Msukaligwa Local Municipality

SECTION 71 MONTHLY REPORT

31 May 2026

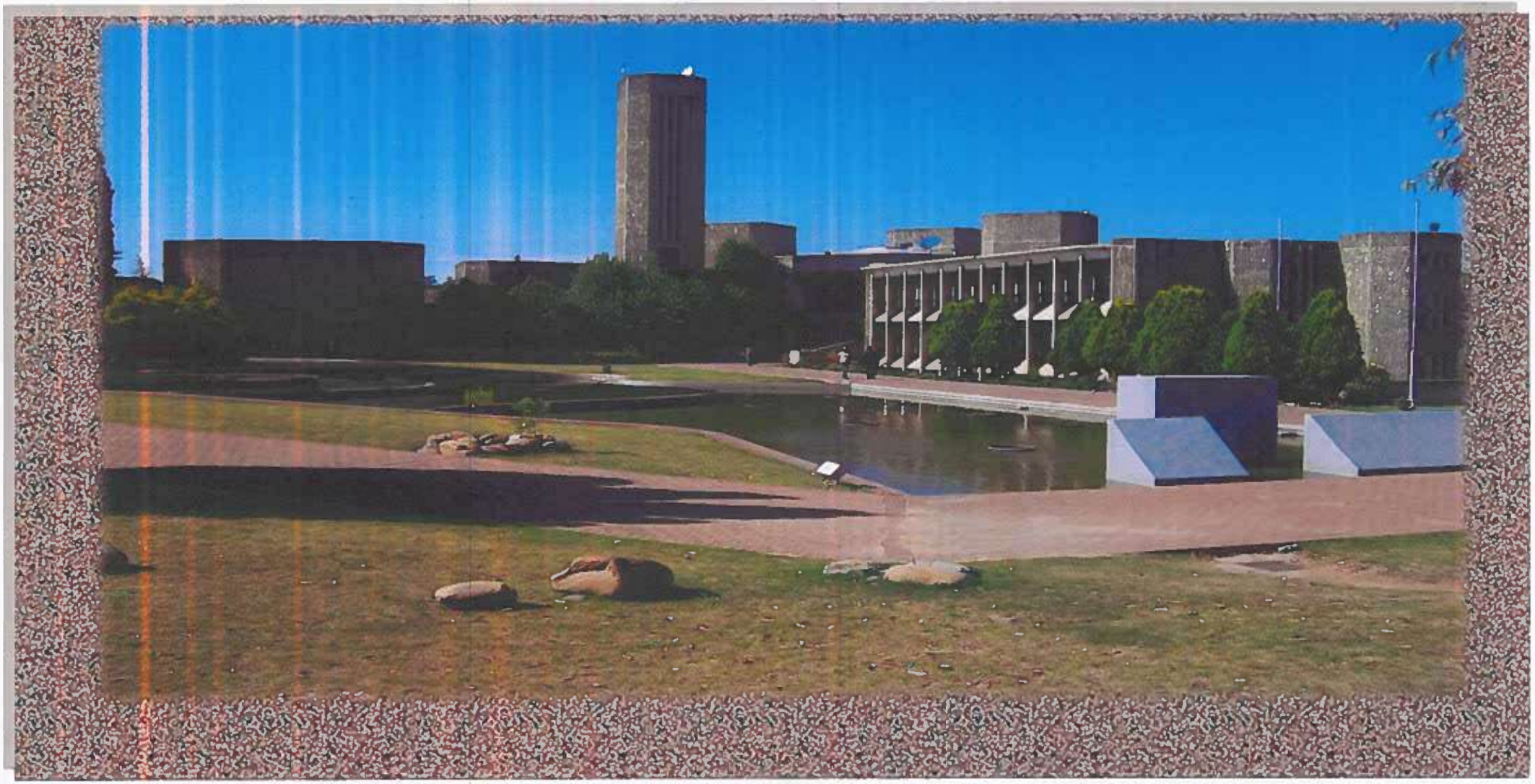


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List of Abbreviations and Acronyms used in the Monthly Budget Statement

AFS – Annual Financial Statements
AGSA - Auditor-General of South Africa
BTO - Budget and Treasury Office
CAPEX – Capital Expenditure
CFO - Chief Financial Officer

PART 1: IN-YEAR REPORT FOR THE PERIOD ENDING 31 MAY 2026
TO: THE EXECUTIVE MAYOR
FROM: THE DIRECTORATE: FINANCIAL SERVICES: BUDGET & TREASURY OFFICE

MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): SECTION 71: IN-YEAR MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDING 31 May 2026.

1. PURPOSE

The purpose of this report is to present a Section 71 M11- May 2026 Monthly report of the MFMA by providing a monthly statement on the implementation of the budget and the financial situation for the municipality for the Month ending **31 May 2026** for consideration and noting.

2. BACKGROUND

A) In terms of Section 71 of the Municipal Finance Management Act 56 of 2003.

(1). The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- (a) Actual revenue, per revenue source;
- (b) actual borrowings;
- (c) actual expenditure, per vote;
- (d) actual capital expenditure, per vote;
- (e) the amount of any allocations received;
- (f) actual expenditure on those allocations, excluding expenditure on –
  - (i) its share of the local government equitable share; and
  - (ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
- (g) When necessary, an explanation of-
  - (i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
  - (ii) any material variances from the service delivery and budget implementation plan; and
  - (iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipalities approved budget.

(2) The statement must include –

- (a) a projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and
- (b) the prescribed information relating to the state of the budget of each municipal entity as provided to the municipality in terms of section 87(10).

(3) The amounts reflected in the statement must in each case be compared with the corresponding amounts budgeted for in the municipality's approved budget.

(4) The statement to the provincial treasury must be in the format of a signed document and in electronic format.

(5) The accounting officer of a municipality which has received an allocation referred to in subsection (1) (e) during any particular month must, by no later than 10 working days after the end of that month, submit that part of the statement reflecting the particulars referred to in subsection (1) (e) and (f) to the national or provincial organ of state or municipality which transferred the allocation.

3. EXECUTIVE SUMMARY

Section 71 of the Municipal Finance Management Act deals with requirements for a monthly/quarterly budget and performance assessment report distinctively, of which the objective is finally to report on the financial status of the municipality.

Condition 7.3 - Monitor and report on implementation – Section 71 Monthly Reporting and FRP

The municipality assessed the Financial Recovery Plan as at 31 May 2026 and updated progress for each pillar. See below narrative summary.

The municipality is still on the **RESCUE** Phase with a total of 178 key intervention activities were planned across four strategic pillars. As of the latest progress update, 87 activities have been completed, representing 49% of the overall targets, while 91 activities (51%) remain in progress.

Pillar 1: Governance shows steady advancement, with 5 of 23 activities completed and 18 underway, indicating significant ongoing work to strengthen oversight, leadership, and accountability mechanisms.

Pillar 2: Institutional Development has achieved 14 of 32 planned activities, with an equal number (18) still in progress. This demonstrates balanced effort toward capacity building and structural reforms within institutions.

Pillar 3: Financial Management reflects notable progress, having completed 29 of 53 activities, while 24 activities are still being implemented. This suggests active work toward improving financial systems, transparency, and resource management.

Pillar 4: Service Delivery, the largest component, leads in total outputs, with 39 of 70 activities completed and 27 in progress. This highlights significant improvement efforts in frontline services, though substantial work remains to reach full implementation.

Overall, the data indicates that the RESCUE Phase is progressing steadily, with nearly half of the planned interventions already achieved and the remainder at various stages of implementation. Continued focus across all pillars will be essential to sustain momentum and ensure full delivery of the program's objectives.

Description	2025/26	2025/26	YTD Budget	YTD Actual	Difference Month to date	
	Original	Adjustment budget	Budget	Actual	Actual versus budget	Achieved
	R million	R million	R million	R million	R million	%
Revenue	1 326 753	1 262 829	1 157 593	1 139 694	17 899	2%
Expenditure	(1 382 469)	(1 677 590)	(1 537 340)	(1 411 805)	(125 535)	-8%
Total (Surplus/Deficit)	**2 709 222**	**2 940 419**	**(379 746)**	**(272 110)**	**(107 636)**	**-7%**

Revenue/ Expenditure Performance

- Year-to-date revenue of **R1,139,694 million** is **R17,899 million below budget**, achieving approximately **98%** of the target.
- Expenditure of **R1,411 million** is **R 125,535 million lower than budget**, reflecting significant underspending. As a result, the actual deficit of **R 272 million** is substantially better than the budgeted deficit of **R379,746 million**, representing a favorable variance of **R 107 million**.
- The improved financial position is mainly attributable to lower-than-budgeted expenditure, despite the slight revenue shortfall.

In- year Reporting tables

Below is the summary of financial performance, financial position as well as cash and cash equivalent represented by Table C1 below:

MP302 Msukaligwa - Table C1 Monthly Budget Statement Summary - M11 May									
Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Financial Performance									
Property rates	212 918	258 951	258 951	21 036	275 590	237 372	38 218	16%	258 951
Service charges	514 792	608 497	592 309	60 627	598 807	542 950	55 857	10%	608 497
Investment revenue	5 888	5 471	6 461	468	5 407	5 923	(515)	-9%	5 471
Transfers and subsidies - Operational	282 515	294 895	294 895	–	190 657	270 320	(79 663)	-29%	294 895
Other own revenue	110 458	158 940	110 213	14 606	69 234	101 029	(31 795)	-31%	158 940
Total Revenue (excluding capital transfers and contributions)	**1 126 571**	**1 326 753**	**1 262 829**	**96 737**	**1 139 694**	**1 157 593**	**(17 899)**	**-2%**	**1 326 753**
Employee costs	309 887	332 538	353 051	29 476	318 476	323 630	(5 154)	-2%	332 538
Remuneration of Councillors	19 293	20 559	19 521	3 328	20 553	17 894	2 659	15%	20 559
Depreciation and amortisation	123 886	128 379	128 379	–	27	117 681	(117 654)	-100%	128 379
Interest	116 791	22 041	119 490	8 995	209 084	109 533	99 552	91%	22 041
Inventory consumed and bulk purchases	700 028	577 253	739 058	94 988	685 694	677 470	8 224	1%	577 253
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	298 392	301 698	318 090	32 299	177 969	291 131	(113 162)	-39%	301 698
Total Expenditure	**1 568 276**	**1 382 469**	**1 677 590**	**169 087**	**1 411 805**	**1 537 340**	**(125 535)**	**-8%**	**1 382 469**
Surplus/(Deficit)	**(441 705)**	**(55 716)**	**(414 761)**	**(72 349)**	**(272 110)**	**(379 746)**	**107 636**	**7%**	**(55 716)**
Transfers and subsidies - capital	241 561	162 093	214 093	–	–	196 252	(196 252)	-100%	162 093
Transfers and subsidies - capital (in-kind)	1 914	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(198 229)**	**106 377**	**(200 668)**	**(72 349)**	**(272 110)**	**(183 494)**	**(88 616)**	**48%**	**106 377**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(198 229)**	**106 377**	**(200 668)**	**(72 349)**	**(272 110)**	**(183 494)**	**(88 616)**	**48%**	**106 377**
Capital expenditure & funds sources									
Capital expenditure	**122 928**	**162 093**	**246 964**	**22 012**	**160 868**	**226 384**	**(65 516)**	**-29%**	**162 093**
Capital transfers recognised	22 720	162 093	214 093	21 995	154 513	196 252	(41 739)	-21%	162 093
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	1 710	–	32 871	17	6 355	30 132	(23 777)	-79%	–
Total sources of capital funds	**24 430**	**162 093**	**246 964**	**22 012**	**160 868**	**226 384**	**(65 516)**	**-29%**	**162 093**
Financial position									
Total current assets	2 283 991	3 521 306	1 331 316		2 798 278				3 521 306
Total non current assets	2 921 055	8 283 087	3 038 179		3 082 066				8 283 087
Total current liabilities	4 273 404	3 376 767	2 287 723		5 018 402				3 376 767
Total non current liabilities	74 984	81 422	1 432 727		74 984				81 422
Community wealth/Equity	**856 658**	**8 346 204**	**649 045**		**786 957**				**8 346 204**
Cash flows									
Net cash from (used) operating	(743 264)	87 719	247 270	(40 902)	68 434	(226 074)	(294 507)	130%	121 817
Net cash from (used) investing	–	(162 093)	(246 964)	(331)	(31 137)	226 384	257 521	114%	(162 093)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/yea	**813 422**	**(15 038)**	**43 395**	**1 625 042**	**1 593 982**	**43 400**	**(1 550 582)**	**-3573%**	**–**
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	94 633	51 318	34 868	33 330	33 213	27 247	–	1 487 100	1 761 708
Creditors Age Analysis									
Total Creditors	108 829	68 513	44 646	1 684	51 048	48 965	120 073	2 182 356	2 516 086

4. FINANCIAL PERFORMANCE OVERVIEW

4.1 For the year-to-date period ended, the municipality recorded **actual revenue of R 1,139 billion** against a **budgeted revenue of R1,157 billion**, resulting in an **under-collection of R17 million**, or **2% below the year-to-date target**.

