MERAFONG MUNICIPALITY

SECTION 52d and 71 ENDING MARCH 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 MARCH MONTH 09 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 MARCH, MONTH 09 AND QUARTER 03 2026 FINANCIAL YEAR

IN-YEAR BUDGET STATEMENT TABLES: MONTH ENDED 31 MARCH OF 2026 FINANCIAL YEAR

The financial results for the Month ended 31 March 2026 are attached and consists of the following tables:

MBRR TABLES:

1. Table C1 Month 09 Budget Statement -Summary
2. Table C2: Month 09 Budget Statement - Financial Performance (Revenue and Expenditure by Functional Classification)
3. Table C3 Month 09 Budget Statement - Financial Performance (revenue and expenditure by municipal vote)
4. Table C4: Month 09 Budget Statement – Financial Performance (Revenue and Expenditure)
5. Table C5: Month 09 Budget Statement – Capital Expenditure by vote, standard classification and funding
6. Table C6: Month 09 Budget Statement – Financial Position
7. Table C7: Month 09 Budget Statement – Cash Flow
8. Table SC3: Month 09 Budget Statement – Aged Debtors
9. Table SC4: Month 09 Budget Statement – Aged Creditors
10. Table SC5: Month 09 Budget Statement – Investment Portfolio
11. Table SC7: Month 09 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 March 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 **31 March 2026**, the ten working day reporting limit expired on **17 April 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 March amounted to **R215 451 000** and for the Third Quarter amounted to **R535 460 000** including Grants received in March 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 March amounted to **R183 076 000** and for the Third Quarter amounted to **R494 454 000.**

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 **R12 259 337** for the month of March which is **9.30%** of the total Capital Budget and for the Third Quarter amounted to **R33 518 029.53** which is **25.44%** of the total Capital Budget

The Capital expenditure to date amounted to **R98 318 976.33** which is **74.62%** 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	March Actual	YTD Revenue	%YTD Revenue
Adjusted Operating Revenue	R2 795 430 308	R215 451 000	R1 720 116 000	61.53%
TOTAL Revenue	R2 795 430 308	**R215 451 000**	**R1 720 116 000**	**61.53%**

4.2 Operating Expenditure by Type

Description	Adjusted Budget Amount	March Actual	YTD Expenditure	%YTD Expenditure
-Adjusted Operating Expenditure	R2 664 875 818	R183 076 000	R1 655 779 000	62.13%
TOTAL Revenue	R2 664 875 818	**R183 076 000**	**R1 655 779 000**	**62.13%**

4.3 SALARIES

Description	Adjusted Budget Amount	March Actual	YTD Expenditure	%YTD Expenditure
Employee Related Cost	R452 719 119	R36 012 000	R325 311 000	71.86%
TOTAL	**R452 719 119**	**R36 012 000**	**R325 311 000**	**71.86&**

a. REMUNERATION ON COUNCILLORS

Description	Adjusted Budget Amount	March Actual	YTD Expenditure	%YTD Expenditure
Remunerations of Councillors	R28 451 742	R2 253 000	R20 783 000	**73.04%**
TOTAL	**R28 459 742**	**R2 253 000**	**R20 783 000**	**73.04%**

STAFF OVERTIME

Summary: Overtime

Trading Services

Month	Projected	M7-M9 Actuals	Percentage
January	R2 194 583.58	R2 265 856.61	103.25%
February	R2 194 583.58	R2 211 891.55	100.79%
March	R2 194 583.58	R2 353 306.38	107.23%

OVERTIME EXPENDITURE FOR MARCH 2026

SERIAL NUMBER	CATEGORY OF EXPENDITURE	ANNUAL Approved Budgett	Jan	Feb	Mar	Tran current ytd	Positive/Negative Variamce %
	Revenue By Source						
1	INCOME	145 000.00	30 030.31	7 594.98	80 462.08	478 826.45	55.49%
2	EXPENDITURE	112 000.00	18 053.16	15 732.46	14 225.52	266 889.78	12.70%
3	BUDGET & TREASURY	140 000.00	18 309.34	7 173.04	24 956.17	246 244.47	17.83%
4	SUPPLY CHAIN					5 605.82	
5	FINANCE:INTERNS	95 000.00				52 580.35	0.00%
6	TRAFFIC & LICENSING	2 521 639.00	187 222.39	171 489.98	184 630.48	1 861 735.72	7.32%
7	SECURITY	1 200 000.00	101 989.77	91 441.20	107 354.51	995 425.16	8.95%
8	CEMETARY	100 765.00	723.33	1 265.83		7 715.53	0.00%
9	REFUSE REMOVAL	7 907 522.00	526 311.79	510 611.54	475 487.62	4 416 319.63	6.01%
10	WATER	5 654 197.00	479 568.75	466 962.88	425 120.42	4 177 405.12	7.52%
11	ELECTRICITY	6 300 500.00	346 165.26	334 813.47	331 921.26	3 176 492.11	5.27%
12	CHIEF OPERATING OFFICER					4 662.38	
13	SECRETARIAT & LEGAL	30 651.00	21 742.79	34 071.55	49 049.91	297 023.65	160.03%
14	IDP/PMS	6 760.00				-	0.00%
15	EXECUTIVE MAYOR	71 107.00	50 472.68	62 505.13	74 273.97	454 162.95	104.45%
16	SPEAKER		36 546.87	3 074.16	36 833.16	251 124.83	
17	S.E. SHARED SERVICES		17 962.74	18 264.13	19 047.73	118 602.74	
18	INTERNAL AUDIT	3 525.00				-	0.00%
19	CHIEF OF STAFF					-	
20	INFORMATION TECHNOLOGY	101 040.00		8 438.87		82 972.16	0.00%
21	MANAGER CIVIL ENGINEERING	55 200.00		8 197.76	7 715.54	64 858.75	13.98%
22	PUBLIC WORKS	468 480.00	97 708.79	113 319.68	120 629.86	792 466.82	25.75%
23	SE ECONOMIC DEVELOPMENT		8 921.10		6 027.77	38 216.04	
24	ROADS & STORMWATER	411 462.00	61 398.01	102 570.62	111 685.77	864 052.94	27.14%
25	PARKS	918 985.00	182 474.63	161 358.51	193 386.05	1 177 474.73	21.04%
26	MARKETING	1 040.00		16 636.63	8 499.15	45 901.43	817.23%
27	MANAGER SRACH,LIS and Parks	27 775.00	3 375.54		1 205.55	39 542.09	4.34%
28	SOCIAL DEVELOPMENT	5 200.00				-	0.00%
29	HR & SKILLS DEVELOPMENT	41 555.00	15 025.73	31 802.89	30 094.50	233 893.76	72.42%
30	INDUSTRIAL RELATIONS		5 439.35	7 977.71	5 600.52	41 805.19	
31	HOUSING ADMINISTRATION	15 600.00	38 572.08	18 987.45	29 547.21	208 848.78	189.41%
32	SPARTIAL PLANNING					-	
33	LIBRARIES					-	
34	PROJECT MANAGEMET UNIT					-	
35	MUNICIPAL MANAGER					-	
36	LED					-	
37	SE COMMUNITY SERVICE		8 921.10	10 006.09	7 594.98	70 645.41	
38	WATER CAREWORK		8 921.10	7 594.99	7 956.65	114 326.64	
	Total	**26 335 003.00**	**2 265 856.61**	**2 211 891.55**	**2 353 306.38**	**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 **March 2026** overtime paid was a total amount of **R2 353 306.38** against the projected budget of **R2 194 583.58** which is **107.23%** 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

5. In-year budget statement tables

2) Table C1 Monthly Budget Statement Summary

GT484 Merafong City - Table C1 Monthly Budget Statement Summary - M09 March

Description	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
Financial Performance										
Property rates	525 259	582 735	648 175	55 358	1 286 268	500 950	486 131	14 818	3%	582 735
Service charges	885 064	1 329 805	1 202 668	50 146	2 582 619	637 242	949 937	(312 696)	-33%	1 329 805
Investment revenue	11 267	11 744	5 866	262	17 872	4 041	4 399	(358)	-8%	11 744
Transfers and subsidies - Operational	361 224	358 803	359 091	81 774	799 668	328 707	262 507	66 200	25%	358 803
Other own revenue	394 705	615 421	579 631	27 911	1 222 963	249 177	434 723	(185 546)	-43%	615 421
Total Revenue (excluding capital transfers and contributions)	**2 177 519**	**2 898 509**	**2 795 430**	**215 451**	**535 460**	**1 720 116**	**2 137 698**	**(417 582)**	**-20%**	**2 898 509**
Employee costs	439 612	466 721	452 719	36 012	106 961	325 311	339 539	(14 228)		466 721
Remuneration of Councillors	27 103	28 460	28 460	2 253	6 760	20 783	21 345	(562)		28 460
Depreciation and amortisation	177 586	157 984	157 984	–	–	85 143	118 488	(33 345)		157 984
Interest	285 710	116 202	137 062	31 061	85 346	202 385	102 796	99 589		116 202
Inventory consumed and bulk purchases	757 227	945 128	819 116	60 491	170 515	541 202	614 337	(73 135)		945 128
Transfers and subsidies	506	596	596	42	125	332	447	(115)	-26%	596
Other expenditure	1 659 756	1 046 930	1 068 939	49 558	(58 329)	480 622	808 916	(328 294)	-41%	1 046 930
Total Expenditure	**3 347 499**	**2 762 021**	**2 664 876**	**179 417**	**311 378**	**1 655 779**	**2 005 869**	**(350 090)**	**-17%**	**2 762 021**
Surplus/(Deficit)	**(1 169 980)**	**136 488**	**130 554**	**36 033**	**224 083**	**64 337**	**131 829**	**(67 492)**	**-51%**	**136 488**
Transfers and subsidies - capital (monetary allocations)	149 974	124 091	127 219	–		80 546	60 307	20 239	34%	124 091
Transfers and subsidies - capital (in-kind)	(126)	–	–	–		–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(1 020 133)**	**260 579**	**257 773**	**36 033**	**224 083**	**144 883**	**192 135**	**(47 253)**	**-25%**	**260 579**
Share of surplus/ (deficit) of associate	–	–	–	–		–	–	–		–
Surplus/ (Deficit) for the year	**(1 020 133)**	**260 579**	**257 773**	**36 033**	**224 083**	**144 883**	**192 135**	**(47 253)**	**-25%**	**260 579**

GT484 Merafong City - Table C1 Monthly Budget Statement Summary - M09 March

Description	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
Capital expenditure & funds sources										
Capital expenditure	**217 924**	**155 111**	**158 219**	**10 323**	**297 053**	**297 053**	**118 664**	**178 389**	**150%**	**155 111**
Capital transfers recognised	207 837	124 111	129 172	8 333	284 430	284 430	96 879	187 551	194%	124 111
Borrowing	–	–	–	–		–	–	–		–
Internally generated funds	**10 087**	**31 000**	**29 047**	**1 991**	**12 623**	**12 623**	**21 785**	**(9 162)**	**-42%**	**31 000**
Total sources of capital funds	**217 924**	**155 111**	**158 219**	**10 323**	**297 053**	**297 053**	**118 664**	**178 389**	**150%**	**155 111**
Financial position										
Total current assets	962 923	1 311 368	1 255 094			1 852 691				1 311 368
Total non current assets	3 383 526	3 196 553	3 199 661			3 383 772				3 196 553
Total current liabilities	3 733 397	1 265 797	1 049 505			4 478 530				1 265 797
Total non current liabilities	169 854	959 373	959 373			169 854				959 373
Community wealth/Equity	**443 198**	**2 282 751**	**2 279 946**			**588 081**				**2 282 751**
Cash flows										
Net cash from (used) operating	384 503	504 255	231 585	(44 318)		1 091 134	2 650 868	1 559 734	59%	515 999
Net cash from (used) investing	(150 850)	(189 663)	(200 428)	–		(65 162)	154 821	219 983	142%	(189 663)
Net cash from (used) financing	–	–	–	–		–	–	–		–
Cash/cash equivalents at the month/year end	**389 912**	**472 625**	**189 189**	**(44 318)**		**405 967**	**2 963 721**	**2 557 753**	**86%**	**–**
Debtors & creditors analysis	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**		**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis										
Total By Income Source	83 961	101 265	89 741	91 611		109 235	90 184	569 999	5 955 860	7 091 856
Creditors Age Analysis										
Total Creditors	(33 871)	71 706	90 318	5 178		139 334	119 170	858 869	2 220 640	3 471 343

