
Long term portion of trade payables		–	911 944	911 944	–	911 944
Other non-current liabilities		132 790	–	–	132 790	–
Total non current liabilities		**169 854**	**959 373**	**959 373**	**169 854**	**959 373**
TOTAL LIABILITIES		**3 903 251**	**2 225 170**	**2 008 878**	**5 240 081**	**2 225 170**
NET ASSETS	2	**442 854**	**2 282 751**	**2 445 877**	**308 116**	**2 282 751**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		(2 150 776)	2 282 751	2 279 946	(2 285 514)	2 282 751
Reserves and funds		2 593 631	–	–	2 593 631	–
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	**442 854**	**2 282 751**	**2 279 946**	**308 116**	**2 282 751**

8 Table C7: Month 12 Budget Statement – Cash Flow

GT484 Merafong City - Table C7 Monthly Budget Statement - Cash Flow - M12 June										
Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		65 063	408 037	470 502	11 402	169 924	470 525	(300 601)	-64%	408 037
Service charges		242 419	1 004 719	853 874	43 151	1 368 947	853 874	515 073	60%	1 004 719
Other revenue		246 730	64 329	62 823	20 759	64 218	62 823	1 395	2%	64 329
Transfers and Subsidies - Operational		248 181	334 256	334 256	–	327 663	383 350	(55 686)	-15%	334 256
Transfers and Subsidies - Capital		74 529	124 091	127 219	–	54 617	127 219	(72 602)	-57%	124 091
Interest		73 390	–	5 866	3 029	–	5 866	(5 866)	-100%	11 744
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(565 810)	(1 316 381)	(1 486 851)	(39 767)	(799 322)	1 494 728	2 294 050	153%	(1 316 381)
Interest		–	(114 200)	(135 509)	–	(13 510)	135 509	149 018	110%	(114 200)
Transfers and Subsidies		–	(596)	(596)	–	–	596	596	100%	(596)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**384 503**	**504 255**	**231 585**	**38 574**	**1 172 539**	**3 534 490**	**2 361 951**	**67%**	**515 999**
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		(150 850)	(189 663)	(200 428)	–	(95 892)	206 428	302 320	146%	(189 663)

GT484 Merafong City - Table C7 Monthly Budget Statement - Cash Flow - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH 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		**233 653**	**314 593**	**31 157**	**38 574**	**1 076 647**	**3 740 918**			**–**
Cash/cash equivalents at beginning:		155 995	158 032	158 032	316 431	(618 661)	158 032			(618 661)
Cash/cash equivalents at month/year end:		389 648	472 625	189 189	355 005	457 986	3 898 950			–

TOTAL COST SAVINGS DISCLOSURE UP TO JUNE 2026

	BUDGET	Q1	Q1	Q2	Q2	Q3	Q3	Q4	Q4	TOTAL	TOTAL	
MEASURES	R'000	PROJECTED	ACTUALS	PROJECTED	ACTUALS	PROJECTED	ACTUALS	PROJECTED	ACTUALS	PROJECTED	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 17 000	**R 600 000**	R 15 000	**R 600 000**	R 16 500	**R 2 400 000**	**R 67 500**	**R 2 332 500**
Infratec Asset Management Grant)P87	**R 568 289**	**R 142 072**	R 0	**R 142 072**		**R 142 072**		**R 142 072**		**R 568 289**	**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**		**R 0**	**R 0**	**R 0**
Travel and Subsistence (11371+11374)	**R 69 207**	**R 17 302**	R 2 307	**R 17 302**	R 2 450	**R 17 302**	R 2 350	**R 17 302**	R 3 750	**R 69 207**	**R 10 857**	**R 58 350**
Domestic Accomodation (11370)	**R 0**	**R 0**	R 0	**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 130 678	**R 395 250**	R 118 518	**R 395 250**	R 119 486	**R 1 581 000**	**R 498 355**	**R 1 082 645**
Ponsorship,Events and Catering (09027)	**R 1 169 793**	**R 292 448**	R 24 192	**R 292 448**	R 23 750	**R 292 448**	R 24 850	**R 292 448**	R 24 652	**R 1 169 793**	**R 97 444**	**R 1 072 349**
Communication:												
Advertisement (11234+11240)	**R 1 218 215**	**R 304 554**	R 13 696	**R 304 554**	R 13 750	**R 304 554**	R 12 650	**R 304 554**	R 17 520	**R 1 218 215**	**R 57 616**	**R 1 160 599**
Newspapers/Magazines/Information Recourses (2010/11348)	**4 300 000**	**R 29 667**	R 0	**R 1 075 000**	R 0	**R 1 075 000**		**R 1 075 000**		**R 3 254 667**	**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 60 185	**R 55 881**	R 70 185	**R 55 881**	R 60 185	**R 223 525**	**R 260 721**	**R -37 196**
Materials and Supplies : -(11034)	**R 1 200 000**	**R 300 000**	R 523 949	**R 300 000**	R 520 650	**R 300 000**	R 452 000	**R 300 000**	R 520 650	**R 1 200 000**	**R 2 017 249**	**R -817 249**
Printing (11351)	**R 795 611**	**R 198 903**	R 119 950	**R 198 903**	R 115 650	**R 198 903**	R 135 000	**R 198 903**	R 137 650	**R 795 611**	**R 508 250**	**R 287 361**
Operating Leases : Machinery and Equipment(11216)	**R 833 388**	**R 208 347**	R 78 123	**R 208 347**	R 65 752	**R 208 347**	R 63 450	**R 208 347**	R 65 420	**R 833 388**	**R 272 745**	**R 560 643**
Cleaning Services : Laundry Services-(11276)	**R 272 340**	**R 68 085**	R 2 144	**R 68 085**	R 1 900	**R 68 085**	R 1 250	**R 68 085**	R 1 750	**R 272 340**	**R 7 044**	**R 265 296**
TOTAL	**R 14 631 368**	**R 2 612 509**	R 983 201	**R 3 657 842**	R 951 765	**R 3 657 842**	R 895 253	**R 3 657 842**	R 967 563	**R 13 586 035**	R 3 797 782	**R 9 788 253**