4.2 Operating Revenue by Source

MP302 Msukaligwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue										
Exchange Revenue										
Service charges - Electricity		309,951	391,236	347,457	19,020	374,184	318,502	55,682	17%	391,236
Service charges - Water		91,447	90,618	122,822	21,532	115,765	112,587	3,178	3%	90,618
Service charges - Waste Water Management		60,383	67,901	65,273	5,520	56,885	59,834	(2,948)	-5%	67,901
Service charges - Waste management		53,011	58,742	56,756	4,789	47,806	52,026	(4,221)	-8%	58,742
Sale of Goods and Rendering of Services		6,354	11,224	4,437	283	1,330	4,067	(2,737)	-67%	11,224
Agency services		-	-	-	-	-	-	-		-
Interest		-	-	-	-	-	-	-		-
Interest earned from Receivables		31,069	38,133	29,136	7,748	34,107	26,708	7,400	28%	38,133
Interest from Current and Non Current Assets		5,888	5,471	6,461	507	5,446	5,923		28%	5,471
Dividends		-	-	-	-	-	-	-		-
Rent on Land		2	2	2	-	1	1	(0)		2
Rental from Fixed Assets		3,462	3,453	3,749	287	5,801	3,437	2,364	69%	3,453
Licence and permits		48	98	94	8	11	87	(76)	-88%	98
Special rating levies		-	-	-	-	-	-	-		-
Operational Revenue		3,242	44,333	1,534	44	269	1,406	(1,137)	-81%	44,333
Non-Exchange Revenue		-	-	-	-	-	-	-		-
Property rates		212,918	258,951	258,951	21,036	275,590	237,372	38,218	16%	258,951
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		56,029	49,231	60,879	129	3,677	55,806	(52,129)	7%	49,231
Licence and permits		51	-	66	2	5	61	(55)	8%	-
Transfers and subsidies - Operational		282,515	294,895	294,895	-	190,657	270,320	(79,663)	71%	294,895
Interest		8,855	12,466	8,965	6,104	24,032	8,218	15,814	292%	12,466
Fuel Levy		-	-	-	-	-	-	-		-
Operational Revenue		1,347	-	1,351	-	-	1,239	(1,239)	-100%	-
Gains on disposal of Assets		-	-	-	-	-	-	-		-
Other Gains		-	-	-	-	-	-	-		-
Discontinued Operations		-	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		1,126,571	1,326,753	1,262,829	87,011	1,135,567	1,157,593	(22,026)	-2%	1,326,753

Property Rates

- The Property Rates Reconciliation for May 2026 indicates that the General Valuation Roll and the Municipal Financial System are fully aligned in terms of property numbers and market values, with no variances recorded.

Property Rates Reconciliation	
Province	MP
District	Gert Sibande District
Type	LM
Municipal Name	Msukaligwa
GV Period	01/05/2026-31/05/2026
Financial Year	2025-2026
Reconciliation Period	May-26

Reconciliation Overview

High Level Reconciliation

Propety Categories	# of Properties			Market Values		
Propety Categories	GV	MFS	Variance	GV Market Values	MFS Market Values	Variance
Residential	26244	26244	0	11 266 354 801.00	11 266 354 801.00	-
Industrial	106	106	0	335 790 300.00	335 790 300.00	-
Business and Commercial	837	837	0	3 288 523 200.00	3 288 523 200.00	-
Agricultural	2246	2246	0	11 693 259 600.00	11 693 259 600.00	-
Mining	92	92	0	67 270 000.00	67 270 000.00	-
State Owned for Public Purpose	147	147	0	1 307 549 100.00	1 307 549 100.00	-
P[illegible]	688	688	0	123 824 500.00	123 824 500.00	-
PBO	131	131	0	332 211 300.00	332 211 300.00	-
Multi Use	0	0	0	-	-	-
Vacant	3338	3338	0	527 476 020.00	527 476 020.00	-
TOA	2	2	0	94 700 000.00	94 700 000.00	-
Municipal	0	0	0	-	-	-
Other	0	0	0	-	-	-
	33831	33831	0	29 036 958 821.00	29 036 958 821.00	-

Prepared By	Nomusa Zulu	Date	31/05/2026
	Contact Details		
Signature			
Reviewed By	GT Mahlangu	Date	
	Contact Details		
Signature			

Electricity

Description	Original Budget 2025/26	Monthly Budget	Actual billed or received M11 (May)	Difference (Budget vs Actual)	Variance based on pro rata budget
	R	R	R	R	%
Conventional	273 865 007.50	22 822 083.96	19 020 588.00	3 801 495.96	17%
Prepaid sales	117 370 717.50	9 780 893.13	9 762 095.41	18 797.71	0.2%
Total	391 235 725.00	32 602 977.08	28 782 683.41	3 820 293.67	12%

- Electricity revenue collection for May 2026 was **below budget by 12%**, with actual revenue of **R28.8 million** compared to the budgeted **R32.6 million**.

- The shortfall was primarily due to lower-than-expected **conventional electricity sales**, while **prepaid sales remained on target**. Overall performance indicates a need to improve conventional revenue collection to achieve budgeted revenue targets.

Water Management

- Water Revenue is lightly above target, achieving **3% above budget**, reflecting stable revenue performance.

Waste water Management

- Wastewater Management revenue for May 2026 recorded a **year-to-date actual amount of R 61,048 million** against a **year-to-date budget of R 59,834 million**, resulting in a favorable variance of **R1,125 million (2%)**.
- This indicates that revenue from wastewater services is performing slightly above the expected target for the period under review.

Waste Management

- Waste Management Revenue seems to be underperforming by 8%, indicating lower-than-expected billing or collection levels

Sale of Goods and Rendering of Services:

- Significantly below budget by **67%**, requiring investigation into the underlying causes of the shortfall.

Rental from Fixed Assets: Performing exceptionally well, with revenue **69% above budget**.

Licences and Permits (Exchange Revenue): is significantly below budget, achieving only a small portion of the targeted revenue.

Other Operational Revenue (Exchange): shows an underperformance by **81%**, indicating lower-than-anticipated miscellaneous revenue collections.

Fines, Penalties and Forfeits: These are significantly below budget, with revenue collections well below expected levels.

Licences and Permits (Non-Exchange Revenue): there's minimal revenue generated and below budget expectations.

Transfers and Operational Subsidies: Shows an underperformance against the year-to-date budget due to lower grant receipts or timing differences in grant allocations.

Interest (Non-Exchange Revenue): Is significantly above budget, contributing positively to overall revenue performance.

Other Operational Revenue (Non-Exchange): No revenue recorded against the budgeted amount, resulting in a full shortfall for the period

Interest from Investments is slightly below budget, but generally in line with expectations.

- **Total Interest earned on Positive bank balances amounts to R 507,022.59 made up of the following banks;**

MAY BANK INTEREST	
BANK ACCOUNT TYPE	INTEREST
CALL ACCOUNT	403 880.88
LICENSING ACCOUNT	22 350.78
PRIMARY ACCOUNT	41 888.30
TRADING SERVICES ACCOUNT	38 902.63
	507 022.59

Interest earned - outstanding debtors

- Interest from outstanding debtors as of April amounted to **R 125 thousand**.

4.3 Operating Expenditure by Source

The year-to-date Total expenditure amounts to **R1,411 million** which is **8%** less than the projected budget.

MP302 Msukaligwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Expenditure By Type										
Employee related costs		309,887	332,538	353,051	29,476	318,476	323,630	(5,154)	-2%	332,538
Remuneration of councillors		19,293	20,559	19,521	3,328	20,553	17,894	2,659	15%	20,559
Bulk purchases - electricity		486,097	460,250	578,050	88,338	519,804	529,879	(10,075)	-2%	460,250
Inventory consumed		213,931	117,003	161,008	6,651	165,890	147,591	18,299	12%	117,003
Debt impairment		100,669	94,135	94,182	7,849	179	85,882	(85,703)	-100%	94,135
Depreciation and amortisation		123,886	128,379	128,379	10,698	27	117,681	(117,654)	-100%	128,379
Interest		116,791	22,041	119,490	8,995	209,084	109,533	99,552	91%	22,041
ntracted services		119,541	124,809	132,701	9,596	81,410	121,642	(40,232)	-33%	124,809
Transfers and subsidies		–	–	–	–	–	–	–		–
Irrecoverable debts written off		–	552	–	–	–	–	–		552
Operational costs		78,181	82,202	91,208	22,703	96,380	83,607	12,773	15%	82,202
Losses on Disposal of Assets		–	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		1,568,276	1,382,469	1,677,590	187,633	1,411,805	1,537,340	(125,535)	-8%	1,382,469

Employee related costs and Councillors Allowances

- As of May 2026 (M11), Msukaligwa Municipality's employee-related costs reached **R 318 million**, which is slightly below the year-to-date budget of **R 323 million or -2%.** The Councillors remuneration as at 31 May 2026 amounted to **R 3,328 million** which includes councillors remuneration.

Debt impairment

- Actual expenditures are consistent with the anticipated collection rate of 75%. Furthermore, the municipality is implementing revenue enhancement strategies to recover outstanding receivables..
- Debt impairment is recognized when and if it is anticipated that cash flows generated by those assets will be insufficient to enable adherence to the financial commitment associated with debt issuance.
- Such determination is made on the basis of three aspects: whether cash flow from operations is projected to be fully applied to servicing debt and whether the commencement of that cash flow is appropriately timed; the timing of maturing principal repayments; and the funding sources (if any) that are being considered to address liquidity shortfalls as they arise.

Depreciation & asset impairment

The actuals expenditure is as per the projected estimate.

Finance charges

Interest is accruing on both Eskom and DWS debts. Nevertheless, the municipality is actively engaging in debt relief initiatives related to these entities to help reduce the overall debt burden.

Bulk purchases – electricity

Below is the summary of the outstanding amount on Eskom account.