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

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) - M09 March

Description	Ref	2024/25	Budget Year 2025/26								
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quartely Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional											
Governance and administration		**1 170 585**	**1 228 465**	**1 245 368**	**150 919**	**301 981**	**1 000 095**	**898 918**	101 177	11%	**1 228 465**
Executive and council		13 722	–	–	–	1 168	3 213	–	3 213	#DIV/0!	–
Finance and administration		1 156 863	1 228 465	1 245 368	150 919	300 813	996 883	898 918	97 965	11%	1 228 465
Internal audit		–	–	–	–		–	–	–		–
Community and public safety		**63 668**	**31 966**	**30 727**	**251**	**4 376**	**16 557**	**16 234**	324	2%	**31 966**
Community and social services		28 921	28 909	29 197	133	4 007	15 447	15 086	361	2%	28 909
Sport and recreation		15	46	31	(10)	(16)	(25)	23	(49)	-208%	46
Public safety		–	–	–	–	–	–	–	–		–
Housing		34 731	3 012	1 498	128	386	1 135	1 124	11	1%	3 012
Health		–	–	–	–	–	–	–	–		–
Economic and environmental services		**9 362**	**35 614**	**64 360**	**12 213**	**36 828**	**57 087**	**48 270**	8 817	18%	**35 614**
Planning and development		9 362	4 555	9 385	12 214	36 840	44 459	7 039	37 421	532%	4 555
Road transport		–	31 059	54 975	(1)	(12)	12 628	41 232	(28 603)	-69%	31 059
Environmental protection		–	–	–	–	–	–	–	–		–
Trading services		**1 083 753**	**1 726 553**	**1 582 194**	**52 067**	**198 168**	**726 922**	**1 234 583**	**(507 661)**	-41%	**1 726 553**
Energy sources		373 681	761 265	725 233	1 263	35 790	181 955	591 862	(409 906)	-69%	761 265
Water management		588 640	750 603	606 223	40 604	131 720	445 902	454 667	(8 765)	-2%	750 603
Waste water management		9 133	102 384	120 683	(530)	(1 614)	2 847	90 512	(87 665)	-97%	102 384
Waste management		112 300	112 301	130 055	10 731	32 271	96 217	97 541	(1 325)	-1%	112 301
Other	4	–	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**2 327 366**	**3 022 600**	**2 922 649**	**215 451**	**541 354**	**1 800 662**	**2 198 004**	**(397 343)**	**-18%**	**3 022 600**

GT484 Merafong City - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M09 March

Description	Ref	2024/25	Budget Year 2025/26								
R thousands	1	**Audited Outcome**	**Original Budget**	**Adjusted Budget**	**Monthly actual**	**Quartely Actual**	**YearTD actual**	**YearTD budget**	**YTD variance**	**YTD variance %**	**Full Year Forecast**
Expenditure - Functional	-					–					
Governance and administration		**1 007 560**	**544 255**	**627 667**	**31 470**	**93 686**	**370 593**	**470 750**	(100 157)	-21%	**544 255**
Executive and council		101 723	84 030	100 568	7 632	20 968	74 925	75 426	(501)	-1%	84 030
Finance and administration		900 548	450 975	516 340	23 447	71 531	289 116	387 255	(98 139)	-25%	450 975
Internal audit		5 289	9 251	10 758	391	1 187	6 552	8 068	(1 517)	-19%	9 251
Community and public safety		**135 302**	**123 259**	**121 397**	**9 675**	**18 869**	**95 414**	**93 992**	1 421	2%	**123 259**
Community and social services		87 586	73 544	73 720	6 494	16 872	61 640	58 234	3 406	6%	73 544
Sport and recreation		27 281	29 902	29 557	2 112	7 616	20 198	22 168	(1 970)	-9%	29 902
Public safety		6 016	4 231	6 200	486	1 469	4 570	4 650	(81)	-2%	4 231
Housing		14 419	12 447	11 920	583	1 678	9 006	8 940	66	1%	12 447
Health		–	3 135	–	–	–	–	–	–		3 135
Economic and environmental services		**200 856**	**211 121**	**208 594**	**12 680**	**30 038**	**124 459**	**160 714**	(36 255)	-23%	**211 121**
Planning and development		82 251	36 019	50 712	8 105	15 286	48 299	42 302	5 997	14%	36 019
Road transport		118 604	175 102	157 882	4 575	14 752	76 160	118 411	(42 251)	-36%	175 102
Environmental protection		–	–	–	–	–	–	–	–		–
Trading services		**2 003 782**	**1 883 386**	**1 707 218**	**34 118**	**247 961**	**1 065 314**	**1 280 413**	**(215 100)**	-17%	**1 883 386**
Energy sources		817 195	918 468	927 435	20 846	137 373	593 709	695 576	(101 867)	-15%	918 468
Water management		927 430	654 481	491 052	4 622	83 864	348 266	368 289	(20 023)	-5%	654 481
Waste water management		114 671	142 533	151 686	3 851	10 793	66 955	113 764	(46 809)	-41%	142 533
Waste management		144 486	167 904	137 045	4 798	15 931	56 383	102 784	(46 400)	-45%	167 904
Other		–	–	–	–		–	–	–		–
Total Expenditure - Functional	**3**	**3 347 499**	**2 762 021**	**2 664 876**	**87 943**	**390 554**	**1 655 779**	**2 005 869**	**(350 090)**	**-17%**	**2 762 021**
Surplus/ (Deficit) for the year		**(1 020 133)**	**260 579**	**257 773**	**127 508**	**150 800**	**144 883**	**192 135**	**(47 253)**	**-25%**	**260 579**

18. Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) – M09 March 2026

GT484 Merafong City - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M09 March

Vote Description R thousands	Ref	2024/25	Budget Year 2025/26								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quartely Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1										
Vote 1 - Municipal Manager		13 722	–	–	–	1 168	3 213	–	3 213	#DIV/0!	–
Vote 2 - Finance		1 140 144	1 220 086	1 237 913	150 428	298 826	991 628	893 327	98 300	11.0%	1 220 086
Vote 3 - Community and Social Services		28 921	28 909	29 197	133	4 007	15 447	15 086	361	2.4%	28 909
Vote 4 - Sport and Recreation		15	46	31	(10)	(16)	(25)	23	(49)	-207.7%	46
Vote 5 - Public Safety		–	–	–	–	–	–	–	–		–
Vote 6 - Housing		34 731	3 012	1 498	128	386	1 135	1 124	11	1.0%	3 012
Vote 7 - Health		–	–	–	–	–	–	–	–		–
Vote 8 - Planning and Development		9 362	4 555	9 385	12 214	36 840	44 459	7 039	37 421	531.7%	4 555
Vote 9 - Road Transport		–	31 059	54 975	(1)	(12)	12 628	41 232	(28 603)	-69.4%	31 059
Vote 10 - Energy Sources		373 681	761 265	725 233	1 263	35 790	181 955	591 862	(409 906)	-69.3%	761 265
Vote 11 - Water Management		588 640	750 603	606 223	40 604	131 720	445 902	454 667	(8 765)	-1.9%	750 603
Vote 12 - Waste Water Management		9 133	102 384	120 683	(530)	(1 614)	2 847	90 512	(87 665)	-96.9%	102 384
Vote 13 - Waste Management		112 300	112 301	130 055	10 731	32 271	96 217	97 541	(1 325)	-1.4%	112 301
Vote 14 - Internal Audit		–	–	–	–	–	–	–	–		–
Vote 15 - Other		16 719	8 380	7 455	491	1 987	5 255	5 591	(336)	-6.0%	8 380
Total Revenue by Vote	2	**2 327 366**	**3 022 600**	**2 922 649**	**215 451**	**541 354**	**1 800 662**	**2 198 004**	**(397 343)**	**-18.1%**	**3 022 600**

GT484 Merafong City - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M09 March

Vote Description R thousands	Ref	2024/25	Budget Year 2025/26								
		Audited Outcome	**Original Budget**	**Adjusted Budget**	**Monthly actual**	**Quartely Actual**	**YearTD actual**	**YearTD budget**	**YTD variance**	**YTD variance %**	**Full Year Forecast**
<u>Expenditure by Vote</u>	1										
Vote 1 - Municipal Manager		101 723	84 030	100 568	7 632	20 968	74 925	75 426	(501)	-0.7%	84 030
Vote 2 - Finance		433 067	215 512	352 217	23 095	69 893	282 015	264 163	17 852	6.8%	215 512
Vote 3 - Community and Social Services		87 586	73 544	73 720	6 494	16 872	61 640	58 234	3 406	5.8%	73 544
Vote 4 - Sport and Recreation		27 281	29 902	29 557	2 112	7 616	20 198	22 168	(1 970)	-8.9%	29 902
Vote 5 - Public Safety		6 016	4 231	6 200	486	1 469	4 570	4 650	(81)	-1.7%	4 231
Vote 6 - Housing		14 419	12 447	11 920	583	1 678	9 006	8 940	66	0.7%	12 447
Vote 7 - Health		–	3 135	–	–	–	–	–	–		3 135
Vote 8 - Planning and Development		82 251	36 019	50 712	8 105	15 286	48 299	42 302	5 997	14.2%	36 019
Vote 9 - Road Transport		118 604	175 102	157 882	4 575	14 752	76 160	118 411	(42 251)	-35.7%	175 102
Vote 10 - Energy Sources		817 195	918 468	927 435	20 846	137 373	593 709	695 576	(101 867)	-14.6%	918 468
Vote 11 - Water Management		927 430	654 481	491 052	4 622	83 864	348 266	368 289	(20 023)	-5.4%	654 481
Vote 12 - Waste Water Management		114 671	142 533	151 686	3 851	10 793	66 955	113 764	(46 809)	-41.1%	142 533
Vote 13 - Waste Management		144 486	167 904	137 045	4 798	15 931	56 383	102 784	(46 400)	-45.1%	167 904
Vote 14 - Internal Audit		5 289	9 251	10 758	391	1 187	6 552	8 068	(1 517)	-18.8%	9 251
Vote 15 - Other		467 481	235 463	164 123	351	1 638	7 101	123 093	(115 991)	-94.2%	235 463
Total Expenditure by Vote	2	**3 347 499**	**2 762 021**	**2 664 876**	**87 943**	**399 321**	**1 655 779**	**2 005 869**	**(350 090)**	**-17.5%**	**2 762 021**
Surplus/ (Deficit) for the year	2	**(1 020 133)**	**260 579**	**257 773**	**127 508**	**142 033**	**144 883**	**192 135**	**(47 253)**	**-24.6%**	**260 579**

1 Table C4: Month 09 Budget Statement – Financial Performance (Revenue and Expenditure)

GT484 Merafong City - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

Description	Ref	2024/25	Budget Year 2025/26								
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue											
Exchange Revenue											
Service charges - Electricity		315 811	481 628	481 628	1 315	36 250	166 189	409 158	(242 969)	-59%	481 628
Service charges - Water		407 417	633 537	511 171	33 554	108 514	328 505	383 378	(54 873)	-14%	633 537
Service charges - Waste Water Management		67 635	102 355	102 355	6 519	21 591	63 531	76 766	(13 236)	-17%	102 355
Service charges - Waste management		94 201	112 285	107 514	8 758	26 343	79 018	80 635	(1 618)	-2%	112 285
Sale of Goods and Rendering of Services		4 241	3 646	3 646	324	852	2 615	2 735	(120)	-4%	3 646
Agency services		13 125	17 695	13 912	–	–	12 156	10 434	1 721	16%	17 695
Interest		–	–	–	–	–	–	–	–		–
Interest earned from Receivables		180 911	192 599	152 946	1 921	5 468	78 315	114 709	(36 395)	-32%	192 599
Interest from Current and Non Current Assets		11 267	11 744	5 866	262	1 108	4 041	4 399			11 744
Dividends		–	–	–	–	–	–	–	–		–
Rent on Land		1 350	–	6 404	12 059	35 993	39 307	4 803	34 504		–
Rental from Fixed Assets		3 465	3 164	1 617	131	410	1 222	1 213	9	1%	3 164
Licence and permits		4	2 069	495	(1)	(11)	(11)	371	(382)	-103%	2 069
Special rating levies		–	–	–	–	–	–	–	–		–
Operational Revenue		9 520	3 201	100	0	4	53	75	(23)	-30%	3 201
Non-Exchange Revenue		–	–	–	–	–	–	–	–		–
Property rates		525 259	582 735	648 175	55 358	169 358	500 950	486 131	14 818	3%	582 735
Surcharges and Taxes		–	–	–	–	–	–	–	–		–
Fines, penalties and forfeits		38 739	31 290	41 065	127	184	456	30 799	(30 342)		31 290
Transfers and subsidies - Operational		361 224	358 803	359 091	81 774	89 526	328 707	262 507	66 200		358 803
Interest		141 376	152 699	150 386	13 350	39 872	115 065	112 789	2 276		152 699
Gains on disposal of Assets		–	–	–	–	–	–	–	–		–
Other Gains		1 975	209 059	209 059	–	–	–	156 795	(156 795)		209 059
Total Revenue (excluding capital transfers and contributions)		**2 177 519**	**2 898 509**	**2 795 430**	**215 451**	**535 460**	**1 720 116**	**2 137 698**	**(417 582)**	**-20%**	**2 898 509**

Variance reporting: Revenue

Revenue Description	YTD Actual	YTD Budget	Variance +over/(-under)	Comments
Property Rates	R500 950 000	R486 131 000	R14 818 000	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	R166 189 000	R409 158 000	(R242 969 000)	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	R328 505 000	R383 378 000	(R54 873 000)	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	R63 531 000	R76 766 000	(R13 236 000)	The usage of water also impacts on the wastewater usage. Wastewater variances will be addressed together with the variances of water usage
Waste Management	R79 018 000	R80 635 000	(R1 618 000)	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	R2 615 000	R2 735 000	(R120 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	R78 315 000	R114 709 000	(36 395 000)	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 041 000	R4 399 000		There variance between planned revenue and actual revenue is not significant. The planned amount and the actual amount are almost equal.
Rent on Land	R39 307 000	R4 803 000	R34 504 000	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	R1 222 000	R1 213 000	R9	Interest earned from Main Bank account and Call Account
Licences	R11 000	R371 000	(R382 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	R53 000	R75 000	(R23 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	R456 000	R30 799 000	(R30 342 000)	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	R328 707 000	R262 507 000	R66 200 000	The amounts that are due to the municipality from the national fiscus are gazetted and cannot change.
Interest	R115 065 000	R112 789 000	R2 276 000	Interest Received from funds invested in call account which is dependent on the interest rates
Gains		R156 795 000	(R156 795 00 0)	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) - M09 March

Description	Ref	2024/25	Budget Year 2025/26								
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue											
Expenditure By Type	-										
Employee related costs		439 612	466 721	452 719	36 012	106 961	325 311	339 539	(14 228)	-4%	466 721
Remuneration of councillors		27 103	28 460	28 460	2 253	6 760	20 783	21 345	(562)	-3%	28 460
Bulk purchases - electricity		556 457	589 037	619 350	42 132	120 845	409 933	464 512	(54 580)		589 037
Inventory consumed		200 770	356 090	199 767	18 360	49 670	131 270	149 825	(18 555)		356 090
Debt impairment		934 377	730 363	522 112	–	–	–	391 584	(391 584)	-100%	730 363
Depreciation and amortisation		177 586	157 984	157 984	–	–	85 143	118 488	(33 345)	-28%	157 984
Interest		285 710	116 202	137 062	31 061	85 346	202 385	102 796	99 589	97%	116 202
Contracted services		431 369	173 859	332 671	43 030	97 134	309 546	256 715	52 831	21%	173 859
Transfers and subsidies		506	596	596	42	125	332	447	(115)	-26%	596
Irrecoverable debts written off		43 685	32 079	72 666	3 621	3 961	59 792	54 499	5 292		32 079
Operational costs		112 556	70 071	70 071	2 907	10 648	51 001	52 553	(1 552)	-3%	70 071
Losses on Disposal of Assets		–	–	–	–	–	–	–	–		–
Other Losses		137 768	40 559	71 419	3 659	13 003	60 284	53 564	6 720		40 559
Total Expenditure		**3 347 499**	**2 762 021**	**2 664 876**	**183 076**	**494 454**	**1 655 779**	**2 005 869**	**(350 090)**	**-17%**	**2 762 021**
Surplus/(Deficit)		**(1 169 980)**	**136 488**	**130 554**	**32 374**	**41 007**	**64 337**	**131 829**	**(67 492)**	**(0)**	**136 488**
Transfers and subsidies - capital (monetary allocations)		149 974	124 091	127 219	–		80 546	60 307	20 239	**0**	124 091
Transfers and subsidies - capital (in-kind)		(126)	–	–	–		–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(1 020 133)**	**260 579**	**257 773**	**32 374**	**41 007**	**144 883**	**192 135**			**260 579**
Income Tax		–	–	–	–		–	–			–
Surplus/(Deficit) after income tax		**(1 020 133)**	**260 579**	**257 773**	**32 374**	**41 007**	**144 883**	**192 135**			**260 579**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–		–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–		–	–			–
Surplus/(Deficit) attributable to municipality		**(1 020 133)**	**260 579**	**257 773**	**32 374**	**41 007**	**144 883**	**192 135**			**260 579**
Share of Surplus/Deficit attributable to Associate		–	–	–	–		–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–		–	–			–
Surplus/ (Deficit) for the year		**(1 020 133)**	**260 579**	**257 773**	**32 374**	**41 007**	**144 883**	**192 135**			**260 579**

Additional comments on expenditure performance

Expenditure Description	YTD Actual	YTD Budget	Variance +over/(-under)	Comments
Employee related costs	R325 311 000	R339 539 000	(R14 228 000)	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	R20 783 000	R21 345 000	(R562 000)	Provision was made in the budget for anticipated increases in councillors' salaries and allowances.
Bulk Purchases	R409 933 000	R464 512 000	(R54 580 000)	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	R131 270 000	R149 825 000	(R18 555 000)	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		R391 584 000	(391 584 000)	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	R85 143 000	R118 488 000	(R33 345 000)	The actual depreciation and impairment are determined at year-end, with final figures to be confirmed upon completion of the financial year.
Interest	R202 385 000	R102 796 000	R99 589 000	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	R309 546 000	R256 715 000	R52 831 000	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	R59 499 000	R54 499 000	R5 292 000	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	R332 000	R447 000	(R115 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	R51 001 000	R52 553 000	R1 552 000	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	R60 284 000	R53 564 000	R6 720 000	This provision relates to losses, including water losses. Estimates are based on historical experience, and budget provisions are aligned accordingly

2 **Table C5: Month 09 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) - M09 March

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	–	–	231	2 406	–	2 406	#DIV/0!	–
Vote 3 - Community and Social Services		4 361	4 000	1 671	–	4 930	1 253	3 676	293%	4 000
Vote 4 - Sport and Recreation		–	2 000	2 000	–	–	1 500	(1 500)	-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	5 106	83 962	41 892	42 070	100%	44 533
Vote 10 - Energy Sources		76 815	44 601	28 453	1 950	93 185	21 340	71 845	337%	44 601
Vote 11 - Water Management		42 762	39 980	32 009	1 330	53 132	24 007	29 125	121%	39 980
Vote 12 - Waste Water Management		35 722	10 497	36 230	1 706	58 910	27 172	31 737	117%	10 497
Vote 13 - Waste Management		–	6 500	2 000	–	348	1 500	(1 152)	-77%	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	10 323	297 053	118 664	**178 389**	**150%**	155 111
Total Capital Expenditure		**217 924**	**155 111**	**158 219**	**10 323**	**297 053**	**118 664**	**178 389**	**150%**	**155 111**

GT484 Merafong City - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 March

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Capital Expenditure - Functional Classification</u>										
Governance and administration		**6 382**	**3 000**	**–**	**231**	**2 587**	**–**	2 587	#DIV/0!	**3 000**
Executive and council		–	3 000	–	–	–	–	–		3 000
Finance and administration		6 382	–	–	231	2 587	–	2 587	#DIV/0!	–
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**4 361**	**6 000**	**3 671**	**–**	**4 930**	**2 753**	2 176	79%	**6 000**
Community and social services		4 361	4 000	1 671	–	4 930	1 253	3 676	293%	4 000
Sport and recreation		–	2 000	2 000	–	–	1 500	(1 500)	-100%	2 000
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**51 882**	**44 533**	**55 855**	**5 106**	**83 962**	**41 892**	42 070	100%	**44 533**
Planning and development		–	–	–	–	–	–	–		–
Road transport		51 882	44 533	55 855	5 106	83 962	41 892	42 070	100%	44 533
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**155 299**	**101 578**	**98 692**	**4 986**	**205 574**	**74 019**	131 555	178%	**101 578**
Energy sources		76 815	44 601	28 453	1 950	93 185	21 340	71 845	337%	44 601
Water management		42 762	39 980	32 009	1 330	53 132	24 007	29 125	121%	39 980
Waste water management		35 722	10 497	36 230	1 706	58 910	27 172	31 737	117%	10 497
Waste management		–	6 500	2 000	–	348	1 500	(1 152)	-77%	6 500
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**217 924**	**155 111**	**158 219**	**10 323**	**297 053**	**118 664**	**178 389**	**150%**	**155 111**

GT484 Merafong City - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 March

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	8 333	284 430	96 879	187 551	194%	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**	**8 333**	**284 430**	**96 879**	**187 551**	**194%**	**124 111**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		10 087	31 000	29 047	1 991	12 623	21 785	(9 162)	-42%	31 000
Total Capital Funding		**217 924**	**155 111**	**158 219**	**10 323**	**297 053**	**118 664**	**178 389**	**150%**	**155 111**

3 Table C6: Month 09 Budget Statement – Financial Position

GT484 Merafong City - Table C6 Monthly Budget Statement - Financial Position - M09 March

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		82 294	482 367	194 039	67 747	482 367
Trade and other receivables from exchange transactions		245 936	240 488	281 539	587 441	240 488
Receivables from non-exchange transactions		72 990	220 893	231 117	513 264	220 893
Current portion of non-current receivables		–	–	–	–	–
Inventory		830	1 062	126 342	830	1 062
VAT		560 872	366 559	422 056	683 410	366 559
Other current assets		–	–	–	–	–
Total current assets		**962 923**	**1 311 368**	**1 255 094**	**1 852 691**	**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	3 148 070	2 978 912
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		190	136	136	190	136
Intangible assets		13 892	205	205	11 693	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**	**3 383 772**	**3 196 553**
TOTAL ASSETS		**4 346 449**	**4 507 921**	**4 454 755**	**5 236 463**	**4 507 921**

GT484 Merafong City - Table C6 Monthly Budget Statement - Financial Position - M09 March

Description	Ref	2024/25	Budget Year 2025/26			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>**LIABILITIES**</u>						
Current liabilities	-					
Bank overdraft		–	51 960	(51 960)	–	51 960
Financial liabilities		3 391	13 521	13 521	277	13 521
Consumer deposits		21 309	–	–	21 608	–
Trade and other payables from exchange transactions		3 226 234	1 072 734	1 114 142	3 818 543	1 072 734
Trade and other payables from non-exchange transactions		17 585	31 294	(31 006)	72 619	31 294
Provision		55 293	39 388	39 388	55 293	39 388
VAT		409 585	56 900	(34 581)	510 190	56 900
Other current liabilities		–	–	–	–	–
Total current liabilities		**3 733 397**	**1 265 797**	**1 049 505**	**4 478 530**	**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**	**4 648 384**	**2 225 170**
NET ASSETS	2	**443 198**	**2 282 751**	**2 445 877**	**588 079**	**2 282 751**
<u>**COMMUNITY WEALTH/EQUITY**</u>						
Accumulated surplus/(deficit)		(2 150 432)	2 282 751	2 279 946	(2 005 550)	2 282 751
Reserves and funds		2 593 631	–	–	2 593 631	–
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	**443 198**	**2 282 751**	**2 279 946**	**588 081**	**2 282 751**

4 Table C7: Month 08 Budget Statement – Cash Flow

GT484 Merafong City - Table C7 Monthly Budget Statement - Cash Flow - M09 March

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	–	113 410	352 894	(239 484)	-68%	408 037
Service charges		242 419	1 004 719	853 874	–	1 201 426	640 406	561 021	88%	1 004 719
Other revenue		246 730	64 329	62 823	–	38 092	47 117	(9 025)	-19%	64 329
Transfers and Subsidies - Operational		248 181	334 256	334 256	–	327 663	287 512	40 151	14%	334 256
Transfers and Subsidies - Capital		74 529	124 091	127 219	–	54 617	95 414	(40 797)	-43%	124 091
Interest		73 390	–	5 866	–	–	4 399	(4 399)	-100%	11 744
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(565 810)	(1 316 381)	(1 486 851)	(44 318)	(630 565)	1 121 046	1 751 612	156%	(1 316 381)
Interest		–	(114 200)	(135 509)	–	(13 510)	101 631	115 141	113%	(114 200)
Transfers and Subsidies		–	(596)	(596)	–	–	447	447	100%	(596)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**384 503**	**504 255**	**231 585**	**(44 318)**	**1 091 134**	**2 650 868**	**1 559 734**	**59%**	**515 999**

GT484 Merafong City - Table C7 Monthly Budget Statement - Cash Flow - M09 March

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables	-	–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(150 850)	(189 663)	(200 428)	–	(65 162)	154 821	219 983	142%	(189 663)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(150 850)**	**(189 663)**	**(200 428)**	**–**	**(65 162)**	**154 821**	**219 983**	**142%**	**(189 663)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**233 653**	**314 593**	**31 157**	**(44 318)**	**1 025 972**	**2 805 688**			**–**
Cash/cash equivalents at beginning:		156 259	158 032	158 032	–	(620 005)	158 032			(620 005)
Cash/cash equivalents at month/year end:		389 912	472 625	189 189	(44 318)	405 967	2 963 721			–