RESALE ACCOUNT FOR APRIL 2026 PAID IN MAY 2026

ACCOUNT NAME	ACCOUNT NUMBER	TOTAL BILLING	VAT AMOUNT	INTEREST	TOTAL DUE	TOTAL AMOUNT	PAYMENT DATE	DUE DATE
BREYTEN KWAZANENELE	8341001579	2 164 754.30	324 713.15	-	2 489 467.45	2 489 467.45	2026/05/18	2026/05/23
CHAIR	7296044246	1 012 337.20	151 850.58	-	1 164 187.78	1 164 187.78	2026/05/18	2026/05/20
DAVEL KWADELA	9657898907	817 395.41	122 609.31		940 004.72	940 004.72	2026/05/18	2026/05/20
BREYTEN TOWN	9010981110	1 395 610.72	209 341.61		1 604 952.33	1 604 952.33	2026/05/18	2026/05/22
ERMELO	6486432681	30 841 288.00	4 626 193.21	9 046 029.97	44513511.18	44513511.18		
TOTAL AMOUNT PAID					**50 712 123.45**	**50 712 123.45**		

Msukaligwa Local Municipality
2025/2026
Bulk Purchases Recon - Electricity Accounts

Account No.	Month	Date	Tax Invoice No.	Amount Excl.	VAT	Adjustment	Interest	Current billing	Arrears	Total Due	Payments	CLOSING BALANCE
			Opening balance	886 281 031.40								
6486432681	July	16-Jul-25	648374582187	58 775 637.94	8 816 345.70	-	6 309 512.41	73 901 496.05	886 281 031.00	960 182 527.05	62 498 119.48	897 684 407.97
6486432681	Aug	19-Aug-25	648938123758	58 495 352.54	8 410 499.13	- 2 425 358.32	6 865 858.27	71 346 351.62	897 684 407.97	969 030 759.59	5 773 327.46	963 257 432.13
6486432681	Sept	18-Sept-25	648531914726	41 257 502.72	6 188 625.41	-	5 940 009.51	53 386 137.64	963 257 432.13	963 257 432.13	-	1 016 643 569.77
6486432681	Oct	17-Oct-25	648852668561	32 701 259.21	4 912 861.38	51 150.00	8 588 144.12	46 253 414.71	1 016 643 569.76	1 016 643 569.76	9 096 535.28	1 053 798 449.19
6486432681	Nov	19-Nov-25	648814643177	31 416 563.62	4 712 484.54	-	6 715 444.73	42 844 492.89	1 053 798 449.49	1 096 642 942.38	957 710.28	1 095 685 232.10
6486432681	Dec	19-Dec-25	648234019990	32 050 652.43	4 807 597.87	-	7 787 684.68	44 645 934.98	1 095 685 232.10	1 140 331 167.08	41 027 246.47	1 099 303 920.61
6486432681	Jan	21-Jan-26	648677651638	28 457 013.74	4 268 552.06	-	9 394 998.43	42 120 564.23	1 099 303 920.61	1 141 424 484.84	-	1 141 424 484.84
6486432681	Feb	19-Feb-26	648061878558	29 446 878.33	4 417 031.71	-	7 403 549.73	41 267 459.77	1 141 424 484.84	1 182 691 944.61	21 249 521.91	1 161 442 422.70
6486432681	Mar	20-Mar-26	648131032462	28 513 310.26	4 276 996.54	-	8 035 688.97	40 825 995.77	1 161 442 422.74	1 202 268 418.51	-	1 202 268 418.51
6486432681	Apr	18-Apr-26	648696578478	30 841 268.00	4 626 193.21	-	9 046 029.97	44 513 511.18	1 202 268 418.51	1 246 781 929.69	31 178 882.74	1 215 603 046.95
6486432681	May	17-May-26				-		-		-	-	-
6486432681	June	20-Jun-26				-		-		-		-
			648815929549	371 955 458.79	55 437 187.55	- 2 374 208.32	76 086 920.82	501 105 358.84	10 517 789 369.15	9 672 473 245.95	171 783 343.62	

Account No.	Month	Date	Tax Invoice No.	Amount Excl.	VAT	Adjustment	Interest	Current billing	Arrears	Total Due	Payments	Closing balance
			Opening balance	1 907 339.28								1 907 339.28
9657898907	July	18-Jul-25	965567710756	1 936 192.33	290 428.85	-	-	2 226 621.18	1 907 339.28	4 133 960.46	1 907 339.28	2 226 621.18
9657898907	Aug	21-Aug-25	965002971234	1 781 100.49	267 165.07	-	-	2 048 265.56	2 226 621.18	4 274 886.74	2 226 621.18	2 048 265.56
9657898907	Sept	20-Sept-25	96585399089	1 206 291.08	180 943.00	-		1 387 234.08	2 048 265.56	3 435 499.64	2 048 265.56	1 387 234.08
9657898907	Oct	23-Oct-25	965389576847	961 270.11	144 190.52	-	-	1 105 460.63	1 387 234.74	2 492 695.37	-	2 492 695.37
9657898907	Nov	20-Nov-25	965975859187	923 004.01	138 450.60	-	-	1 061 454.61	2 492 695.37	3 554 149.98	2 492 695.37	1 061 454.61
7898907	Dec	19-Dec-25	9657898907	854 566.59	128 184.99	-	-	982 751.58	1 061 454.61	2 044 206.19	-	2 044 206.19
7898907	Jan	23-Jan-26	96542885407	744 661.43	111 699.21	-		856 360.64	2 044 206.19	2 900 566.83	2 044 206.04	856 360.79
9657898907	Feb	19-Feb-26	965594692999	732 359.31	109 853.90	-		842 213.21	856 360.64	1 698 573.85	856 360.64	842 213.21
9657898907	Mar	20-Mar-26	965234977949	784 638.00	117 695.70	-		902 333.70	842 213.21	1 744 546.91	-	1 744 546.91
9657898907	Apr	23-Apr-26	965110043404	817 395.41	122 609.31			940 004.72	1 744 546.91	2 684 551.63	842 213.21	1 842 338.42
9657898907	May	21-May-26				-		-		-		-
9657898907	June	03-Jun-26				-	-	-		-		-
				10 741 478.76	1 611 221.15	-	-	12 352 699.91	16 610 937.69	28 963 637.60	12 417 701.28	

Account No.	Month	Date	Tax Invoice No.	Amount Excl.	VAT	Adjustment	Interest	Current billing	Arrears	Total Due	Payments	
			Opening balance	2 424 701.51								2 424 701.51
9010981110	July	19-Jul-25	901545365570	2 719 399.08	407 909.86	-	-	3 127 308.94	2 414 701.51	5 542 010.45	2 414 701.51	3 137 308.94
9010981110	Aug	22-Aug-25	901626746074	2 778 302.28	416 745.34	-		3 195 047.62	3 127 308.94	6 322 356.56	3 127 308.94	3 195 047.62
9010981110	Sept	19-Sept-25	901197867984	1 991 311.10	298 696.67	-		2 290 007.77	3 195 047.62	5 485 055.39	3 195 047.62	2 290 007.77
9010981110	Oct	19-Oct-25	901709562079	1 593 061.03	238 959.15	-	-	1 832 020.18	2 290 007.77	4 122 027.95	2 290 007.77	1 832 020.18
9010981110	Nov	19-Nov-25	901087975115	1 657 305.08	248 595.76	-	-	1 905 900.84	1 832 020.18	3 737 921.02	1 832 020.18	1 905 900.84
9010981110	Dec	02-Dec-25	901336358574	1 454 932.73	218 239.91	-	-	1 673 172.64	1 905 900.84	3 579 073.48	1 905 900.84	1 673 172.64
9010981110	Jan	23-Jan-26	901800946752	1 331 723.71	199 758.56	-		1 531 482.27	1 673 172.64	3 204 654.91	1 673 172.64	1 531 482.27
9010981110	Feb	23-Feb-26	901733911325	1 228 470.33	496 783.85	2 083 422.00		3 808 676.18	1 531 482.27	5 340 158.45	1 531 482.27	3 808 676.18
9010981110	Mar	19-Mar-26	901615384696	1 208 289.12	181 243.37	-		1 389 532.49	3 808 676.18	5 198 208.67	-	5 198 208.67
9010981110	Apr	23-Apr-26	901088172041	1 395 610.72	209 341.61	-	-	1 604 952.33	5 198 208.67	6 803 161.00	5 198 208.67	1 604 952.33
9010981110	May	21-May-26				-	-	-		-		1 604 952.33
9010981110	June	19-Jun-26				-	-	-		-		1 604 952.33
				17 358 405.18	2 916 274.08		-	22 358 101.26	26 976 526.62	42 531 466.88	23 167 850.44	

Account No.	Month	Date	Tax Invoice No.	Amount Excl.	VAT	Adjustment	Interest	Current billing	Arrears	Total Due	Payments	
			Opening balance	3 562 637.65								3562637.65
1001579	July	19-Jul-25	834826163397	3 580 576.55	537 086.48	-	-	4 117 663.03	3 562 637.65	7 680 300.68	3 562 537.65	4 117 763.03
1001579	Aug	20-Aug-25	834930994433	3 753 303.62	562 995.54	-	-	4 316 299.16	4 117 663.03	8 433 962.19	4 117 663.03	4 316 299.16
8341001579	Sept	19-Sept-25	834286707310	2 654 932.50	398 239.88	-	-	3 053 172.38	4 316 299.16	7 369 471.54	4 316 299.16	3 053 172.38
8341001579	Oct	19-Oct-25	834985821436	2 304 280.07	345 642.01	-	-	2 649 922.08	3 053 172.38	5 703 094.46	3 053 172.38	2 649 922.08
8341001579	Nov	19-Nov-25	834633110773	2 426 864.98	364 029.75	-	-	2 790 894.73	2 649 922.08	5 440 816.81	2 649 922.08	2 790 894.73
8341001579	Dec	02-Dec-25	834737897917	2 225 146.49	333 771.97	-	-	2 558 918.46	2 790 894.73	5 349 813.19	2 790 894.73	2 558 918.46
8341001579	Jan	23-Jan-26	834010279125	1 968 281.30	295 242.20	-		2 263 523.50	2 558 918.46	4 822 441.96	2 558 918.46	2 263 523.50
8341001579	Feb	19-Feb-26	834139869608	1 863 005.19	580 901.26	2 009 670.00		4 453 576.45	2 263 523.50	6 717 099.95	2 263 523.50	4 453 576.45
8341001579	Mar	03-Mar-26	834765983455	1 877 072.26	281 560.84	-		2 158 633.10	4 453 576.47	6 612 209.57	-	6 612 209.57
8341001579	Apr	03-Apr-26	834753715853	2 164 754.30	324 713.15	-		2 489 467.45	6 612 209.57	9 101 677.02	6 612 209.57	2 489 467.45
8341001579	May	21-May-26				-	-	-		-		-
8341001579	June	19-Jun-26				-	-	-		-		-
				24 818 217.26	4 024 183.08	2 009 670.00	-	30 852 070.34	36 378 817.03	67 230 887.37	31 925 140.56	

Account No.	Month	Date	Tax Invoice No.	Amount Excl.	VAT	Adjustment	Interest	Current billing	Arrears	Total Due	Payments	
			Opening balance	1 666 304.01								1 666 304.01
7296044246	July	20-Jul-25	729968324050	1 821 559.88	273 233.98	-	-	2 094 793.86	1 666 304.01	3 761 097.87	1 666 304.01	2 094 793.86
7296044246	Aug	22-Aug-25	729196845409	1 826 081.05	273 912.18	-	-	2 099 993.23	2 094 793.86	4 194 787.09	2 094 793.86	2 099 993.23
7296044246	Sept	02-Sept-25	729311991941	1 302 937.16	195 440.57	-	-	1 498 377.73	2 099 993.21	3 598 370.94	2 099 993.21	1 498 377.73
7296044246	Oct	02-Oct-25	729076003302	1 045 793.30	156 869.00	-	-	1 202 662.30	1 498 377.73	2 701 040.03	-	2 701 040.03
7296044246	Nov	03-Nov-25	729589759989	1 040 087.00	156 013.11	-	-	1 196 100.11	2 701 040.03	3 897 140.14	2 701 040.03	1 196 100.11
7296044246	Dec	02-Dec-25	729616927399	992 661.55	148 899.23	-		1 141 560.78	1 196 100.48	2 337 661.26	1 196 100.48	1 141 560.78
7296044246	Jan	21-Jan-26	729121508519	947 627.19	142 144.08	-		1 089 771.27	1 141 560.78	2 231 332.05	1 141 560.78	1 089 771.27
7296044246	Feb	22-Feb-26	834139869608	1 863 005.19	580 901.26	2 009 670.00	-	4 453 576.45	2 263 523.50	6 717 099.95	2 263 523.50	4 453 576.45
7296044246	Mar	03-Mar-26	729504591807	948 603.76	142 290.56	-	-	1 090 894.32	1 121 046.22	2 211 940.54	-	2 211 940.54
7296044246	Apr	03-Apr-26	729336987723	1 012 337.20	151 850.58	-	-	1 164 187.78	2 211 940.54	3 376 128.32	1 121 046.22	2 255 082.10
7296044246	May	03-May-26				-	-	-		-		-
7296044246	June	19-Jun-26				-	-	-		-		-
				12 800 693.28	2 221 554.55		-	17 031 917.83	17 994 680.36	35 026 598.19	14 284 362.09	20 742 236.10

				437 674 253.27	66 210 420.41		76 086 920.82	583 700 148.18	10 615 750 330.85	9 846 225 835.99	253 578 397.99	1 604 952.33

895 842 013.85

Bulk Purchases Water

Total debt for the month ending 31 May 2026 amount to **R 1,288 billion**

	Client:	Msukaligwa Local Municipality		Prepared by:	Nompumelelo Mashaja
	Year end:	30 June 2026		Date:	06-Jul-26
	Subject:	Bulk Purchases - Water		Reviewed by:	S Nkosi
	Period ending	30 June 2025		Date:	30-Jun-26
				Final Review by:	
				Date:	

DWAF ACCOUNTS MOVEMENTS FOR THE YEAR AS PER INVOICES							
ACCOUNTS	opening balance	Amount Excl	VAT Amount	Interest	payments	Adjustment	Creditor
20029265 NRWI	496 490 053.53	-	-	-	-	-	496 490 053.53
20029265 CMA	-	-	-	-	-	-	-
20028765 NRWI	198 876.96	-	-	-	38 875.02	-	237 751.98
20028765 CMA	100 885.98	25 916.67	-	4 845.93	-	-	131 648.58
20031984 NRWI	41 908 198.74	- 54 593 275.93	-	-	-	-	- 12 685 077.19
20031984 CMA	-	-	-	-	-	-	-
20033982 NRWI	336 243 385.67	-	-	-	-	-	336 243 385.67
20033982CMA	-	-	-	-	-	-	-
20037906 NWRI	111 607.71	3 441.60	-	4 998.32	5 162.40	-	125 210.03
20037906 CMA	-	-	-	-	-	-	-
21070010 NWRI	1 554 885.56	-	-	-	-	-	1 554 885.56
21070010 CMA	726.35	186.60	-	34.96	279.90	-	1 227.81
20014912 NRWI	139 334 230.26	-	-	-	-	-	139 334 230.26
20014912 CMA	24 356.99	- 3 343.25	-	1 009.99	-	-	22 023.73
20056412 NWRI	18 558 912.46	1 174 072.00	175 141.20	-	3 732.22	-	19 911 857.88
20056412 CMA	3 732.00	2 488.00	-	167.64	2 023 819.80	-	2 030 207.44
20059491 NRWI	104 074 973.83	10 657 416.00	1 575 254.74	4 768 367.65	89 903.88	- 4 768 367.65	116 397 548.45
20059491 CMA	233 313.02	59 935.92	-	11 206.74	3 058 167.68	- 11 206.74	3 351 416.62
20059482 NRWI	141 998 117.60	15 423 710.48	2 300 819.00	6 572 360.14	8 862 264.74	- 6 572 360.14	168 584 911.82
20059482 CMA	127 232.05	32 684.70	-	6 111.41	49 946.67	- 6 111.41	209 863.42
TOTAL DWS	1 280 963 488.71	- 27 216 767.21	4 051 214.94	11 369 102.78	14 132 152.31	- 11 358 045.94	1 271 941 145.59

Inventory consumed

- Actuals expenditure is equal to the projected budget amount as at 31 May 2026.

Contracted services

- Payments to contracted services are within normal limits and are **33% lower** than the budgeted amount. The municipality has enhanced its internal systems by insourcing various activities, including the preparation of Annual Financial Statements.

Other expenditures

- Payments made on other expenditures are within the budgeted projection for the quarter ending 31 May 2026

4.4 Capital Expenditure

MP302 Msukaligwa - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M11 May										
		2024/25	Budget Year 2025/26							
Vote Description	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital Expenditure - Functional Classification										
Governance and administration		–	–	4 500	–	286	4 125	(3 839)	-93%	–
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		–	–	4 500	–	286	4 125	(3 839)	-93%	–
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		(6 411)	–	–	–	–	–	–	–	–
Community and social services		(6 411)	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		43 031	22 270	31 785	1 000	20 876	29 136	(8 260)	-28%	22 270
Planning and development		25 046	–	–	–	–	–	–		–
Road transport		17 985	22 270	31 785	1 000	20 876	29 136	(8 260)	-28%	22 270
Environmental protection		–	–	–	–	–	–	–		–
Trading services		111 354	139 823	210 679	21 012	139 706	193 123	(53 417)	-28%	139 823
Energy sources		2 357	6 691	15 790	–	5 592	14 474	(8 882)	-61%	6 691
Water management		20 470	16 976	34 628	14 324	31 952	31 743	209	1%	16 976
Waste water management		88 527	114 239	160 261	6 688	102 162	146 906	(44 744)	-30%	114 239
Waste management		–	1 917	–	–	–	–	–		1 917
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classifi	3	147 974	162 093	246 964	22 012	160 868	226 384	(65 516)	-29%	162 093
Funded by:										
National Government		22 720	162 093	214 093	21 995	154 513	196 252	(41 739)	-21%	162 093
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–		–
Transfers recognised - capital		22 720	162 093	214 093	21 995	154 513	196 252	(41 739)	-21%	162 093
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		1 710	–	32 871	17	6 355	30 132	(23 777)	-79%	–
Total Capital Funding		24 430	162 093	246 964	22 012	160 868	226 384	(65 516)	-29%	162 093

Below is the summary DORA allocation and spending per grant(s), as at 31 May 2026.

Capital Grants

TYPE of GRANTS	Original allocation	Adjusted allocation /Roll Over	Received to date	Spent to date	Budget Available
MIG	63,581,000.00	-	63,581,000.00	56,517,938.05	7,063,061.95
EEDSM	4,000,000.00	-	5,000,000.00	3,871,857.46	1,128,142.54
WSIG	45,000,000.00	-	45,000,000.00	43,578,218.91	1,421,781.09
RBIG	50,000,000.00	-	100,000,000.00	93,265,116.56	6,734,883.44
INEP	2,691,000.00	-	3,691,000.00	3,200,375.95	490,624.05
MDRG	-	9,140,508.65	9,140,508.65	9,140,508.65	(0.00)
	165,272,000.00	**9,140,508.65**	**226,412,508.65**	**209,574,015.59**	**16,838,493.06**

Operational Grants

TYPE of GRANTS	Original allocation	Roll Over	Received to date	Spent to date	Budget Available
FMG	3,800,000.00	828,203.33	3,800,000.00	2,728,290.23	1,899,913.10
EPWP	1,930,000.00	-	1,352,000.00	2,822,669.34	(892,669.34)
	5,730,000.00	**828,203.33**	**5,152,000.00**	**5,550,959.57**	**1,007,243.76**

4.5 Cash Flows

Bank Balances as at 31 MAY 2026

MAY BANK BANLANCE AND INTEREST		
BANK ACCOUNT TYPE	BALANCE	INTEREST
CALL ACCOUNT	67 401 190.65	403 880.88
LICENSING ACCOUNT	7 029 044.05	22 350.78
PRIMARY ACCOUNT	6 043 330.79	41 888.30
TRADING SERVICES ACCOUNT	10 163 178.25	38 902.63
	90 636 743.74	**507 022.59**

MP302 Msukaligwa - Table C7 Monthly Budget Statement - Cash Flow - M11 May

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		–	201,982	201,982	18,521	218,126	185,150	29,199	16%	201,982
rvice charges		–	550,876	525,916	35,385	574,854	482,090	72,326	15%	550,876
ther revenue		–	67,651	22,744	378	26,684	20,879	5,448	26%	67,651
Transfers and Subsidies - Operational		–	294,895	294,895	–	220,656	270,320	(49,664)	-18%	294,895
Transfers and Subsidies - Capital		–	162,093	214,093	–	143,539	196,252	(52,713)	-27%	162,093
Interest		–	–	19,924	–	–	18,264	(18,264)	-100%	34,098
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(743,264)	(1,159,402)	(1,001,909)	(53,953)	(1,072,920)	918,416	2,007,663	219%	(1,159,402)
Interest		–	(30,376)	(30,376)	–	–	27,845	27,845	100%	(30,376)
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		(743,264)	87,719	247,270	331	110,939	2,119,217	2,049,177	97%	121,817
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		–	(162,093)	(246,964)	(48,134)	(59,976)	226,384	257,521	114%	(162,093)
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	(162,093)	(246,964)	(48,134)	(59,976)	226,384	257,521	114%	(162,093)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
payment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–		–
NET INCREASE/ (DECREASE) IN CASH HELD		(743,264)	(74,374)	305	(47,803)	64,290	2,345,601			–
Cash/cash equivalents at beginning:		1,519,194	59,336	43,090	138,439	126,750	43,090			1,519,194
Cash/cash equivalents at month/year end:		775,930	(15,038)	43,395	90,637	191,040	2,388,691			–

- Cash and Cash Equivalents for the month ending 31 May 2026 amounted to a total of **R 90 636 743,74 million**, see the above breakdown.

5. Debtors age analysis

MP302 Msukaligwa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M11 May													
Description		Budget Year 2025/26											
R thousands	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	25 382	10 833	11 000	10 173	9 469	8 444	-	389 180	464 482	417 266	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	21 931	6 346	6 726	5 483	5 177	4 685	-	252 303	302 850	267 848	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	36 727	26 940	10 611	9 703	9 522	8 488	-	282 888	384 880	310 601	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	6 187	4 165	5 130	4 724	4 692	4 320	-	256 614	285 832	270 350	-	-
Receivables from Exchange Transactions - Waste Management	1600	5 195	3 785	4 756	4 386	4 366	3 967	-	255 522	281 978	268 242	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	237	226	184	-	-	-	-	-	647	-	-	-
Interest on Arrear Debtor Accounts	1810	125	41	355	112	674	460	-	54 981	56 747	56 227	-	-
Recoverable unauthorised, irregular, iruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	(1 151)	(1 018)	(3 894)	(1 251)	(687)	(3 317)	-	(4 388)	(15 707)	(9 644)	-	-
Total By Income Source	2000	94 633	51 318	34 868	33 330	33 213	27 247	-	1 487 100	1 761 708	1 580 889	-	-
2024/25 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	-	-	-	-	-	-	-	-	-	-	-	-
Commercial	2300	237	226	184	-	-	-	-	-	647	-	-	-
Households	2400	-	-	-	-	-	-	-	-	-	-	-	-
Other	2500	94 633	51 318	34 868	33 330	33 213	27 247	-	1 487 100	1 761 708	1 580 889	-	-
Total By Customer Group	2600	94 870	51 544	35 052	33 330	33 213	27 247	-	1 487 100	1 762 355	1 580 889	-	-

- The Municipal Debt book has slightly increased from **R 1,732 billion** in April to **R 1,762 billion** in May 2026.
- The municipality has implemented Credit Control report on electricity cut-off for the month ending 31 May 2026 in terms of Section 64 of the Municipal Finance Management Act, Act 56 of 2003 read with Section 95 of the Municipal Systems Act of 2000;
- The municipality has implemented the BLOCKED METERS. Indigent and non-indigent consumers in this category are slow payers hence their consumer accounts have reached an unacceptable level inconsistent with the new Credit Control and Debt Collection Policy.
- On prepaid electricity sales the Municipality has lifted the partial block 75/25% principle due to a change in the financial system until all the data transfer is complete.

5.1 Conventional Meters

5.1.1 Cut-Offs

Towns	Number of Consumers	Cut-Off Amount	Payments	Payment %
Ermelo	91	R 2 261 462.64	R 3 698 006.02	164%
Wesselton	9	R 41 272.97	R 69 985.53	170%
Breyten/Kwazanele	4	R 23 029.43	R 22 549.17	98%
TOTAL	**104**	**R 2 325 765.04**	**R 3 790 540.72**	**163%**

A total of **104 customers** were affected by service cut-offs during the reporting period. The **total cut-off amount** was **R 2,325 million** with **payments received** amounting to **R 3,790 million** representing an **overall recovery rate of 163%**.

5.1.2. Pre-Paid Meters

Towns	Number of Consumers	Cut-Off Amount	Payments	Payment %
Business's	43	R 14 266 020.19	R 227 617.15	2%
TOTAL	**43**	**R 14 266 020.19**	**R 227 617.15**	**2%**

- 90 Days Zero Sale

This category comprises **indigent and non-indigent consumers** who have **not made any electricity purchases**—either through the **internet, third-party vendors, or municipal offices**—for a **consecutive period of three (3) months**.

The **total number of debtors** in this category is **7,449.**

This trend indicates a potential **non-usage or bypassing of the prepaid electricity system**, which warrants further investigation to determine whether meters are faulty, tampered with, or if consumers are accessing alternative electricity sources.