PART 2: SUPPORTING DOCUMENTATION

6. Debtors' Analysis

GT484 Merafong City - Supporting Table SC3 Monthly Budget Statement - aged debtors - M09 March

Description R thousands	NT Code	Budget Year 2025/26 0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Water	1200	18 199	45 690	32 626	41 290	35 530	28 184	121 345	1 298 501	1 621 365	1 524 850
Trade and Other Receivables from Exchange Transactions - Electricity	1300	(1)	(0)	(0)	(3)	9	(3)	(16 095)	102 142	86 050	86 051
Receivables from Non-exchange Transactions - Property Rates	1400	36 404	36 322	36 757	36 624	36 865	37 283	228 231	612 907	1 061 393	951 910
Receivables from Exchange Transactions - Waste Water Management	1500	7 952	5 252	4 412	3 966	3 993	3 477	14 228	47 617	90 897	73 282
Receivables from Exchange Transactions - Waste Management	1600	9 760	9 082	8 255	7 911	7 592	6 501	42 092	354 801	445 994	418 897
Receivables from Exchange Transactions - Property Rental Debtors	1700	139	128	114	104	97	91	963	3 245	4 882	4 501
Interest on Arrear Debtor Accounts	1810	27 379	27 429	27 083	26 629	26 263	25 763	183 851	1 359 158	1 703 555	1 621 664
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–
Other	1900	(15 871)	(22 637)	(19 506)	(24 911)	(1 114)	(11 112)	(4 617)	2 177 489	2 077 720	2 135 735
Total By Income Source	**2000**	**83 961**	**101 265**	**89 741**	**91 611**	**109 235**	**90 184**	**569 999**	**5 955 860**	**7 091 856**	**6 816 889**
2024/25 - totals only										–	–
Debtors Age Analysis By Customer Group											
Organs of State	2200	610	1 268	447	52	528	398	2 400	23 027	28 730	26 405
Commercial	2300	56 233	57 087	44 820	52 235	63 269	56 187	374 621	3 565 159	4 269 610	4 111 470
Households	2400	25 223	41 813	42 969	37 385	43 674	31 784	234 440	2 358 919	2 816 207	2 706 203
Other	2500	1 894	1 098	1 505	1 939	1 763	1 815	(41 462)	8 755	(22 691)	(27 188)
Total By Customer Group	**2600**	**83 961**	**101 265**	**89 741**	**91 611**	**109 235**	**90 184**	**569 999**	**5 955 860**	**7 091 856**	**6 816 889**

Debtors Collection

Consumer debtors have increased due to continued non -payment

CONSUMER DEBTORS
R7 091 856 000

7. REVENUE MANAGEMENT

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

	JAN		FEB		MARCH	
Revenue Per Source	**Billing**	**Receipts**	**Billing**	**Receipts**	**Billing**	**Receipts**
Property Rates	53 245 231	35 461 250	53 652 120	27 369 410	54 235 231	32 746 510
Electricity Basic	22 279 513	12 165 110	23 678 420	14 285 310	23 476 233	14 285 310
Water Availability	44 485 240	16 569 400	39 367 723	19 567 430	45 653 250	17 567 430
Refuse Removal	12 598 641	15 654 205	9 652 846	8 594 100	12 652 846	9 548 540
Sewer Availability	22 689 220	12 542 215	24 689 220	19 684 610	22 689 220	23 684 610
Interest	19 654 686	7 652 540	18 846 100	7 410 640	20 646 841	8 064 620
Grand Total	**174 952 531**	**100 044 720**	**169 886 429**	**96 911 500**	**179 353 621**	**105 897 020**
	57%		**57%**		**59%**	

CREDIT CONTROL: PAYMENT LEVELS - 2025'26						
MONTH	LEVIED	PAYMENT	PERCENTAGE	BUDGET	UNDER COLLECTED/LOSS ON BUDGETED COLLECTION RATE	% UNDER COLLECTED/LOSS
Jul-25	189 540 552	96 745 200	51.04%	60%	16 979 131	8.96%
Aug-25	184 100 274	114 769 460	62.34%	60%	-4 309 296	0.00%
Sep-25	188 864 200	106 684 200	56.49%	60%	6 634 320	0.00%
Quarter 1	**562 505 026**	**318 198 860**	**56.57%**	**60%**	**19 304 156**	**3.43%**
Oct-25	210 628 715	115 883 666	55.02%	60%	10 493 563	4.98%
Nov-25	181 453 115	105 640 428	58.22%	60%	3 231 441	1.78%
Dec-25	178 912 781	113 155 690	63.25%	60%	-5 808 021	-3.25%
Quarter 2	**570 994 611**	**334 679 784**	**58.61%**	**60%**	**7 916 983**	**1.39%**
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%
TOTAL	**1 657 692 218**	**955 731 884**	**57.65%**	**60%**	**38 883 447**	**2.35%**

The collection rate
for the month of March is **59.04%**

Collection per Ward

Ward 1	**3 575 145.56**	**803 987.39**	22%
Business	560 050.78	522 210.27	93%
Domestic	2 625 983.84	230 191.03	9%
Indigents	256 472.89	3 250.00	1%
Industrial	34 553.09	-	0%
Mines	71 708.78	38 349.41	53%
Municipal	3 724.38	-	0%
National Public Works	-	-	
Other	7 154.08	5 324.29	74%
Provincial Public Works	-	-	
Provincial: Agriculture	7 826.04	-	0%
Provincial: Education Sec21	7 671.68	4 662.39	61%

Ward 2	**4 185 661.05**	**149 521.06**	4%
Business	16 403.32	67 276.15	410%
Domestic	3 538 082.32	65 859.22	2%
Indigents	614 379.79	4 980.00	1%
Mines	4 443.90	-	0%
Municipal	906.10	-	0%
Other	7.28	-	0%
Provincial Public Works	-	-	0%
Provincial: Education Sec21	11 438.34	11 405.69	100%

Ward 3	**519 097.15**	**6 404.49**	1%
Business	265.00	-	0%
Domestic	391 043.46	6 404.49	2%
Indigents	16 156.33	-	0%
Mines	1 046.49	-	0%
Municipal	-	-	0%
National Public Works	85 250.79	-	0%
Other	90.98	-	0%
Provincial Public Works	888.32	-	0%
Provincial: Education Sec21	24 355.78	-	0%
Provincial: Health	-	-	0%

Ward 4	**575 524.09**	**5 759.97**	1%
Domestic	531 734.83	5 459.97	1%
Indigents	43 141.81	300.00	1%
Municipal	92.79	-	0%
Other	-	-	0%
Provincial Public Works	554.66	-	0%

Ward 5	6 723 325.01	787 989.21	12%
Business	10 205.68	-	0%
Domestic	11 074.32	138.66	1%
Industrial	4 231.96	-	0%
Mines	6 661 565.66	787 850.55	12%
Other	12 054.94	-	0%
Provincial Public Works	24 192.45	-	0%

Ward 6	1 172 145.61	145 894.55	12%
Business	25.50	-	0%
Domestic	1 088 142.19	32 939.19	3%
Indigents	40 518.42	791.07	2%
Mines	880.55	-	0%
Municipal	185.58	-	0%
Other	976.44	-	0%
Provincial Public Works	40 685.04	-	0%
Provincial: Education Sec21	731.89	112 164.29	15325%

Ward 7	1 670 383.08	307 441.79	18%
Business	40 049.62	-	0%
Domestic	1 050 678.34	51 247.86	5%
Indigents	391 736.08	4 460.00	1%
Industrial	1 191.27	100.00	8%
Mines	6 672.04	-	0%
Municipal	4 512.44	-	0%
National Public Works	11 076.14	12 737.56	115%
Other	1 079.02	-	0%
Provincial Public Works	41 431.34	-	0%
Provincial: Education Sec21	109 733.07	205 481.09	187%
Provincial: Health	12 223.72	33 415.28	273%

Ward 8	545 022.14	11 648.30	2%
Domestic	504 456.84	11 348.30	2%
Indigents	34 826.54	300.00	1%
Mines	2 836.68	-	0%
Municipal	1 923.84	-	0%
Other	978.24	-	0%

Ward 9	382 480.20	9 990.96	3%
Business	1 695.39	-	0%
Domestic	330 907.28	9 140.96	3%
Indigents	49 794.26	850.00	2%
Mines	33.97	-	0%
Municipal	49.30	-	0%
Other	-	-	0%

Ward 10	**944 067.29**	**51 758.32**	5%
Business	6 740.68	-	0%
Domestic	771 627.42	14 589.05	2%
Indigents	113 840.66	3 900.00	3%
Mines	3 041.65	-	0%
Municipal	4 234.34	-	0%
Other	-	-	0%
Provincial Public Works	33 372.60	-	0%
Provincial: Education Sec21	11 209.94	33 269.27	297%

Ward 11	**2 771 017.46**	**391 499.04**	14%
Business	66 501.14	102 296.30	154%
Domestic	550 695.14	82 235.97	15%
Indigents	94 509.90	9 491.64	10%
Mines	1 994 106.95	182 124.21	9%
Municipal	7 284.81	-	0%
National Public Works	889.65	-	0%
Other	5 548.20	10 684.95	193%
Provincial Public Works	27 260.58	-	0%
Provincial Public Work	14 978.83	4 665.97	31%
Provincial: Education Sec21	9 149.47	-	0%
Provincial: Health	92.79	-	0%

Ward 12	**7 005 403.89**	**1 193 232.60**	17%
Business	360 261.21	101 375.74	28%
DLRRD	1 932.66	-	0%
Domestic	3 888 769.82	1 045 214.62	27%
Indigents	882 673.95	17 907.56	2%
Mines	1 805 589.14	994.25	0%
Municipal	9 483.13	-	0%
National Public Works	8 988.71	4 234.79	47%
National Public Work	358.78	-	0%
Other	18 263.90	6 533.39	36%
Provincial Public Works	12 319.16	-	0%
Provincial: Education Sec21	13 698.03	8 602.19	63%
Provincial: Health	3 065.40	8 370.06	273%

Ward 13	**7 020 460.27**	**924 779.75**	13%
Business	41 547.32	51 959.17	125%
Domestic	728 932.57	86 229.09	12%
Indigents	30 405.34	700.00	2%
Industrial	2 891.70	-	0%
Mines	6 181 751.49	785 659.54	13%
Municipal	22.10	-	0%
National Public Works	3 877.79	231.95	6%
Other	18 667.02	-	0%
Provincial Public Works	12 364.94	-	0%

Ward 14	**12 280 153.14**	**2 779 584.36**	23%
Business	162 339.85	204 704.85	126%
DLRRD	-	-	0%
Domestic	2 110 223.32	2 172 050.59	103%
Indigents	2 074.17	-	0%
Mines	9 927 593.38	382 971.57	4%
Municipal	229.33	-	0%
National Public Works	2.92	-	0%
Other	77 690.17	19 857.35	26%

Ward 15	**3 762 661.65**	**470 315.65**	12%
Business	123 064.44	11 614.84	9%
Domestic	83 600.68	208 665.71	250%
Indigents	776.16	10 000.00	1288%
Mines	3 555 030.28	240 035.10	7%
Other	190.09	-	0%

Ward 16	**6 452 697.70**	**5 521 242.25**	86%
Business	532 915.43	516 007.13	97%
Domestic	2 641 848.22	2 456 264.27	93%
Indigents	181 802.55	96 158.64	53%
Industrial	6 538.90	-	0%
Mines	2 172 961.90	2 051 992.78	94%
Municipal	15 454.27	-	0%
National Public Works	10 859.45	2 407.20	22%
Other	76 311.03	39 879.18	52%
Provincial Public Works	149 490.63	-	0%
Provincial Public Works	251.68	-	0%
Provincial: Education Sec21	664 263.64	358 533.05	54%

Ward 17	**6 268 940.56**	**5 664 914.92**	90%
Business	2 427 910.03	2 323 592.54	96%
Domestic	3 204 079.18	2 877 583.57	90%
Indigents	85 446.35	29 761.56	35%
Industrial	304 862.72	317 019.66	104%
Mines	51 845.43	44 964.20	87%
Municipal	20 491.63	-	0%
National Public Works	81 958.36	44 827.92	55%
National Public Works	2 285.55	-	0%
Other	80 189.37	27 165.47	34%
Provincial Public Works	1 092.48	-	0%
Provincial: Health	8 779.46	-	0%

Ward 18	**14 885 053.63**	**20 585 197.47**	138%
Business	8 979 951.59	14 708 777.22	164%
Domestic	2 766 055.48	3 011 066.80	109%
Indigents	49 097.14	21 209.43	43%
Industrial	132 660.84	160 461.81	121%
Mines	1 438 134.63	1 698 760.34	118%