- Zero Sale since connection

This category includes indigent and non-indigent consumers who have never made any electricity purchases—neither online, through third-party vendors, nor at municipal offices—since the installation of their prepaid meters. The period exceeds three (3) consecutive months, extending up to the date of data extraction from the attached report.

The total number of debtors in this category is **102.**

This situation highlights a serious concern regarding non-activation of newly installed prepaid meters, which may stem from technical faults, illegal connections, or lack of consumer registration. Urgent verification of these connections is recommended.

- **Blocked pre-paid meters for tempering or amounts in excess of R3000.00**

This category refers to indigent and non-indigent consumers who are slow payers, purchasing electricity through online platforms, third-party vendors, or municipal offices, but whose accounts have accumulated arrears exceeding R3,000.00. These accounts have been blocked due to tampering or because their debt levels contravene the provisions of the new Credit Control and Debt Collection Policy.

The total number of debtors in this category is **7.**

This category requires targeted follow-up and enforcement, including physical verification of meters, debt recovery actions, and possible legal intervention where tampering is confirmed.

5.1.3 Tempers

Towns	Number of Debtors	Amount Levied for Tempers	Payments	Payment %
Ermelo	2	R 21 554.80	R 0.00	0%
Wesselton	4	R 61 385.85	R 0.00	0%
Breyten/Kwazanele	1	R 12 277.40	R 0.00	0%
Davel/Kwadela	0	R 0.00	R 0.00	0%
Lothair/Silindile	0	R 0.00	R 0.00	0%
TOTAL	**7**	**R 95 218.05**	**R 0.00**	**0%**

5.1.4 The below attached shows the summary of collection by the debt collectors since inception, this amounts to **R 147 780 298.86**

	Quantity	Amount
Whole Book	17645	R1 220 397 771,27
Collected	6496	R147 780 298,86
Percentage of Debt Collected		12,11%
By Category		
Residential	4262	R38 037 425,71
Commercial	1859	R77 876 078,13
Other	153	R19 791 821,07
Government Associated Entity	222	R12 074 973,95
	6496	**R147 780 298,86**

6. Creditors age analysis

MP302 Msukaligwa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M11 May

Description	NT Code	Budget Year 2025/26									Prior year totals for chart (same
R thousands		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	46 367 389	44 645 935		42 844 493	46 194 593	47 446 128	973 267 126	-	**1 604 952 000**	712 604
Bulk Water	0200	19 050 434	-	-	6 792 663	-	71 868 349	1 209 089 277	-	**1 288 331 961**	1 120 975
PAYE deductions	0300									-	
(output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	
Trade Creditors	0700	3 094 684	-	1 684 020	1 410 838	2 770 851	758 405	-	-	**9 718 798**	10 550
Auditor General	0800									-	
Other	0900									-	
Medical Aid deductions	0950									-	
Total By Customer Type	**1000**	**68 513**	**44 646**	**1 684**	**51 048**	**48 965**	**120 073**	**2 182 356**	**-**	2 903 003	1 844 129

- The total amount owed to creditors as per the age analysis at 31 May 2026 amounts to **R2,903 billion** with top creditors being DWS, Eskom.

Eskom Debt

An amount owed in a Month ending **31 May 2026** amounted to **R 1 604 billion.**

Maukaligwa Local Municipality
2025/2026
Bulk Purchases Recon - Electricity Accounts

Account No.	Month	Date	Tax invoice No.	Amount Excl.	VAT	Adjustment	Interest	Current billing	Arrears	Total Due	Payments	CLOSING BALANCE
			Opening balance	886 281 031.40								
6486432681	July	15-Jul-25	648374582187	58 775 637.94	8 816 345.70	-	6 309 512.41	73 901 496.05	886 281 031.00	960 182 527.05	62 498 119.48	897 684 407.97
6486432681	Aug	19-Aug-25	648938123758	58 495 352.54	8 410 499.13	- 2 425 358.32	6 865 858.27	71 346 351.62	897 684 407.97	969 030 759.59	5 773 327.46	963 257 432.13
6486432681	Sept	18-Sept-25	648531914726	41 257 502.72	6 188 625.41	-	5 940 009.51	53 386 137.64	963 257 432.13	963 257 432.13	-	1 016 643 569.77
6486432681	Oct	17-Oct-25	648852668561	32 701 259.21	4 912 861.38	51 150.00	8 588 144.12	46 253 414.71	1 016 643 569.76	1 016 643 569.76	9 098 535.28	1 053 798 449.19
6486432681	Nov	19-Nov-25	648814643177	31 416 563.62	4 712 484.54	-	6 715 444.73	42 844 492.89	1 053 798 449.49	1 096 642 942.38	957 710.28	1 095 685 232.10
6486432681	Dec	19-Dec-25	648234019990	32 050 652.43	4 807 597.87	-	7 787 684.68	44 645 934.98	1 095 685 232.10	1 140 331 167.08	41 027 246.47	1 099 303 920.61
6486432681	Jan	21-Jan-26	648677651638	28 457 013.74	4 268 552.06	-	9 394 998.43	42 120 564.23	1 099 303 920.61	1 141 424 484.84	-	1 141 424 484.84
6486432681	Feb	19-Feb-26	648061878558	29 446 878.33	4 417 031.71	-	7 403 549.73	41 267 459.77	1 141 424 484.84	1 182 691 944.61	21 249 521.91	1 161 442 422.70
6486432681	Mar	20-Mar-26	648131032462	28 513 310.26	4 276 996.54	-	8 035 688.97	40 825 995.77	1 161 442 422.74	1 202 268 418.51	-	1 202 268 418.51
6486432681	Apr	18-Apr-26	648696578478	30 841 288.00	4 626 193.21	-	9 046 029.97	44 513 511.18	1 202 268 418.51	1 246 781 929.69	31 178 882.74	1 215 603 046.95
6486432681	May	17-May-26				-		-		-	-	-
6486432681	June	20-Jun-26				-		-		-		-
			648815929549	371 955 458.79	55 437 187.55	- 2 374 208.32	76 086 920.82	501 105 358.84	10 517 789 369.15	9 672 473 245.95	171 783 343.62	

Account No.	Month	Date	Tax invoice No.	Amount Excl.	VAT	Adjustment	Interest	Current billing	Arrears	Total Due	Payments	Closing balance
			Opening balance	1 907 339.28								1 907 339.28
9657898907	July	18-Jul-25	965567710756	1 936 192.33	290 428.85	-	-	2 226 621.18	1 907 339.28	4 133 960.46	1 907 339.28	2 226 621.18
9657898907	Aug	21-Aug-25	965002971234	1 781 100.49	267 165.07	-	-	2 048 265.56	2 226 621.18	4 274 886.74	2 226 621.18	2 048 265.56
9657898907	Sept	20-Sept-25	96585399089	1 206 291.08	180 943.00	-		1 387 234.08	2 048 265.56	3 435 499.64	2 048 265.56	1 387 234.08
9657898907	Oct	23-Oct-25	965389576847	961 270.11	144 190.52	-	-	1 105 460.63	1 387 234.74	2 492 695.37	-	2 492 695.37
9657898907	Nov	20-Nov-25	965975859187	923 004.01	138 450.60	-	-	1 061 454.61	2 492 695.37	3 554 149.98	2 492 695.37	1 061 454.61
7898907	Dec	19-Dec-25	9657898907	854 566.59	128 184.99	-	-	982 751.58	1 061 454.61	2 044 206.19	-	2 044 206.19
7898907	Jan	23-Jan-26	96542885407	744 661.43	111 699.21	-		856 360.64	2 044 206.19	2 900 566.83	2 044 206.04	856 360.79
9657898907	Feb	19-Feb-26	965594692999	732 359.31	109 853.90	-		842 213.21	856 360.64	1 698 573.85	856 360.64	842 213.21
9657898907	Mar	20-Mar-26	965234977949	784 638.00	117 695.70	-		902 333.70	842 213.21	1 744 546.91	-	1 744 546.91
9657898907	Apr	23-Apr-26	965110043404	817 395.41	122 609.31			940 004.72	1 744 546.91	2 684 551.63	842 213.21	1 842 338.42
9657898907	May	21-May-26				-		-		-	-	-
9657898907	June	03-Jun-26				-	-	-		-		-
				10 741 478.76	1 611 221.15	-	-	12 352 699.91	16 610 937.69	28 963 637.60	12 417 701.28	

Account No.	Month	Date	Tax invoice No.	Amount Excl.	VAT	Adjustment	Interest	Current billing	Arrears	Total Due	Payments	
			Opening balance	2 424 701.51								2 424 701.51
9010981110	July	19-Jul-25	901545365570	2 719 399.08	407 909.86	-	-	3 127 308.94	2 414 701.51	5 542 010.45	2 414 701.51	3 137 308.94
9010981110	Aug	22-Aug-25	901626746074	2 778 302.28	416 745.34	-		3 195 047.62	3 127 308.94	6 322 356.56	3 127 308.94	3 195 047.62
9010981110	Sept	19-Sept-25	901197867984	1 991 311.10	298 696.67	-		2 290 007.77	3 195 047.62	5 485 055.39	3 195 047.62	2 290 007.77
9010981110	Oct	19-Oct-25	901709562079	1 593 061.03	238 959.15	-	-	1 832 020.18	2 290 007.77	4 122 027.95	2 290 007.77	1 832 020.18
9010981110	Nov	19-Nov-25	901087975115	1 657 305.08	248 595.76	-	-	1 905 900.84	1 832 020.18	3 737 921.02	1 832 020.18	1 905 900.84
9010981110	Dec	02-Dec-25	901336358574	1 454 932.73	218 239.91	-	-	1 673 172.64	1 905 900.84	3 579 073.48	1 905 900.84	1 673 172.64
9010981110	Jan	23-Jan-26	901800946752	1 331 723.71	199 758.56	-		1 531 482.27	1 673 172.64	3 204 654.91	1 673 172.64	1 531 482.27
9010981110	Feb	23-Feb-26	901733911325	1 228 470.33	496 783.85	2 083 422.00		3 808 676.18	1 531 482.27	5 340 158.45	1 531 482.27	3 808 676.18
9010981110	Mar	19-Mar-26	901615384696	1 208 289.12	181 243.37	-		1 389 532.49	3 808 676.18	5 198 208.67	-	5 198 208.67
9010981110	Apr	23-Apr-26	901088172041	1 395 610.72	209 341.61	-	-	1 604 952.33	5 198 208.67	6 803 161.00	5 198 208.67	1 604 952.33
9010981110	May	21-May-26				-	-	-		-		1 604 952.33
9010981110	June	19-Jun-26				-	-	-		-		1 604 952.33
				17 358 405.18	2 916 274.08		-	22 358 101.26	26 976 526.62	42 531 466.88	23 167 850.44	

Account No.	Month	Date	Tax invoice No.	Amount Excl.	VAT	Adjustment	Interest	Current billing	Arrears	Total Due	Payments	
			Opening balance	3 562 637.65								3562637.65
1001579	July	19-Jul-25	834826163397	3 580 576.55	537 086.48	-	-	4 117 663.03	3 562 637.65	7 680 300.68	3 562 537.65	4 117 763.03
1001579	Aug	20-Aug-25	834930994433	3 753 303.62	562 995.54	-	-	4 316 299.16	4 117 663.03	8 433 962.19	4 117 663.03	4 316 299.16
8341001579	Sept	19-Sept-25	834286707310	2 654 932.50	398 239.88	-	-	3 053 172.38	4 316 299.16	7 369 471.54	4 316 299.16	3 053 172.38
8341001579	Oct	19-Oct-25	834985821436	2 304 280.07	345 642.01	-	-	2 649 922.08	3 053 172.38	5 703 094.46	3 053 172.38	2 649 922.08
8341001579	Nov	19-Nov-25	834633110773	2 426 864.96	364 029.75	-	-	2 790 894.73	2 649 922.08	5 440 816.81	2 649 922.08	2 790 894.73
8341001579	Dec	02-Dec-25	834737897917	2 225 146.49	333 771.97	-	-	2 558 918.46	2 790 894.73	5 349 813.19	2 790 894.73	2 558 918.46
8341001579	Jan	23-Jan-26	834010279125	1 968 281.30	295 242.20	-		2 263 523.50	2 558 918.46	4 822 441.96	2 558 918.46	2 263 523.50
8341001579	Feb	19-Feb-26	834139869608	1 863 005.19	580 901.26	2 009 670.00		4 453 576.45	2 263 523.50	6 717 099.95	2 263 523.50	4 453 576.45
8341001579	Mar	03-Mar-26	834765983455	1 877 072.26	281 560.84	-		2 158 633.10	4 453 576.47	6 612 209.57	-	6 612 209.57
8341001579	Apr	03-Apr-26	834753715853	2 164 754.30	324 713.15	-		2 489 467.45	6 612 209.57	9 101 677.02	6 612 209.57	2 489 467.45
8341001579	May	21-May-26				-	-	-		-		-
8341001579	June	19-Jun-26				-	-	-		-		-
				24 818 217.26	4 024 183.08	2 009 670.00	-	30 852 070.34	36 378 817.03	67 230 887.37	31 925 140.56	