Municipal	161 853.53	-	0%
National Public Works	80 679.24	76 156.81	94%
National Public Works	2 388.37	1 118.60	47%
Other	104 086.93	344 856.76	331%
Provincial Public Works	635 521.93	-	0%
Provincial Public Works	6 741.61	-	0%
Provincial: Education Sec21	60 453.22	89 565.45	148%
Provincial: Health	467 429.12	473 224.25	101%

Ward 19	**5 107 000.99**	**1 357 936.42**	27%
Business	525 218.44	1 267 211.47	241%
Domestic	13 551.50	7 500.00	55%
Mines	4 568 231.05	83 224.95	2%

Ward 20	**2 456 608.22**	**113 471.50**	5%
Business	17 463.07	3 895.29	22%
Domestic	2 239 724.56	81 738.69	4%
Indigents	77 108.96	3 650.00	5%
Mines	44 575.74	24 187.52	54%
Other	14 118.19	-	0%
Provincial Public Works	60 575.88	-	0%
Provincial: Education Sec21	3 041.82	-	0%

Ward 21	**17 031 225.84**	**11 625 061.24**	68%
Business	4 921 479.84	6 109 976.95	124%
DLRRD	1 260.99	-	0%
Domestic	10 541 253.89	4 913 184.32	47%
Indigents	164 104.30	68 674.36	42%
Industrial	232 152.45	37 438.65	16%
Mines	789 204.44	232 953.15	30%
Municipal	34 940.15	-	0%
National Public Works	39 243.96	29 983.71	76%
National Public Works	8 545.82	-	0%
Other	115 934.59	98 182.59	85%
Provincial Public Works	31 226.44	-	0%
Provincial Public Works	54 126.03	-	0%
Provincial: Education Sec21	79 050.90	93 888.49	119%
Provincial: Health	18 702.04	40 779.02	218%

Ward 22	**7 928 569.63**	**5 932 758.97**	75%
Business	51 284.18	41 308.32	81%
DLRRD	1 640.58	-	0%
Domestic	1 347 698.56	110 709.83	8%
Indigents	70 481.65	700.00	1%
Mines	6 423 335.17	5 775 903.81	90%
Municipal	253.95	-	0%
National Public Works	342.33	-	0%
National Public Works	17.33	-	0%
Other	32 370.55	4 137.01	13%
Provincial Public Works	635.33	-	0%

Provincial: Agriculture	510.00	-	0%

Ward 23	**5 298 717.74**	**164 660.36**	3%
Business	7 586.42	-	0%
Domestic	4 412 508.73	101 505.58	2%
Indigents	253 728.73	7 400.00	3%
Mines	566 860.52	20 983.26	4%
Municipal	1 967.28	-	0%
Other	6 963.54	4 771.52	69%
Provincial Public Works	29 940.63	-	0%
Provincial: Education Sec21	19 161.89	30 000.00	157%

Ward 24	**3 333 911.74**	**1 962 141.68**	59%
Business	1 230 322.32	1 088 881.16	89%
Domestic	1 396 563.26	798 931.10	57%
Indigents	373 494.01	11 233.16	3%
Mines	44 849.87	31 400.85	70%
Municipal	7 889.74	-	0%
National Public Works	244.80	-	0%
National Public Works	6.50	-	0%
Other	23 028.47	11 030.16	48%
Provincial Public Works	48 939.16	-	0%
Provincial Public Works	9 626.78	-	0%
Provincial: Education Sec21	195 773.37	-	0%
Provincial: Health	3 173.46	20 665.25	651%

Ward 25	**1 746 272.92**	**79 614.16**	5%
Business	3 618.27	2 611.59	72%
Domestic	1 616 311.38	29 388.16	2%
Indigents	74 951.68	2 050.00	3%
Mines	3 615.33	185.00	5%
Municipal	4 242.20	-	0%
Other	3 161.37	-	0%
Provincial Public Works	12 221.74	-	0%
Provincial: Education Sec21	19 145.56	30 943.70	162%
Provincial: Health	9 005.39	14 435.71	160%

Ward 26	**2 497 782.33**	**176 999.49**	7%
Business	11 555.61	8 383.86	73%
Domestic	2 297 971.85	62 525.63	3%
Indigents	114 638.28	1 090.00	1%
Mines	1 153.74	-	0%
Municipal	-	-	0%
National Public Works	251.68	-	0%
Other	909.01	-	0%
Provincial Public Works	18 799.89	-	0%
Provincial Public Works	-	-	0%
Provincial: Education Sec21	52 502.27	105 000.00	200%

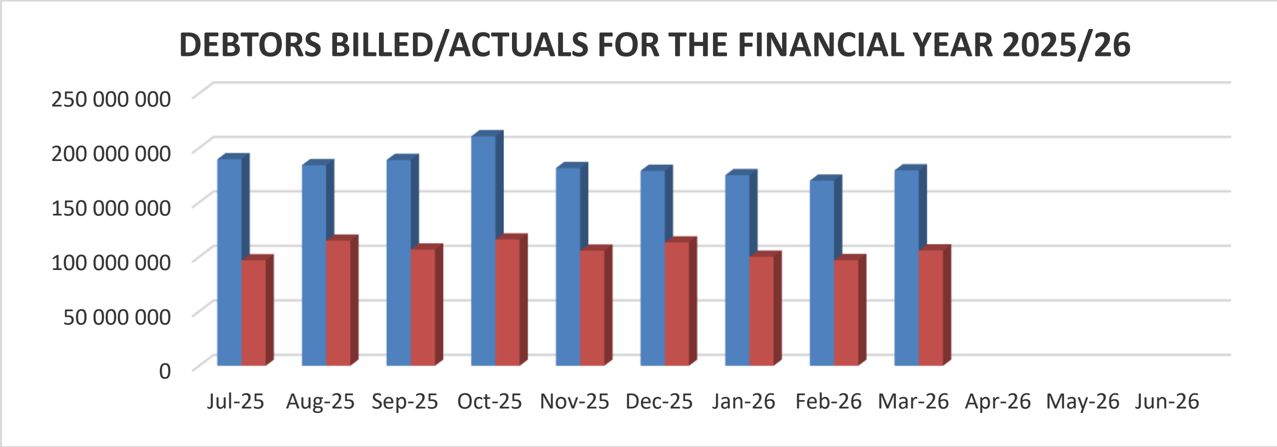
Ward 27	**5 536 042.17**	**968 544.42**	17%
Business	-	-	0%
Domestic	19 739.54	121 806.92	617%
Mines	5 492 828.47	846 737.50	15%
Provincial Public Works	23 474.16	-	0%

Ward 28	**7 457 390.87**	**7 603 084.45**	102%
Business	1 919 526.12	2 545 460.37	133%
Domestic	3 630 716.69	3 505 815.63	97%
Indigents	103 243.10	49 079.94	48%
Industrial	90 600.30	62 613.91	69%
Mines	1 180 040.50	1 255 390.41	106%
Municipal	154 674.00	-	0%
National Public Works	5 640.55	4 606.02	82%
National Public Works	5 118.78	-	0%
Other	62 756.72	15 045.86	24%
Provincial Public Works	120 742.48	-	0%
Provincial: Education Sec21	184 331.63	165 072.31	90%

OTHER	**1 800 392.73**	**2 823 520.69**	157%
Business	68 868.36	14 049.00	20%
Domestic	208 302.27	55 096.05	26%
Mines	359 236.48	1 438 964.95	401%
Municipal	6 511.86	-	0%
National Public Works	253.95	-	0%
Other	1 157 219.81	1 315 410.69	114%

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			
2026/05/01			
2026/06/01			



Distribution Losses
Water Losses

WATER LOSSESS JULY 2025 TO MAR 2026

100%	UNITS PURCHASED AND SOLD			
	UNITS	UNITS	%	% INCLUDED
	SOLD	PURCHASED	SOLD	LOSS
Jul-25	1 099 674.97	1 859 457.00	59.14%	40.86%
Aug-25	1 137 300.38	1 968 187.00	57.78%	42.22%
Sep-25	932 310.77	1 408 684.00	66.18%	33.82%
Oct-25	1 055 334.29	1 421 601.00	74.24%	25.76%
Nov-25	1 036 510.20	1 223 008.00	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%
AVERAGE	2 861 167.70	4 621 017.00	61.92%	38.08

WATER LOSSESS JULY 2025 TO MAR 2026

	RAND VALUE	RAND VALUE	%	%
	SOLD	PURCHASED	SOLD	LOSS
Jul-25	17 556 601	29 686 722	59.14	40.86
Aug-25	18 085 995	31 299 225	57.78	42.22
Sep-25	14 879 483	22 482 299	66.18	33.82
Oct-25	16 791 964	22 619 821	74.24	25.76
Nov-25	16 408 694	22 504 956	72.91	27.09
Dec-25	15 533 616	21 603 201	71.90	28.10
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
AVERAGE	147 089 082.64	213 456 411.37	68.91	31.09

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 March 2026 the water loss is 15.05% against the norm of the industrial Gazetted standard norm that is between **15%**

Distribution Losses

Electricity

ELECTRICITY LOSSESS JULY 2025 TO MAR 2026

100

	UNIT SOLD	UNIT PURCHASED	% SOLD	% LOSS
Jul-25	7 948 547	28 075 939	28.31	71.69
Aug-25	11 192 935	25 040 016	44.70	55.30
Sep-25	14 213 463	18 749 949	75.81	24.19
Oct-25	9 880 243	19 562 461	50.51	49.49
Nov-25	10 242 542	18 939 014	54.08	45.92
Dec-25	9 142 465	18 089 857	50.54	49.46
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
AVERAGE	**90 938 814**	**183 683 536**	**49.51**	**50.49**

ELECTRICITY LOSSESS JULY 2025 TO MAR 2026

100

	RAND VALUE SOLD	RAND VALUE PURCHASED	% SOLD	% LOSS
Jul-25	42 164 918	93 983 164	44.86	55.14
Aug-25	34 577 916	77 355 188	44.70	55.30
Sep-25	32 544 935	42 932 245	75.81	24.19
Oct-25	22 936 014	45 412 333	50.51	49.49
Nov-25	23 667 569	43 762 617	54.08	45.92
Dec-25	20 215 963	40 000 577	50.54	49.46
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
AVERAGE	**239 798 582.34**	**467 604 443.99**	**51.28**	**48.72**

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 March 2026 the Electricity loss is 53.69% 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		21 387 069.00
FNB	Call Account		33 104 874.00
Total			**54 491 943.00**

BANK BALANCE

Name of institution

NEDBANK	3 922 251.77
FNB	8 678 519.77

Council had a positive Bank Balance of **R12 600 771.54**

09.CREDITORS AGE ANALYSIS

Merafong Creditors as of 31 March amounted to **R3 584 441 809.88**

Creditors not paid within 30 days as at 31 March 2026:

NO	SUPPLIER NAME	DESCRIPTION/ NATURE OF SERVICE	TOTAL
1	ESKOM	BULK PURCHASES	R1 934 651 693.19
2	RAND WATER	BULK PURCHASES	R1 528 441 116.69
		Total	**R3 463 092 809.88**

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 MARCH 2026	MARCH 2026		CLOSING BALANCE AS AT 31 MARCH 2026
			CAPITAL PAYMENT	INTEREST	
DBSA	**01/10/2007**	**5 857 325.17**	-1 410 897.13	-146 031.94	**4 446 428.04**
TOTAL		**5 857 325.17**	**-1 556 929.07**	**-146 031.94**	**4 446 428.04**

Long-term loan balance as at 31 March 2026 amounts to R4 446 428.04

PERFORMANCE ON CONDITIONAL GRANTS 25//26

- ADJUSTED CAPEX GRANT SPENDING MARCH			
	Budget	**YTD Spent**	**% Spent**
MIG	90 822 000.00	71 152 091.12	78.34%
INEP	17 533 000.00	11 758 322.38	67.06%
WSIG	23 405 085.00	15 408 562.83	65.83%
	131 760 085.00	**98 318 976.33**	**74.61%**

PERFORMANCE ON NON - CAPITAL GRANTS

ADJUSTED NON- CAPITAL GRANT SPENDING MARCH	Original Budget	YTD spent	%Spent
FMG	2 800 000.00	2 489 026.87	88.89%
LIBRARY	23 494 000.00	17 754 583.09	75.57%
EPWP(COGTA)	1 553 000.00	1 553 000.00	100.00%
EXECUTIVE MAYOR CAMPAIGN/HIV & AIDS	2 955 312.00	1 910 236.92	64.64%
TOTAL	**30 802 312.00**	**23 706 846.88**	**76.96%**

12. Capital programme performance

The Capital Budget amounted to **R131 760 084.90,** and Expenditure incurred on Capital amounted to **R12 259 337** for the month of March which is **9.30%** of the total Capital Budget and for the Third Quarter amounted to **R33 518 029.53** which is **25.49%** of the total Capital Budget

The Capital expenditure to date amounted to **R98 318 976.33** which is **74.62%** of the total Budget.

Project No.	WIP No.	Project Description	Ward No.	Funding Source	Consultant	Contractor	January	February	March	YTD Exp	Adjusted Budget
MIG PROJECTS											
P620		P M U Operational Expenses		MIG	Project Management Unit	Operational Expenses	471 813.63	472 690.83	564 629.29	4 450 491.19	4 541 100.00
P769/ Ph8 B		Khutsong Roads and Stormwater (Phase 8) B	1,2	MIG	LSO Consulting Engineers (Pty) Ltd Appointment 01-09-2023	Malindo Civil and Construction Appointment 02-10-2024	318 273.55	1 493 561.23	835 366.67	8 438 723.62	12 000 000.00
P795/ Ph9		Khutsong Roads and Stormwater (Phase 9)	1,2	MIG	LSO Consulting Engineers (Pty) Ltd Appointment 01-09-2023	Malindo Civil and Construction Appointment 02-10-2024		296 986.69	1 969 817.87	8 607 835.21	10 422 478.52
P794/ Ph 10		Khutsong Roads and Stormwater (Phase 10)	1,2	MIG	LSO Consulting Engineers (Pty) Ltd Appointment 01-09-2023	Malindo Civil and Construction Appointment 02-10-2024		203 522.23		1 047 749.94	1 730 215.58
P770/ Ph 8 B	WIP988	Kokosi Roads and Stormwater (Phase 4) (2)B	24	MIG	Kabe Consulting Engineers (Pty) Ltd Appointment 01-09-2023 (to complete Phase 4)	Sivuthumlilo Trading Appointment 16-05-2024			829 460.99	8 118 061.25	8 125 823.80
P771 Ph 8 B	WIP989	Kokosi Roads and Stormwater (Phase 8) B	22,26	MIG	Kutlo Consulting Engineers (Pty) Ltd Appointment 01-09-2023	Contractor - Nandzu Trade and General Projects Appointed 16-05-2024.		1 952 828.38		5 056 356.58	4 847 688.01
P773 STAGE 4 B		Khutsong North Water & Sewer Reticulation Stage 4 B	3-7	MIG	LSO Consulting Engineers (Pty) Ltd Appointment 01-09-2023	Malindo Civil and Construction Appointment 24-04-2024	248 389.48	960 500.70	1 126 216.46	7 617 883.62	10 424 821.36
P775	WIP993	Upgrading of Wedela Recreation Club		MIG	Kabe Consulting Engineers (Pty) Ltd Appointment 01-09-2023	Moribo iGroup Appointment 16-05-2024				471 143.68	471 143.68
P776	WIP994	Refurbishing of Kokosi Stadium		MIG	Mhiduve Consulting Engineers (Pty) Ltd Appointment 01-09-2023 (Terminated) Pro-Plan Consulting Engineers (Pty) Ltd Appointment dd 20-02-2025	Buyisa Projects Appointment 30-09-2024		690 872.01		1 139 033.72	2 000 000.00
P780		Rehabilitation of Carletonville Cemetery Road		MIG	Mayisane and Associates (Pty) Ltd Appointment 01-09-2023	RhuoneProjects and Plant Hire Appointment 07-10-2024	798 426.02	966 980.01	200 273.55	5 365 353.47	11 356 728.99

P783		Merafong Roads and Stormwater Maintenance		MIG	Not Required		3 428 430.03		2 849 028.98	8 148 808.59	8 996 064.32
P784		Merafong Water and Sanitation Maintenance		MIG		Zacks Business Enterprise JV OPM Construction Appointment 07-10-2024	500 087.91	2 204 968.59	1 720 201.37	9 645 630.00	10 529 114.32
P788		Merafong Solar Highmast Lights & Solar Street Lights (Khut Proper & Kokosi Ext 6)		MIG						1 767 971.53	2 047 850.00
P796		Bulk Supply line from Khutsong		MIG			396 244.20		219 230.34	694 289.63	1 328 971.42
P799		Expansion of Carletonville Landfill Site		MIG						258 911.01	-
P797		Kokosi waste Buyback Centre		MIG				54 645.93		141 405.19	2 000 000.00
P798		Wedela Industrial Hub		MIG						182 442.89	-
							6 161 664.82	9 297 556.60	10 314 225.52	71 152 091.12	90 822 000.00
INTEGRATED NATIONAL ELECTRIFICATION PROGRAM (INEP) GRANT											
P765	WIP968	2 x 40 MVA 132/11 kV Plover Substation	12	INEP	LSO Consulting Engineers (Pty) Ltd	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	LSO Consulting Engineers (Pty) Ltd	Kunjalo Kunje Trading Appointment 20-09-2024		3 006 478.72	415 312.48	3 758 322.38	9 533 000.00
							-	3 006 478.72	415 312.48	11 758 322.38	17 533 000.00
WATER SERVICES INFRASTRUCTURE GRANT											
P777 Ph B	WIP995	Foundation Stabilisation of Addata Reservoir	18	WSIG	Lihuzu Projects (Pty) Ltd Appointment 02-02-2024 Name Change: LPS Consulting (Pty) Ltd	VTR Construction CC Appointment 20-05-2024	203 282.32	2 066 076.28	1 529 799.00	9 113 477.29	11 281 280.17
P791		Welverdiend WWTW		WSIG	TKQ Consulting (Pty) Ltd Appointment 30-04-2024	PK Financial Consultants Appointment 04-10-2024		316 250.00		4 036 270.95	9 048 830.04
P789		Refurbishment Khutsong WWTW		WSIG	TKQ Consulting (Pty) Ltd Appointment 30-04-2024	ZM and Nikiwenono Construction Appointment 09-10-2024				-	
P787		Installation of Zone Meters and PRV's		WSIG	Approval of VOs and EOTs is concluded			207 383.79		2 258 814.59	3 074 974.69
							203 282.32	2 589 710.07	1 529 799.00	15 408 562.83	23 405 084.90
		Totals					6 364 947.14	14 893 745.39	12 259 337.00	98 318 976.33	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 R27 122 963.00**

There is Fruitless and wasteful expenditure for the month of March 2026 amounts to **R27 122 963.00**

The Fruitless and wasteful expenditure for the Third Quarter ending month of March 2026 amounts to **R76 851 022.49**

IRREGULAR EXPENDITURE

Irregular Expenditure		
Total		**Amount R9 848 000.69**

The Irregular expenditure for the month of March 2026 amounts to **R9 848 000.69**
The Irregular expenditure for the Third Quarter ending month of March 2026 amounts to **R40 295 167.87**

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 – MARCH 2026 (MERAFONG CITY LOCAL MUNICIPALITY)

1. Herewith attached is the certificate of compliance for the month ending 27 February 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 May 2026. The March Eskom account was R1 864 529 559.50 with the bulk account due date in March 2026. The municipality paid for the LPU accounts before the due date. The municipality is in arrears from the October 2025 account due to financial constrain. The municipality is implementing credit control measures to improve collection rate in order to pay all creditors on time.
5. Due to cashflow constraints that the municipality has been facing the municipality has lagged in paying the Eskom Invoices and also honouring the arrangements. The municipality is one month in arrears.
6. The municipality intends to settle the outstanding debt through recoveries from long outstanding debtors from customers who have entered into debt arrangement with the municipality under the Debt Incentive Scheme. The bulk purchases and inventory consumed are high due to distribution losses averaging 56% on electricity and 43% on water as end of June 2025.
7. Provision of R25 million has been made in the 2025/26 budget for installation of Smart Meters, alongside a public procurement process currently in place to obtain proposals from the public to cover :
    - Infrastructure financing for the acquisition and installation of water and electricity prepaid meters.
    - Infrastructure financing development and expansion of bulk infrastructure for water, and electricity.
    - Capital raising to service outstanding accounts with Rand Water and Eskom to ensure uninterrupted utility services.

Condition 6.4 Compliance with the funded MTREF

8. The municipality has tabled a funded budget for 2024/25 MTREF and has revised it to unfunded position. The unfunded budget is based on the assumptions that the municipality only achieves minimum collection rate averaging 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 fourth quarter of 2024/25 financial year, the municipality is still within the Debt Relief and reports monthly pertaining the progress on the 14 conditions of the programme. The Municipality has therefore budgeted conservatively and realistically for the related benefit as reflected in the Operational Budget at an amount of R209 million and the related interest is approximately R37 million.

Submission of FRP reports

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

Apportion and ring-fenced collections into a sub-account

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

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

The municipality achieved an overall collection rate averaging 58,71% for the period ended December 2025 due to distribution losses and tempering of meters and ultimately the billing system challenges. The billing has since been activated and the municipality hope to increase the collection rate to be above 60%.

6.7.2.2. 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 2024/25 MTREF. Three tariffs i.e. electricity, water and refuse removal are not cost reflective.

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

Condition 6.6 Electricity and water as collection tools.

17. The municipality, debt relief application was approved in December 2023. The 2024/25 MTREF budget demonstrates by-laws and budget related policies that electricity and water will be used as collection tools.
18. The Municipality has not complied with a number of conditions, including the payment of current accounts. The overall collection rate is below 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. There is a good progress on installation towards total of 580 smart meters that have 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.

    Currently, Merafong installations have been temporarily paused due to a shortage of meter stock. Work will resume once additional stock becomes available.The Equalizer installations were completed using the following meter types: VeryCo VC1100 Smart DIN Rail Single Phase Prepaid Meter, VeryCo VC1800 Smart Split DIN-Rail Single Phase Prepaid Meter, and 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.

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

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

Plan to address non-compliance

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

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

VALUATION APPEAL BOARD

23. 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.

24. Further dates for the continuation of the hearing are 3-6 March, 9-12 March, 13-16 April, 21-24 April, 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.

Financial Management Grant March 2026

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	**M09 March**		
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)	644 622.25	**Please note for July's return, this amount would be 0.**					
Total spending this month	1 844 404.62	**Aggregate spending from previous months**	**Total spending to date**	**Allocation as per support plan**	**Allocation Unspent**		**Comment**
- Interns Stipend/Salary and Training	52 370.52	644 622.25	696 992.77	1 000 000.00	303 007.23		
- 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	1 792 034.10		1 792 034.10	1 800 000.00	7 965.90		
Total FMG spent	2 489 026.87	644 622.25	2 489 026.87	2 800 000.00	310 973.13		
Percentage spent	88.89						
Total FMG unspent for current financial year	**310 973.13**	**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		

TOTAL COST SAVINGS DISCLOSURE UP TO MARCH 2026

MEASURES	BUDGET R'000	Q1 PROJECTED	Q1 ACTUALS	Q2 PROJECTED	Q2 ACTUALS	Q3 PROJECTED	Q3 ACTUALS	Q4 PROJECTED	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 2 349 000
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
Traveling and other events									
Vehicles used for Political Office Bearers	**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 62 100
Domestic Accomodation (11370)	**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 1 202 131
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 1 097 001
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 1 178 119
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
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 22 989
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 -296 599
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 425 011
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 626 063
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 267 046
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 10 755 816

16. Conclusion

1) That cognizance be taken of the financial performance achievements for month 09 of the financial year ended March 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 09 of the financial year ended March 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 - M09 March

Description	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
Financial Performance										
Property rates	525 259	582 735	648 175	55 358	1 286 268	500 950	486 131	14 818	3%	582 735
Service charges	885 064	1 329 805	1 202 668	50 146	2 582 619	637 242	949 937	(312 696)	-33%	1 329 805
Investment revenue	11 267	11 744	5 866	262	17 872	4 041	4 399	(358)	-8%	11 744
Transfers and subsidies - Operational	361 224	358 803	359 091	81 774	799 668	328 707	262 507	66 200	25%	358 803
Other own revenue	394 705	615 421	579 631	27 911	1 222 963	249 177	434 723	(185 546)	-43%	615 421
Total Revenue (excluding capital transfers and contributions)	**2 177 519**	**2 898 509**	**2 795 430**	**215 451**	**535 460**	**1 720 116**	**2 137 698**	**(417 582)**	**-20%**	**2 898 509**
Employee costs	439 612	466 721	452 719	36 012	106 961	325 311	339 539	(14 228)		466 721
Remuneration of Councillors	27 103	28 460	28 460	2 253	6 760	20 783	21 345	(562)		28 460
Depreciation and amortisation	177 586	157 984	157 984	–	–	85 143	118 488	(33 345)		157 984
Interest	285 710	116 202	137 062	31 061	85 346	202 385	102 796	99 589		116 202
Inventory consumed and bulk purchases	757 227	945 128	819 116	60 491	170 515	541 202	614 337	(73 135)		945 128
Transfers and subsidies	506	596	596	42	125	332	447	(115)	-26%	596
Other expenditure	1 659 756	1 046 930	1 068 939	49 558	(58 329)	480 622	808 916	(328 294)	-41%	1 046 930
Total Expenditure	**3 347 499**	**2 762 021**	**2 664 876**	**179 417**	**311 378**	**1 655 779**	**2 005 869**	**(350 090)**	**-17%**	**2 762 021**
Surplus/(Deficit)	**(1 169 980)**	**136 488**	**130 554**	**36 033**	**224 083**	**64 337**	**131 829**	**(67 492)**	**-51%**	**136 488**
Transfers and subsidies - capital (monetary allocations)	149 974	124 091	127 219	–		80 546	60 307	20 239	34%	124 091
Transfers and subsidies - capital (in-kind)	(126)	–	–	–		–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(1 020 133)**	**260 579**	**257 773**	**36 033**	**224 083**	**144 883**	**192 135**	**(47 253)**	**-25%**	**260 579**
Share of surplus/ (deficit) of associate	–	–	–	–		–	–	–		–
Surplus/ (Deficit) for the year	**(1 020 133)**	**260 579**	**257 773**	**36 033**	**224 083**	**144 883**	**192 135**	**(47 253)**	**-25%**	**260 579**