Account No.	Month	Date	Tax invoice No.	Amount Excl.	VAT	Adjustment	Interest	Current billing	Arrears	Total Due	Payments	
			Opening balance	1 666 304.01								1 666 304.01
7296044246	July	20-Jul-25	729968324050	1 821 559.88	273 233.98	-	-	2 094 793.86	1 666 304.01	3 761 097.87	1 666 304.01	2 094 793.86
7296044246	Aug	22-Aug-25	729196845409	1 826 081.05	273 912.18	-	-	2 099 993.23	2 094 793.86	4 194 787.09	2 094 793.86	2 099 993.23
7296044246	Sept	02-Sept-25	72931199941	1 302 937.16	195 440.57	-	-	1 498 377.73	2 099 993.21	3 598 370.94	2 099 993.21	1 498 377.73
7296044246	Oct	02-Oct-25	729076003302	1 045 793.30	156 869.00	-	-	1 202 662.30	1 498 377.73	2 701 040.03	-	2 701 040.03
7296044246	Nov	03-Nov-25	729589759989	1 040 087.00	156 013.11	-	-	1 196 100.11	2 701 040.03	3 897 140.14	2 701 040.03	1 196 100.11
7296044246	Dec	02-Dec-25	729616927399	992 661.55	148 899.23	-		1 141 560.78	1 196 100.48	2 337 661.26	1 196 100.48	1 141 560.78
7296044246	Jan	21-Jan-26	729121508519	947 627.19	142 144.08	-		1 089 771.27	1 141 560.78	2 231 332.05	1 141 560.78	1 089 771.27
7296044246	Feb	22-Feb-26	834139869608	1 863 005.19	580 901.26	2 009 670.00	-	4 453 576.45	2 263 523.50	6 717 099.95	2 263 523.50	4 453 576.45
7296044246	Mar	03-Mar-26	729504591807	948 603.76	142 290.56	-	-	1 090 894.32	1 121 046.22	2 211 940.54	-	2 211 940.54
7296044246	Apr	03-Apr-26	729336987723	1 012 337.20	151 850.58	-	-	1 164 187.78	2 211 940.54	3 376 128.32	1 121 046.22	2 255 082.10
7296044246	May	03-May-26				-	-	-		-		-
7296044246	June	19-Jun-26				-	-	-		-		-
				12 800 693.28	2 221 554.55		-	17 031 917.83	17 994 680.36	35 026 598.19	14 284 362.09	

				437 674 253.27	66 210 420.41		76 086 920.82	583 700 148.18	10 615 750 330.85	9 846 225 835.99	253 578 397.99	1 604 952.33

DWS Debt

As at **31 May 2026**, the municipality owes Department of Water and Sanitation an amount of **R 1,288 billion.**

	Client:	Msukaligwa Local Municipality		Prepared by:	Nompumelelo Mashaja
	Year end:	30 June 2026		Date:	06-Jul-26
	Subject:	Bulk Purchases - Water		Reviewed by:	S Nkosi
	Period ending	30 June 2025		Date:	30-Jun-26
				Final Review by:	
				Date:	

DWAF ACCOUNTS MOVEMENTS FOR THE YEAR AS PER INVOICES

ACCOUNTS	opening balance	Amount Excl	VAT Amount	Interest	payments	Adjustment	Creditor
20029265 NRWI	496 490 053.53	-	-	-	-	-	496 490 053.53
20029265 CMA	-	-	-	-	-	-	-
20028765 NRWI	198 876.96	-	-	-	38 875.02	-	237 751.98
20028765 CMA	100 885.98	25 916.67	-	4 845.93	-	-	131 648.58
20031984 NRWI	41 908 196.74	- 54 593 275.93	-	-	-	-	- 12 685 077.19
20031984 CMA	-	-	-	-	-	-	-
20033982 NRWI	336 243 385.67	-	-	-	-	-	336 243 385.67
20033982CMA	-	-	-	-	-	-	-
20037906 NWRI	111 607.71	3 441.60	-	4 998.32	5 162.40	-	125 210.03
20037906 CMA	-	-	-	-	-	-	-
21070010 NWRI	1 554 885.56	-	-	-	-	-	1 554 885.56
21070010 CMA	726.35	186.60	-	34.96	279.90	-	1 227.81
20014912 NRWI	139 334 230.26	-	-	-	-	-	139 334 230.26
20014912 CMA	24 356.99	- 3 343.25	-	1 009.99	-	-	22 023.73
20056412 NWRI	18 568 912.46	1 174 072.00	175 141.20	-	3 732.22	-	19 911 857.88
20056412 CMA	3 732.00	2 488.00	-	167.64	2 023 819.80	-	2 030 207.44
20059491 NRWI	104 074 973.83	10 657 416.00	1 575 254.74	4 768 367.65	89 903.88	- 4 768 367.65	116 397 548.45
20059491 CMA	233 313.02	59 935.92	-	11 206.74	3 058 167.68	- 11 206.74	3 351 416.62
20059482 NRWI	141 998 117.60	15 423 710.48	2 300 819.00	6 572 360.14	8 862 264.74	- 6 572 360.14	168 584 911.82
20059482 CMA	127 232.05	32 684.70	-	6 111.41	49 946.67	- 6 111.41	209 863.42
TOTAL DWS	1 280 963 488.71	- 27 216 767.21	4 051 214.94	11 369 102.78	14 132 152.31	- 11 358 045.94	1 271 941 145.59

7. Table C6 – Statement of Financial Position

MP302 Msukaligwa - Table C6 Monthly Budget Statement - Financial Position - M11 May						
Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		84 668	19 062	43 397	221 238	19 062
Trade and other receivables from exchange transactions		284 165	1 842 268	353 376	212 471	1 842 268
Receivables from non-exchange transactions		111 162	582 864	225 855	369 285	582 864
Current portion of non-current receivables		–	–	–	–	–
Inventory		17 193	31 775	19 310	85 471	31 775
VAT		572 860	1 034 526	689 378	694 714	1 034 526
Other current assets		1 213 944	10 810	–	1 215 098	10 810
Total current assets		**2 283 991**	**3 521 306**	**1 331 316**	**2 798 278**	**3 521 306**
Non current assets						
Investments		–	–	–	–	–
Investment property		172 104	164 639	172 104	172 104	164 639
Property, plant and equipment		2 748 771	8 118 005	2 865 894	2 909 956	8 118 005
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		175	175	175	175	175
Intangible assets		5	268	5	5	268
Trade and other receivables from exchange transactions		–	–	–	(211)	–
Non-current receivables from non-exchange transactions		–	–	–	37	–
Other non-current assets		–	–	–	–	–
Total non current assets		**2 921 055**	**8 283 087**	**3 038 179**	**3 082 066**	**8 283 087**
TOTAL ASSETS		**5 205 046**	**11 804 393**	**4 369 495**	**5 880 344**	**11 804 393**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	–	–	–	–
Consumer deposits		48 174	21 660	10 914	48 174	21 660
Trade and other payables from exchange transactions		3 466 887	2 027 228	1 540 779	3 895 707	2 027 228
Trade and other payables from non-exchange transactions		10 914	811 216	–	232 079	811 216
Provision		67 893	70 946	5 129	67 893	70 946
VAT		679 536	445 717	730 901	774 549	445 717
Other current liabilities		–	–	–	–	–
Total current liabilities		**4 273 404**	**3 376 767**	**2 287 723**	**5 018 402**	**3 376 767**
Non current liabilities						
Financial liabilities		2 948	3 905	3 206	2 948	3 905
Provision		62 292	67 772	62 292	62 292	67 772
Long term portion of trade payables		–	–	1 288 332	–	–
Other non-current liabilities		9 745	9 745	78 897	9 745	9 745
Total non current liabilities		**74 984**	**81 422**	**1 432 727**	**74 984**	**81 422**
TOTAL LIABILITIES		**4 348 388**	**3 458 189**	**3 720 449**	**5 093 387**	**3 458 189**
NET ASSETS	2	**856 658**	**8 346 204**	**649 045**	**786 957**	**8 346 204**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		948 721	8 346 204	649 045	879 020	8 346 204
Reserves and funds		(92 063)	–	–	(92 063)	–
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	**856 658**	**8 346 204**	**649 045**	**786 957**	**8 346 204**

8. Investment Portfolio analysis

MP302 Msukaligwa - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M11 May

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
Municipality														
														-
														-
														-
														-
														-
														-
Municipality sub-total										-		-	-	-
Entities														
														-
														-
														-
														-
														-
														-
sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									-		-	-	-

The municipality does not have long-term investments

9. Allocation and Grant Receipts

The Municipality did not receive any grants as at 31 May 2026

Grants received 2025-26														
	Votes	Jul-25	Aug-25	Sept-25	Oct-24	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Received to date
MIG	3704761022027777777WA	35 451 000.00			14 340 000.00		8 000 000.00			5 790 000.00				63 581 000.00
RBIG	3104763072027777777WM		15 000 000.00			30 000 000.00	-			55 000 000.00				100 000 000.00
EEDSM	3201763012027777777WM		1 600 000.00			800 000.00	-		1 600 000.00	1 000 000.00				5 000 000.00
MDRG	3501761132027777777WM						-							-
WSIG	3112761092027777777WA	15 000 000.00			20 000 000.00		-			10 000 000.00				45 000 000.00
INEP	3201761012027777777WA	1 210 000.00					538 000.00			1 943 000.00				3 691 000.00
TOTAL CAPITAL		51 661 000.00	16 600 000.00	-	34 340 000.00	30 800 000.00	8 538 000.00	-	1 600 000.00	73 733 000.00	-			217 272 000.00
M	3704763092027777777WA	740 519.72			137 029.26			136 587.22		195 551.72				1 209 687.92
EPWP	3606763022027777777WM		483 000.00				869 000.00							1 352 000.00
Equitable share	3606117910QEQZZZZZHC	119 161 000.00					95 329 000.00			71 496 000.00				285 986 000.00
FMG	3704763042027777777WM		3 800 000.00				-							3 800 000.00
Total Operational		119 901 519.72	4 283 000.00	-	-	-	96 198 000.00	-	-	71 496 000.00	-			291 878 519.72
Total grant receipts		171 562 519.72	20 883 000.00	-	34 340 000.00	30 800 000.00	104 736 000.00	-	1 600 000.00	145 229 000.00	-			509 150 519.72

10. Remuneration of Councilor section 56/57 and Officials

EMPLOYEE COST FINANCIAL IMPLICATION

- The expense in salaries amounts to **R 31,948 million** for the month ending 31 May 2026,
- Total salary cost in respect of the month ending 31 May 2026 is summarized per salary company as in the table below:

MP302 Msukaligwa - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M11 May										
		2024/25	Budget Year 2025/26							
Summary of Employee and Councillor remuneration	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		12 885	11 784	12 275	2 268	13 780	11 252	2 528	22%	11 784
Pension and UIF Contributions		1 914	1 915	1 827	318	1 971	1 675	296	18%	1 915
Medical Aid Contributions		178	346	238	35	240	218	22	10%	346
Motor Vehicle Allowance		–	–	194	434	2 570	178	2 392	1342%	–
Cellphone Allowance		1 607	2 019	2 117	274	1 742	1 941	(198)	-10%	2 019
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		2 708	4 494	2 869	–	250	2 630	(2 380)	-90%	4 494
Sub Total - Councillors		19 293	20 559	19 521	3 328	20 553	17 894	2 659	15%	20 559
% increase	4		6.6%	1.2%						6.6%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		6 131	6 828	6 828	–	4 223	6 259	(2 036)	-33%	6 828
Pension and UIF Contributions		1 020	1 154	1 154	–	643	1 058	(415)	-39%	1 154
Medical Aid Contributions		277	153	153	–	215	140	75	53%	153
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		–	43	105	–	–	96	(96)	-100%	43
Motor Vehicle Allowance		1 580	982	982	–	1 197	901	296	33%	982
Cellphone Allowance		166	108	195	–	128	179	(51)	-28%	108
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		6	–	–	–	–	–	–		–
Payments in lieu of leave		121	–	–	–	–	–	–		–
Long service awards		15	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		76	25	25	–	17	23	(7)	-28%	25
In kind benefits		10	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		9 403	9 294	9 443	–	6 423	8 656	(2 233)	-26%	9 294
% increase	4		-1.2%	0.4%						-1.2%
Other Municipal Staff										
Basic Salaries and Wages		174 427	203 408	215 835	17 536	54 633	197 849	(143 215)	-72%	203 408
Pension and UIF Contributions		38 398	39 369	41 774	3 748	11 275	38 293	(27 018)	-71%	39 369
Medical Aid Contributions		14 503	15 620	16 574	1 401	4 209	15 193	(10 983)	-72%	15 620
Overtime		30 553	17 494	18 562	2 562	7 381	17 015	(9 634)	-57%	17 494
Performance Bonus		14 321	14 684	15 581	1 589	4 348	14 283	(9 934)	-70%	14 684
Motor Vehicle Allowance		11 233	13 785	14 627	917	2 860	13 408	(10 548)	-79%	13 785
Cellphone Allowance		1 164	774	822	106	320	753	(433)	-57%	774
Housing Allowances		579	988	1 049	57	172	961	(789)	-82%	988
Other benefits and allowances		13 953	7 114	7 549	1 141	3 731	6 920	(3 189)	-46%	7 114
Payments in lieu of leave		1 313	1 259	1 336	70	191	1 225	(1 034)	-84%	1 259
Long service awards		2 380	3 513	3 728	454	1 010	3 417	(2 408)	-70%	3 513
Post-retirement benefit obligations	2	(3 498)	3 081	3 269	(103)	18 786	2 996	15 789	527%	3 081
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		1 160	2 156	2 904	–	95	2 662	(2 566)	-96%	2 156
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		300 484	323 245	343 608	29 476	109 011	314 974	(205 963)	-65%	323 245
% increase	4		7.6%	14.4%						7.6%
Total Parent Municipality		329 180	353 097	372 572	31 949	135 987	341 525	(205 537)	-60%	353 097

11. Municipal ratios

MP302 Msukaligwa - Supporting Table SC2 Monthly Budget Statement - performance indicators - M11 May							
Description of financial indicator	Basis of calculation	Ref	2024/25	Budget Year 2025/26			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating		7.4%	10.9%	14.8%	17.3%	3.1%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		407.5%	34.2%	250.0%	526.1%	34.2%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	53.4%	104.3%	58.2%	55.8%	104.3%
Liquidity Ratio	Monetary Assets/Current Liabilities		2.0%	0.6%	1.9%	4.4%	0.6%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual		142.8%	0.0%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units	2					
Employee costs	Employee costs/Total Revenue - capital revenue		27.5%	25.1%	28.0%	10.1%	25.1%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		1.0%	1.2%	0.9%	0.2%	1.2%
Interest & Depreciation	I&D/Total Revenue - capital revenue		21.4%	11.3%	19.6%	18.3%	3.2%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within						
O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

- The municipality is experiencing significant liquidity challenges, evidenced by a **current ratio of 87%** and a **liquidity ratio of 2.05%.**

- While employee-related expenses remain largely within acceptable parameters, the municipality's dependence on short-term creditors and inadequately backed cash reserves poses a substantial risk to its financial sustainability. Therefore, management actions aimed at enhancing cash flow, improving debtor recovery, and ensuring compliance with MFMA payment obligations are essential.

- The municipality has just met its short-term obligations, by showing an improvement on paying its creditors within prescribe time current liabilities.

- Outstanding Debtors are higher than annual revenue, which is concerning of non-payment of municipal accounts and has a negative impact which affects cashflows and service delivery.

12. Capital Programme Performance

Overview

- The **total revised grant allocation** is **R 232 million**, of which **R 231 million** has been received to date.
- **Total expenditure** amounts to **R 215 million**, representing **94%** spending against the total. See table below:

CAPITAL GRANTS SPENDING

TYPE of GRANTS	Original allocation	Adjusted allocation /Roll Over	Adjustment	Revised Allocation	Received to date	Spent to date	Remaining on budget	Remaining on amount received	Spending% Against allocation	spending% against Receipts
MIG	R 63 581 000.00	R 0.00	R 0.00	R 63 581 000.00	R 63 581 000.00	R 56 517 938.05	R 7 063 061.95	R 7 063 061.95	89%	89%
EEDSM	R 4 000 000.00	R 0.00	R 1 000 000.00	R 5 000 000.00	R 5 000 000.00	R 3 871 857.46	R 1 128 142.54	R 1 128 142.54	77%	77%
WSIG	R 45 000 000.00	R 0.00	R 0.00	R 45 000 000.00	R 45 000 000.00	R 43 578 218.91	R 1 421 781.09	R 1 421 781.09	97%	97%
RBIG	R 50 000 000.00	R 0.00	R 50 000 000.00	R 100 000 000.00	R 100 000 000.00	R 93 265 116.56	R 6 734 883.44	R 6 734 883.44	93%	93%
INEP	R 2 691 000.00	R 0.00	R 1 000 000.00	R 3 691 000.00	R 3 691 000.00	R 3 200 375.95	R 490 624.05	R 490 624.05	87%	87%
MDRG	R 0.00	R 9 140 508.65	R 0.00	R 9 140 508.65	R 9 140 508.65	R 9 140 508.65	R 0.00	R 0.00	100%	100%
	R 165 272 000.00	**R 9 140 508.65**	**R 0.00**	**R 226 412 508.65**	**R 226 412 508.65**	**R 209 574 015.59**	**R 16 838 493.06**	**R 16 838 493.06**	**92.56%**	**92.56%**

OPERATIONAL GRANTS SPENDING

TYPE of GRANTS	Original allocation	Roll Over	Adjustment	Revised Allocation	Received to date	Spent to date	Remaining on budget	Remaining on amount received	Spending% Against allocation	spending% against Receipts
FMG	R 3 800 000.00	R 828 203.33	R 0.00	R 4 628 203.33	R 3 800 000.00	R 2 728 290.23	R 1 899 913.10	R 1 071 709.77	59%	72%
EPWP	R 1 930 000.00	R 0.00	R 0.00	R 1 930 000.00	R 1 352 000.00	R 2 822 669.34	-R 892 669.34	-R 1 470 669.34	146%	209%
	R 5 730 000.00	**R 828 203.33**	**R 0.00**	**R 6 558 203.33**	**R 5 152 000.00**	**R 5 550 959.57**	**R 1 007 243.76**	**-R 398 959.57**	**84.64%**	**108%**

Performance per Grant

Capital grants

- **RBIG** spending as at 31 May 2026 is at **93%.**
- **EEDSM** spending as at 31 May 2026 is at **77%.**
- **MDRG** grants show strong spending performance, each above **100%** of their allocations.
- **MIG spending** stands at **89%**, indicating moderate progress but requiring continued monitoring to ensure full utilization by year-end.
- **WSIG** has the lowest spending performance at **97%**, which may present a risk of under-expenditure if implementation is not accelerated.
- **INEP** expenditure is currently at **87%** of the receipts to date.

Operational Grants

- The **total revised allocation for operational grants** is **R 6,558 million**, which includes a **roll-over of R828,203.33**.
- **R 5,152 million has been received** to date, and **R 5,550 million has been spent**.

Grant Performance

- **Financial Management Grant (FMG):** Spending stands at **59% of the allocation** and **72% of funds received**, indicating moderate progress with **R1.899 million remaining in the budget**.
- **Expanded Public Works Programme (EPWP):** Spending is **146% of the allocation** and **100% of funds received**.

13. Other supporting documents
Indigent Household Information

National Treasury
Municipal Debt Relief
MFMA Circular No. 124
Municipal Finance Management Act No. 56 of 2003

Municipal Debt Relief - Monthly Reporting - Indigent Households Information (MFMA Circular 124 (Condition 6.6))
Instruction - complete only with information of the current households registered as indigent with the municipality (Do NOT include the information of all households unless explicitly stated otherwise)

Description	Ref	As Per Debt Relief Application	Current Year - 2025/2026			2025/2026 - Monthly Monitoring											
		Baseline	Adopted Budget	Adjusted Budget	Full Year Forecast	M01	M02	M03	M04	M05	M06	M07	M08	M09	M10	M11	M12
Indigent Household service targets	1																
Water: *(Include All Indigent households also in Eskom supplied areas)*																	
Indigent HH's with piped water inside dwelling			11 000		11 000	3 052	3 370	3 392	3 351	3 473	3 390	3 410	3 361	3 456	3 340	3 369	
Indigent HH's with piped water inside yard (but not in dwelling)																	
Indigent HH's using public tap (at least min service level)	2																
Indigent HH's with other water supply (at least min service level)	4																
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total		-	11 000	-	11 000	3 052	3 370	3 392	3 351	3 473	3 390	3 410	3 361	3 456	3 340	3 369	-
Indigent HH's using public tap (< min service level)	3																
Indigent HH's with other water supply (< min service level)	4																
Indigent HH's with No water supply																	
Total no. of Indigent HH's receiving - Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total number of registered indigent households	5	-	11 000	-	11 000	3 052	3 370	3 392	3 351	3 473	3 390	3 410	3 361	3 456	3 340	3 369	-
Status of Water meters																	
Number of Indigent HH's with prepaid Water						-	-	-	-	-	-	-	-	-	-	-	
Number of Indigent HH's with conventional metered Water						3 052	3 370	3 392	3 351	3 473	3 390	3 410	3 361	3 456	3 340	3 369	-
Number of Indigent HH's NOT metered currently - Water						-	-	-	-	-	-	-	-	-	-	-	
Number of Indigent HH's with NO Water supply - No metering		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total number of registered indigent households	10	-	-	-	-	3 052	3 370	3 392	3 351	3 473	3 390	3 410	3 361	3 456	3 340	3 369	-
Status of unlimited supply of Water																	
Number of Indigent HH's with conventional metered Water - where the municipality is NOT *physically restricting Water to the national free basic limit of 6 kilolitres per household per month*																	
Number of Indigent HH's NOT metered currently receiving unlimited supply - Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total number of registered indigent households receiving unlimited supply - Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of the Total Number of registered indigent households receiving unlimited supply - State the Number of HH's billed for consumption above the 6 kilolitres	11																
Energy: *(Include All Indigent households also in Eskom supplied areas)*																	
Indigent HH's with Electricity (at least min service level)																	
Indigent HH's with Electricity - prepaid (min service level)																	
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Indigent HH's with Electricity (< min service level)																	
Indigent HH's with Electricity - prepaid (< min service level)																	
Indigent HH's with other energy sources																	
Total no. of Indigent HH's receiving - Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total number of registered indigent households	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Status of Electricity meters																	
Number of Indigent HH's with prepaid Electricity			5 460			3 052	3 370	3 392	3 351	3 473	3 390	3 410	3 361	3 456	3 340	3 369	-
Number of Indigent HH's with conventional metered Electricity						-	-	-	-	-	-	-	-	-	-	-	-
Number of Indigent HH's NOT metered currently - Electricity						-	-	-	-	-	-	-	-	-	-	-	-
Number of Indigent HH's with other energy sources - No metering		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total number of registered indigent households	12	-	5 460	-	-	3 052	3 370	3 392	3 351	3 473	3 390	3 410	3 361	3 456	3 340	3 369	-
Status of unlimited supply of Electricity																	
Number of Indigent HH's with conventional metered Electricity - where the municipality is NOT *physically restricting Electricity to the national free basic limit of 50kwh per household per month*																	
Number of Indigent HH's NOT metered currently receiving unlimited supply - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total number of registered indigent households receiving unlimited supply - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of the Total Number of registered indigent households receiving unlimited supply of Electricity - State the Number of HH's billed for consumption above the 50 kwh	13																
Number of ALL Households receiving Free Basic Service (including registered Indigent Households)	7																
Water (6 kilolitres per household per month)						3 052	3 370	3 392	3 351	3 473	3 390	3 410	3 361	3 456	3 340	3 369	-
Electricity/other energy (50kwh per household per month)						3 052	3 370	3 392	3 351	3 473	3 390	3 410	3 361	3 456	3 340	3 369	-
Cost of Free Basic Services provided to ALL Households in - Formal Settlements (R'000)																	
Water (6 kilolitres per household per month)						73	73	73	73	73	73	73	73	73	73	73	
Electricity/other energy (50kwh per household per month)						88	88	88	88	88	88	88	88	88	88	88	
Cost of Free Basic Services provided to ALL Households in - Informal Formal Settlements (R'000)																	
Water (6 kilolitres per household per month)																	
Electricity/other energy (50kwh per household per month)																	
Total cost of FBS Water and Electricity provided to ALL Households	8	-	-	-	-	161	161	161	161	161	161	161	161	161	161	161	-
Highest level of free service provided per household (ALL Households)																	
Property rates (R value threshold)																	
Water (kilolitres per household per month)			1 407 057			73	73	73	73	73	73	73	73	73	73	73	
Sanitation (kilolitres per household per month)			3 220 611			80	80	80	80	80	80	80	80	80	80	80	
Sanitation (Rand per household per month)			3 220 611			97	97	97	97	97	97	97	97	97	97	97	
Electricity (kwh per household per month)			5 460			88	88	88	88	88	88	88	88	88	88	88	
Refuse (average litres per week)			3 426 737			162	162	162	162	162	162	162	162	162	162	162	
Revenue cost of subsidised services provided for ALL Households (R'000)	9																
Residential Category - Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)	14(a)																
PSI Category - Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)	14(b)																
Additional Subsidies: Property rates exemptions, reductions and rebates in excess of section 17 of MPRA)																	
Water (in excess of 6 kilolitres per indigent household per month)	15																
Sanitation (in excess of free sanitation service to indigent households)	16																
Electricity/other energy (in excess of 50 kwh per indigent household per month)																	
Refuse (in excess of one removal a week for indigent households)																	
Municipal Housing - rental rebates																	
Housing - top structure subsidies	6																
Other																	
Total revenue cost of subsidised services provided		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Annexure A: C-schedules