GT484 Merafong City - Table C1 Monthly Budget Statement Summary - M09 March

Description	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
Capital expenditure & funds sources										
Capital expenditure	**217 924**	**155 111**	**158 219**	**10 323**	**297 053**	**297 053**	**118 664**	**178 389**	**150%**	**155 111**
Capital transfers recognised	207 837	124 111	129 172	8 333	284 430	284 430	96 879	187 551	194%	124 111
Borrowing	–	–	–	–		–	–	–		–
Internally generated funds	**10 087**	**31 000**	**29 047**	**1 991**	**12 623**	**12 623**	**21 785**	**(9 162)**	**-42%**	**31 000**
Total sources of capital funds	**217 924**	**155 111**	**158 219**	**10 323**	**297 053**	**297 053**	**118 664**	**178 389**	**150%**	**155 111**
Financial position										
Total current assets	962 923	1 311 368	1 255 094			1 852 691				1 311 368
Total non current assets	3 383 526	3 196 553	3 199 661			3 383 772				3 196 553
Total current liabilities	3 733 397	1 265 797	1 049 505			4 478 530				1 265 797
Total non current liabilities	169 854	959 373	959 373			169 854				959 373
Community wealth/Equity	**443 198**	**2 282 751**	**2 279 946**			**588 081**				**2 282 751**
Cash flows										
Net cash from (used) operating	384 503	504 255	231 585	(44 318)		1 091 134	2 650 868	1 559 734	59%	515 999
Net cash from (used) investing	(150 850)	(189 663)	(200 428)	–		(65 162)	154 821	219 983	142%	(189 663)
Net cash from (used) financing	–	–	–	–		–	–	–		–
Cash/cash equivalents at the month/year end	**389 912**	**472 625**	**189 189**	**(44 318)**		**405 967**	**2 963 721**	**2 557 753**	**86%**	**–**
Debtors & creditors analysis	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**		**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis										
Total By Income Source	83 961	101 265	89 741	91 611		109 235	90 184	569 999	5 955 860	7 091 856
Creditors Age Analysis										
Total Creditors	(33 871)	71 706	90 318	5 178		139 334	119 170	858 869	2 220 640	3 471 343

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) - M09 March

Description	Ref	2024/25	Budget Year 2025/26								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quartely Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1										
Revenue - Functional											
Governance and administration		**1 170 585**	**1 228 465**	**1 245 368**	**150 919**	**301 981**	**1 000 095**	**898 918**	101 177	11%	**1 228 465**
Executive and council		13 722	–	–	–	1 168	3 213	–	3 213	#DIV/0!	–
Finance and administration		1 156 863	1 228 465	1 245 368	150 919	300 813	996 883	898 918	97 965	11%	1 228 465
Internal audit		–	–	–	–		–	–	–		–
Community and public safety		**63 668**	**31 966**	**30 727**	**251**	**4 376**	**16 557**	**16 234**	324	2%	**31 966**
Community and social services		28 921	28 909	29 197	133	4 007	15 447	15 086	361	2%	28 909
Sport and recreation		15	46	31	(10)	(16)	(25)	23	(49)	-208%	46
Public safety		–	–	–	–	–	–	–	–		–
Housing		34 731	3 012	1 498	128	386	1 135	1 124	11	1%	3 012
Health		–	–	–	–	–	–	–	–		–
Economic and environmental services		**9 362**	**35 614**	**64 360**	**12 213**	**36 828**	**57 087**	**48 270**	8 817	18%	**35 614**
Planning and development		9 362	4 555	9 385	12 214	36 840	44 459	7 039	37 421	532%	4 555
Road transport		–	31 059	54 975	(1)	(12)	12 628	41 232	(28 603)	-69%	31 059
Environmental protection		–	–	–	–	–	–	–	–		–
Trading services		**1 083 753**	**1 726 553**	**1 582 194**	**52 067**	**198 168**	**726 922**	**1 234 583**	**(507 661)**	-41%	**1 726 553**
Energy sources		373 681	761 265	725 233	1 263	35 790	181 955	591 862	(409 906)	-69%	761 265
Water management		588 640	750 603	606 223	40 604	131 720	445 902	454 667	(8 765)	-2%	750 603
Waste water management		9 133	102 384	120 683	(530)	(1 614)	2 847	90 512	(87 665)	-97%	102 384
Waste management		112 300	112 301	130 055	10 731	32 271	96 217	97 541	(1 325)	-1%	112 301
Other	4	–	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**2 327 366**	**3 022 600**	**2 922 649**	**215 451**	**541 354**	**1 800 662**	**2 198 004**	**(397 343)**	**-18%**	**3 022 600**

GT484 Merafong City - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M09 March

Description	Ref	2024/25	Budget Year 2025/26								
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quartely Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure - Functional	-					–					
Governance and administration		**1 007 560**	**544 255**	**627 667**	**31 470**	**93 686**	**370 593**	**470 750**	(100 157)	-21%	**544 255**
Executive and council		101 723	84 030	100 568	7 632	20 968	74 925	75 426	(501)	-1%	84 030
Finance and administration		900 548	450 975	516 340	23 447	71 531	289 116	387 255	(98 139)	-25%	450 975
Internal audit		5 289	9 251	10 758	391	1 187	6 552	8 068	(1 517)	-19%	9 251
Community and public safety		**135 302**	**123 259**	**121 397**	**9 675**	**18 869**	**95 414**	**93 992**	1 421	2%	**123 259**
Community and social services		87 586	73 544	73 720	6 494	16 872	61 640	58 234	3 406	6%	73 544
Sport and recreation		27 281	29 902	29 557	2 112	7 616	20 198	22 168	(1 970)	-9%	29 902
Public safety		6 016	4 231	6 200	486	1 469	4 570	4 650	(81)	-2%	4 231
Housing		14 419	12 447	11 920	583	1 678	9 006	8 940	66	1%	12 447
Health		–	3 135	–	–	–	–	–	–		3 135
Economic and environmental services		**200 856**	**211 121**	**208 594**	**12 680**	**30 038**	**124 459**	**160 714**	(36 255)	-23%	**211 121**
Planning and development		82 251	36 019	50 712	8 105	15 286	48 299	42 302	5 997	14%	36 019
Road transport		118 604	175 102	157 882	4 575	14 752	76 160	118 411	(42 251)	-36%	175 102
Environmental protection		–	–	–	–	–	–	–	–		–
Trading services		**2 003 782**	**1 883 386**	**1 707 218**	**34 118**	**247 961**	**1 065 314**	**1 280 413**	**(215 100)**	-17%	**1 883 386**
Energy sources		817 195	918 468	927 435	20 846	137 373	593 709	695 576	(101 867)	-15%	918 468
Water management		927 430	654 481	491 052	4 622	83 864	348 266	368 289	(20 023)	-5%	654 481
Waste water management		114 671	142 533	151 686	3 851	10 793	66 955	113 764	(46 809)	-41%	142 533
Waste management		144 486	167 904	137 045	4 798	15 931	56 383	102 784	(46 400)	-45%	167 904
Other		–	–	–	–		–	–	–		–
Total Expenditure - Functional	**3**	**3 347 499**	**2 762 021**	**2 664 876**	**87 943**	**390 554**	**1 655 779**	**2 005 869**	**(350 090)**	**-17%**	**2 762 021**
Surplus/ (Deficit) for the year		**(1 020 133)**	**260 579**	**257 773**	**127 508**	**150 800**	**144 883**	**192 135**	**(47 253)**	**-25%**	**260 579**

20. Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) – M09 March 2026

GT484 Merafong City - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M09 March

Vote 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 by Vote	1										
Vote 1 - Municipal Manager		13 722	–	–	–	1 168	3 213	–	3 213	#DIV/0!	–
Vote 2 - Finance		1 140 144	1 220 086	1 237 913	150 428	298 826	991 628	893 327	98 300	11.0%	1 220 086
Vote 3 - Community and Social Services		28 921	28 909	29 197	133	4 007	15 447	15 086	361	2.4%	28 909
Vote 4 - Sport and Recreation		15	46	31	(10)	(16)	(25)	23	(49)	-207.7%	46
Vote 5 - Public Safety		–	–	–	–	–	–	–	–		–
Vote 6 - Housing		34 731	3 012	1 498	128	386	1 135	1 124	11	1.0%	3 012
Vote 7 - Health		–	–	–	–	–	–	–	–		–
Vote 8 - Planning and Development		9 362	4 555	9 385	12 214	36 840	44 459	7 039	37 421	531.7%	4 555
Vote 9 - Road Transport		–	31 059	54 975	(1)	(12)	12 628	41 232	(28 603)	-69.4%	31 059
Vote 10 - Energy Sources		373 681	761 265	725 233	1 263	35 790	181 955	591 862	(409 906)	-69.3%	761 265
Vote 11 - Water Management		588 640	750 603	606 223	40 604	131 720	445 902	454 667	(8 765)	-1.9%	750 603
Vote 12 - Waste Water Management		9 133	102 384	120 683	(530)	(1 614)	2 847	90 512	(87 665)	-96.9%	102 384
Vote 13 - Waste Management		112 300	112 301	130 055	10 731	32 271	96 217	97 541	(1 325)	-1.4%	112 301
Vote 14 - Internal Audit		–	–	–	–	–	–	–	–		–
Vote 15 - Other		16 719	8 380	7 455	491	1 987	5 255	5 591	(336)	-6.0%	8 380
Total Revenue by Vote	2	**2 327 366**	**3 022 600**	**2 922 649**	**215 451**	**541 354**	**1 800 662**	**2 198 004**	**(397 343)**	**-18.1%**	**3 022 600**

GT484 Merafong City - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M09 March

Vote 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 Vote	1										
Vote 1 - Municipal Manager		101 723	84 030	100 568	7 632	20 968	74 925	75 426	(501)	-0.7%	84 030
Vote 2 - Finance		433 067	215 512	352 217	23 095	69 893	282 015	264 163	17 852	6.8%	215 512
Vote 3 - Community and Social Services		87 586	73 544	73 720	6 494	16 872	61 640	58 234	3 406	5.8%	73 544
Vote 4 - Sport and Recreation		27 281	29 902	29 557	2 112	7 616	20 198	22 168	(1 970)	-8.9%	29 902
Vote 5 - Public Safety		6 016	4 231	6 200	486	1 469	4 570	4 650	(81)	-1.7%	4 231
Vote 6 - Housing		14 419	12 447	11 920	583	1 678	9 006	8 940	66	0.7%	12 447
Vote 7 - Health		–	3 135	–	–	–	–	–	–		3 135
Vote 8 - Planning and Development		82 251	36 019	50 712	8 105	15 286	48 299	42 302	5 997	14.2%	36 019
Vote 9 - Road Transport		118 604	175 102	157 882	4 575	14 752	76 160	118 411	(42 251)	-35.7%	175 102
Vote 10 - Energy Sources		817 195	918 468	927 435	20 846	137 373	593 709	695 576	(101 867)	-14.6%	918 468
Vote 11 - Water Management		927 430	654 481	491 052	4 622	83 864	348 266	368 289	(20 023)	-5.4%	654 481
Vote 12 - Waste Water Management		114 671	142 533	151 686	3 851	10 793	66 955	113 764	(46 809)	-41.1%	142 533
Vote 13 - Waste Management		144 486	167 904	137 045	4 798	15 931	56 383	102 784	(46 400)	-45.1%	167 904
Vote 14 - Internal Audit		5 289	9 251	10 758	391	1 187	6 552	8 068	(1 517)	-18.8%	9 251
Vote 15 - Other		467 481	235 463	164 123	351	1 638	7 101	123 093	(115 991)	-94.2%	235 463
Total Expenditure by Vote	2	**3 347 499**	**2 762 021**	**2 664 876**	**87 943**	**399 321**	**1 655 779**	**2 005 869**	**(350 090)**	**-17.5%**	**2 762 021**
Surplus/ (Deficit) for the year	2	**(1 020 133)**	**260 579**	**257 773**	**127 508**	**142 033**	**144 883**	**192 135**	**(47 253)**	**-24.6%**	**260 579**

5 Table C4: Month 09 Budget Statement – Financial Performance (Revenue and Expenditure)

GT484 Merafong City - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

Description	Ref	2024/25	Budget Year 2025/26								
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue											
Exchange Revenue											
Service charges - Electricity		315 811	481 628	481 628	1 315	36 250	166 189	409 158	(242 969)	-59%	481 628
Service charges - Water		407 417	633 537	511 171	33 554	108 514	328 505	383 378	(54 873)	-14%	633 537
Service charges - Waste Water Management		67 635	102 355	102 355	6 519	21 591	63 531	76 766	(13 236)	-17%	102 355
Service charges - Waste management		94 201	112 285	107 514	8 758	26 343	79 018	80 635	(1 618)	-2%	112 285
Sale of Goods and Rendering of Services		4 241	3 646	3 646	324	852	2 615	2 735	(120)	-4%	3 646
Agency services		13 125	17 695	13 912	–	–	12 156	10 434	1 721	16%	17 695
Interest		–	–	–	–	–	–	–	–		–
Interest earned from Receivables		180 911	192 599	152 946	1 921	5 468	78 315	114 709	(36 395)	-32%	192 599
Interest from Current and Non Current Assets		11 267	11 744	5 866	262	1 108	4 041	4 399			11 744
Dividends		–	–	–	–	–	–	–	–		–
Rent on Land		1 350	–	6 404	12 059	35 993	39 307	4 803	34 504		–
Rental from Fixed Assets		3 465	3 164	1 617	131	410	1 222	1 213	9	1%	3 164
Licence and permits		4	2 069	495	(1)	(11)	(11)	371	(382)	-103%	2 069
Special rating levies		–	–	–	–	–	–	–	–		–
Operational Revenue		9 520	3 201	100	0	4	53	75	(23)	-30%	3 201
Non-Exchange Revenue		–	–	–	–	–	–	–	–		–
Property rates		525 259	582 735	648 175	55 358	169 358	500 950	486 131	14 818	3%	582 735
Surcharges and Taxes		–	–	–	–	–	–	–	–		–
Fines, penalties and forfeits		38 739	31 290	41 065	127	184	456	30 799	(30 342)		31 290
Transfers and subsidies - Operational		361 224	358 803	359 091	81 774	89 526	328 707	262 507	66 200		358 803
Interest		141 376	152 699	150 386	13 350	39 872	115 065	112 789	2 276		152 699
Gains on disposal of Assets		–	–	–	–	–	–	–	–		–
Other Gains		1 975	209 059	209 059	–	–	–	156 795	(156 795)		209 059
Total Revenue (excluding capital transfers and contributions)		**2 177 519**	**2 898 509**	**2 795 430**	**215 451**	**535 460**	**1 720 116**	**2 137 698**	**(417 582)**	**-20%**	**2 898 509**

GT484 Merafong City - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

Description	Ref	2024/25	Budget Year 2025/26								
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Quarterly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue											
Expenditure By Type	-										
Employee related costs		439 612	466 721	452 719	36 012	106 961	325 311	339 539	(14 228)	-4%	466 721
Remuneration of councillors		27 103	28 460	28 460	2 253	6 760	20 783	21 345	(562)	-3%	28 460
Bulk purchases - electricity		556 457	589 037	619 350	42 132	120 845	409 933	464 512	(54 580)		589 037
Inventory consumed		200 770	356 090	199 767	18 360	49 670	131 270	149 825	(18 555)		356 090
Debt impairment		934 377	730 363	522 112	–	–	–	391 584	(391 584)	-100%	730 363
Depreciation and amortisation		177 586	157 984	157 984	–	–	85 143	118 488	(33 345)	-28%	157 984
Interest		285 710	116 202	137 062	31 061	85 346	202 385	102 796	99 589	97%	116 202
Contracted services		431 369	173 859	332 671	43 030	97 134	309 546	256 715	52 831	21%	173 859
Transfers and subsidies		506	596	596	42	125	332	447	(115)	-26%	596
Irrecoverable debts written off		43 685	32 079	72 666	3 621	3 961	59 792	54 499	5 292		32 079
Operational costs		112 556	70 071	70 071	2 907	10 648	51 001	52 553	(1 552)	-3%	70 071
Losses on Disposal of Assets		–	–	–	–	–	–	–	–		–
Other Losses		137 768	40 559	71 419	3 659	13 003	60 284	53 564	6 720		40 559
Total Expenditure		**3 347 499**	**2 762 021**	**2 664 876**	**183 076**	**494 454**	**1 655 779**	**2 005 869**	**(350 090)**	**-17%**	**2 762 021**
Surplus/(Deficit)		**(1 169 980)**	**136 488**	**130 554**	**32 374**	**41 007**	**64 337**	**131 829**	**(67 492)**	**(0)**	**136 488**
Transfers and subsidies - capital (monetary allocations)		149 974	124 091	127 219	–		80 546	60 307	20 239	**0**	124 091
Transfers and subsidies - capital (in-kind)		(126)	–	–	–		–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(1 020 133)**	**260 579**	**257 773**	**32 374**	**41 007**	**144 883**	**192 135**			**260 579**
Income Tax		–	–	–	–		–	–			–
Surplus/(Deficit) after income tax		**(1 020 133)**	**260 579**	**257 773**	**32 374**	**41 007**	**144 883**	**192 135**			**260 579**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–		–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–		–	–			–
Surplus/(Deficit) attributable to municipality		**(1 020 133)**	**260 579**	**257 773**	**32 374**	**41 007**	**144 883**	**192 135**			**260 579**
Share of Surplus/Deficit attributable to Associate		–	–	–	–		–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–		–	–			–
Surplus/ (Deficit) for the year		**(1 020 133)**	**260 579**	**257 773**	**32 374**	**41 007**	**144 883**	**192 135**			**260 579**

6 Table C5: Month 09 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) - M09 March

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	–	–	231	2 406	–	2 406	#DIV/0!	–
Vote 3 - Community and Social Services		4 361	4 000	1 671	–	4 930	1 253	3 676	293%	4 000
Vote 4 - Sport and Recreation		–	2 000	2 000	–	–	1 500	(1 500)	-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	5 106	83 962	41 892	42 070	100%	44 533
Vote 10 - Energy Sources		76 815	44 601	28 453	1 950	93 185	21 340	71 845	337%	44 601
Vote 11 - Water Management		42 762	39 980	32 009	1 330	53 132	24 007	29 125	121%	39 980
Vote 12 - Waste Water Management		35 722	10 497	36 230	1 706	58 910	27 172	31 737	117%	10 497
Vote 13 - Waste Management		–	6 500	2 000	–	348	1 500	(1 152)	-77%	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	10 323	297 053	118 664	**178 389**	**150%**	155 111
Total Capital Expenditure		**217 924**	**155 111**	**158 219**	**10 323**	**297 053**	**118 664**	**178 389**	**150%**	**155 111**

GT484 Merafong City - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 March

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Capital Expenditure - Functional Classification</u>										
Governance and administration		**6 382**	**3 000**	**–**	**231**	**2 587**	**–**	2 587	#DIV/0!	**3 000**
Executive and council		–	3 000	–	–	–	–	–		3 000
Finance and administration		6 382	–	–	231	2 587	–	2 587	#DIV/0!	–
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**4 361**	**6 000**	**3 671**	**–**	**4 930**	**2 753**	2 176	79%	**6 000**
Community and social services		4 361	4 000	1 671	–	4 930	1 253	3 676	293%	4 000
Sport and recreation		–	2 000	2 000	–	–	1 500	(1 500)	-100%	2 000
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**51 882**	**44 533**	**55 855**	**5 106**	**83 962**	**41 892**	42 070	100%	**44 533**
Planning and development		–	–	–	–	–	–	–		–
Road transport		51 882	44 533	55 855	5 106	83 962	41 892	42 070	100%	44 533
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**155 299**	**101 578**	**98 692**	**4 986**	**205 574**	**74 019**	131 555	178%	**101 578**
Energy sources		76 815	44 601	28 453	1 950	93 185	21 340	71 845	337%	44 601
Water management		42 762	39 980	32 009	1 330	53 132	24 007	29 125	121%	39 980
Waste water management		35 722	10 497	36 230	1 706	58 910	27 172	31 737	117%	10 497
Waste management		–	6 500	2 000	–	348	1 500	(1 152)	-77%	6 500
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**217 924**	**155 111**	**158 219**	**10 323**	**297 053**	**118 664**	**178 389**	**150%**	**155 111**

GT484 Merafong City - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 March

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	8 333	284 430	96 879	187 551	194%	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**	**8 333**	**284 430**	**96 879**	**187 551**	**194%**	**124 111**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		10 087	31 000	29 047	1 991	12 623	21 785	(9 162)	-42%	31 000
Total Capital Funding		**217 924**	**155 111**	**158 219**	**10 323**	**297 053**	**118 664**	**178 389**	**150%**	**155 111**

7 Table C6: Month 09 Budget Statement – Financial Position

GT484 Merafong City - Table C6 Monthly Budget Statement - Financial Position - M09 March

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		82 294	482 367	194 039	67 747	482 367
Trade and other receivables from exchange transactions		245 936	240 488	281 539	587 441	240 488
Receivables from non-exchange transactions		72 990	220 893	231 117	513 264	220 893
Current portion of non-current receivables		–	–	–	–	–
Inventory		830	1 062	126 342	830	1 062
VAT		560 872	366 559	422 056	683 410	366 559
Other current assets		–	–	–	–	–
Total current assets		**962 923**	**1 311 368**	**1 255 094**	**1 852 691**	**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	3 148 070	2 978 912
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		190	136	136	190	136
Intangible assets		13 892	205	205	11 693	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**	**3 383 772**	**3 196 553**
TOTAL ASSETS		**4 346 449**	**4 507 921**	**4 454 755**	**5 236 463**	**4 507 921**

GT484 Merafong City - Table C6 Monthly Budget Statement - Financial Position - M09 March

Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
LIABILITIES						
Current liabilities	-					
Bank overdraft		–	51 960	(51 960)	–	51 960
Financial liabilities		3 391	13 521	13 521	277	13 521
Consumer deposits		21 309	–	–	21 608	–
Trade and other payables from exchange transactions		3 226 234	1 072 734	1 114 142	3 818 543	1 072 734
Trade and other payables from non-exchange transactions		17 585	31 294	(31 006)	72 619	31 294
Provision		55 293	39 388	39 388	55 293	39 388
VAT		409 585	56 900	(34 581)	510 190	56 900
Other current liabilities		–	–	–	–	–
Total current liabilities		**3 733 397**	**1 265 797**	**1 049 505**	**4 478 530**	**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**	**4 648 384**	**2 225 170**
NET ASSETS	2	**443 198**	**2 282 751**	**2 445 877**	**588 079**	**2 282 751**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		(2 150 432)	2 282 751	2 279 946	(2 005 550)	2 282 751
Reserves and funds		2 593 631	–	–	2 593 631	–
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	**443 198**	**2 282 751**	**2 279 946**	**588 081**	**2 282 751**

8 Table C7: Month 08 Budget Statement – Cash Flow

GT484 Merafong City - Table C7 Monthly Budget Statement - Cash Flow - M09 March

Description	Ref	2024/25	Budget Year 2025/26					
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	Y var
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates		65 063	408 037	470 502	–	113 410	352 894	(23
Service charges		242 419	1 004 719	853 874	–	1 201 426	640 406	56
Other revenue		246 730	64 329	62 823	–	38 092	47 117	(
Transfers and Subsidies - Operational		248 181	334 256	334 256	–	327 663	287 512	4
Transfers and Subsidies - Capital		74 529	124 091	127 219	–	54 617	95 414	(4
Interest		73 390	–	5 866	–	–	4 399	(
Dividends		–	–	–	–	–	–	
Payments								
Suppliers and employees		(565 810)	(1 316 381)	(1 486 851)	(44 318)	(630 565)	1 121 046	1 75
Interest		–	(114 200)	(135 509)	–	(13 510)	101 631	11
Transfers and Subsidies		–	(596)	(596)	–	–	447	
NET CASH FROM/(USED) OPERATING ACTIVITIES		**384 503**	**504 255**	**231 585**	**(44 318)**	**1 091 134**	**2 650 868**	**1 55**

GT484 Merafong City - Table C7 Monthly Budget Statement - Cash Flow - M09 Mar

Description	Ref	2024/25	Budget Year 2025/26					
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTI variar
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)	–	(65 162)	154 821	219
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(150 850)**	**(189 663)**	**(200 428)**	**–**	**(65 162)**	**154 821**	**219**

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**	**(44 318)**	**1 025 972**	**2 805 688**
Cash/cash equivalents at beginning:		156 259	158 032	158 032	–	(620 005)	158 032
Cash/cash equivalents at month/year end:		389 912	472 625	189 189	(44 318)	405 967	2 963 721