Table C3 – Unauthorized Expenditure

The table below depicts all departments spent within their allocated budgets as at 31 May 2026.

MP302 Msukaligwa - Table C3 Monthly Budget Statement - Unauthorised Expenditure M11 May											
Vote Description	Ref	2024/25	Budget Year 2025/26								
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
Expenditure by Vote	1										
Vote 1 - Executive and Council		88 416	81 774	87 649	10 425	55 209	80 345	(25 136)	-31.3%	81 774	Savings
Vote 2 - Finance & Administration		175 077	186 916	206 994	25 328	122 243	189 745	(67 502)	-35.6%	186 916	Savings
Vote 3 - [NAME OF VOTE 3]		-	-	-	-	-	-	-		-	Savings
Vote 4 - Sports and Recreation		3 585	13 326	13 424	240	790	12 305	(11 515)	-93.6%	13 326	Savings
Vote 5 - Public Safety		34 078	44 997	46 075	2 485	12 039	41 784	(29 745)	-71.2%	44 997	Savings
Vote 6 - Housing		4 275	5 185	5 500	426	1 326	5 042	(3 716)	-73.7%	5 185	Savings
Vote 7 - Health		-	12	12	-	-	11	(11)	-100.0%	12	Savings
Vote 8 - Planning and Economic Development		14 212	8 367	9 443	2 230	7 331	8 656	(1 326)	-15.3%	8 367	Savings
Vote 9 - Community and Social Services		80 153	55 918	50 135	3 843	16 715	45 957	(29 242)	-63.6%	55 918	Savings
Vote 10 - Electricity		666 701	565 506	800 089	107 679	655 979	733 415	(77 437)	-10.6%	565 506	Savings
Vote 11 - Water Management		282 070	122 367	146 160	4 796	250 731	133 980	116 751	87.1%	122 367	Savings
Vote 12 - Waste Water Management		38 719	129 610	129 600	2 847	19 395	118 800	(99 404)	-83.7%	129 610	Savings
Vote 13 - Waste Management		71 598	41 085	44 075	2 780	9 954	40 402	(30 448)	-75.4%	41 085	Savings
Vote 14 - Road Transport		89 430	75 303	86 293	2 245	18 837	79 102	(60 264)	-76.2%	75 303	Savings
Vote 15 - Other		16	-	-	-	-	-	-		-	Savings
Total Expenditure by Vote	2	1 548 331	1 330 367	1 625 450	165 325	1 170 551	1 489 545	(318 994)	-21.4%	1 330 367	
Surplus/ (Deficit) for the year	2	(179 570)	157 986	(149 021)	(78 349)	(30 856)	(135 699)	104 843	-77.3%	157 986	

14. Annexure B: Compliance with the conditions for Municipal Debt Relief

15.1 MFMA Circular 124 – Condition 6.3 (Maintaining the Eskom bulk current account) and Condition 6.12 (Proper Management of Resources)

- The Eskom invoices reflect a billed amount of **R 44 513 511.18** for May 2026 payments made Resale accounts anounted to **R6,198 million**.

RESALE ACCOUNT FOR APRIL 2026 PAID IN MAY 2026

ACCOUNT NAME	ACCOUNT NUMBER	TOTAL BILLING	VAT AMOUNT	INTEREST	TOTAL DUE	TOTAL AMOUNT	PAYMENT DATE	DUE DATE
BREYTEN KWAZANENELE	8341001579	2 164 754.30	324 713.15	-	2 489 467.45	2 489 467.45	2026/05/18	2026/05/23
LOTHAIR	7296044246	1 012 337.20	151 850.58	-	1 164 187.78	1 164 187.78	2026/05/18	2026/05/20
DAVEL KWADELA	9657898907	817 395.41	122 609.31		940 004.72	940 004.72	2026/05/18	2026/05/20
BREYTEN TOWN	9010981110	1 395 610.72	209 341.61		1 604 952.33	1 604 952.33	2026/05/18	2026/05/22
ERMELO	6486432681	30 841 288.00	4 626 193.21	9 046 029.97	44513511.18	44513511.18		
TOTAL AMOUNT PAID					**50 712 123.45**	**50 712 123.45**		

Maukaligwa Local Municipality
2025/2026
Bulk Purchases Recon - Electricity Accounts

Account No.	Month	Date	Tax invoice No.	Amount Excl.	VAT	Adjustment	Interest	Current billing	Arrears	Total Due	Payments	CLOSING BALANCE
			Opening balance	886 281 031.40								
6486432681	July	18-Jul-25	648374582187	58 775 637.94	8 816 345.70	-	6 309 512.41	73 901 496.05	886 281 031.00	960 182 527.05	62 498 119.48	897 684 407.97
6486432681	Aug	19-Aug-25	648938123758	58 495 352.54	8 410 499.13	- 2 425 356.32	6 885 858.27	71 346 351.62	897 684 407.97	969 030 759.59	5 773 327.46	963 257 432.13
6486432681	Sept	18-Sept-25	648531914726	41 257 502.72	6 188 625.41	-	5 940 009.51	53 386 137.64	963 257 432.13	963 257 432.13	-	1 016 643 569.77
6486432681	Oct	17-Oct-25	648852668561	32 701 259.21	4 912 861.38	51 150.00	8 588 144.12	46 253 414.71	1 016 643 569.76	1 016 643 569.76	9 098 535.28	1 053 798 449.19
6486432681	Nov	19-Nov-25	648814643177	31 416 583.62	4 712 484.54	-	6 715 444.73	42 844 492.89	1 053 798 449.49	1 096 642 942.38	957 710.28	1 095 885 232.10
6486432681	Dec	19-Dec-25	648234019990	32 050 652.43	4 807 597.87	-	7 787 884.66	44 645 934.96	1 095 685 232.10	1 140 331 167.08	41 027 246.47	1 099 303 920.61
6486432681	Jan	21-Jan-26	648677651639	28 457 013.74	4 268 552.06	-	9 394 998.43	42 120 564.23	1 099 303 920.61	1 141 424 484.84	-	1 141 424 484.84
6486432681	Feb	19-Feb-26	648061878558	29 446 878.33	4 417 031.71	-	7 403 549.73	41 267 459.77	1 141 424 484.84	1 182 691 944.61	21 249 521.91	1 161 442 422.70
6486432681	Mar	20-Mar-26	648131032462	28 513 310.26	4 276 996.54	-	8 035 668.97	40 825 995.77	1 161 442 422.74	1 202 268 418.51	-	1 202 268 418.51
6486432681	Apr	18-Apr-26	648696578478	30 841 288.00	4 626 193.21	-	9 046 029.97	44 513 511.18	1 202 268 418.51	1 246 781 929.69	31 178 882.74	1 215 603 046.95
6486432681	May	17-May-26				-		-		-	-	-
6486432681	June	20-Jun-26				-		-		-		-
			648815929549	371 955 458.79	55 437 187.55	- 2 374 298.32	76 086 920.82	501 105 358.84	10 517 789 369.15	9 672 473 245.95	171 783 343.62	

Account No.	Month	Date	Tax invoice No.	Amount Excl.	VAT	Adjustment	Interest	Current billing	Arrears	Total Due	Payments	Closing balance
			Opening balance	1 907 339.28								1 907 339.28
9657898907	July	18-Jul-25	965567710756	1 936 192.33	290 428.85	-	-	2 226 621.18	1 907 339.28	4 133 960.46	1 907 339.28	2 226 621.18
9657898907	Aug	21-Aug-25	965002971234	1 781 100.49	267 165.07	-	-	2 048 265.56	2 226 621.18	4 274 886.74	2 226 621.18	2 048 265.56
9657898907	Sept	20-Sept-25	96585399089	1 206 291.08	180 943.00	-	-	1 387 234.08	2 048 265.56	3 435 499.64	2 048 265.56	1 387 234.08
9657898907	Oct	23-Oct-25	965389676847	961 270.11	144 190.52	-	-	1 105 460.63	1 387 234.74	2 492 695.37	-	2 492 695.37
9657898907	Nov	20-Nov-25	965975859187	923 004.01	138 450.60	-	-	1 061 454.61	2 492 695.37	3 554 149.98	2 492 695.37	1 061 454.61
9657898907	Dec	19-Dec-25	9657898907	854 566.59	128 184.99	-	-	982 751.58	1 061 454.61	2 044 206.19	-	2 044 206.19
9657898907	Jan	23-Jan-26	96542885407	744 661.43	111 699.21	-		856 360.64	2 044 206.19	2 900 566.83	2 044 206.04	856 360.79
9657898907	Feb	19-Feb-26	965594692999	732 359.31	109 853.90	-		842 213.21	856 360.64	1 698 573.85	856 360.64	842 213.21
9657898907	Mar	20-Mar-26	965234977949	784 638.00	117 695.70	-		902 333.70	842 213.21	1 744 546.91	-	1 744 546.91
9657898907	Apr	23-Apr-26	965110043404	817 395.41	122 609.31			940 004.72	1 744 546.91	2 684 551.63	842 213.21	1 842 338.42
9657898907	May	21-May-26				-		-		-		-
9657898907	June	03-Jun-26				-	-	-		-		-
				10 741 478.76	1 611 221.15	-	-	12 352 699.91	16 610 937.69	28 963 637.60	12 417 701.28	

Account No.	Month	Date	Tax invoice No.	Amount Excl.	VAT	Adjustment	Interest	Current billing	Arrears	Total Due	Payments	
			Opening balance	2 424 701.51								2 424 701.51
9010981110	July	19-Jul-25	901545365570	2 719 399.08	407 909.86	-	-	3 127 308.94	2 414 701.51	5 542 010.45	2 414 701.51	3 137 308.94
9010981110	Aug	22-Aug-25	901626746074	2 778 302.28	416 745.34	-		3 195 047.62	3 127 308.94	6 322 356.56	3 127 308.94	3 195 047.62
9010981110	Sept	19-Sept-25	901197887984	1 991 311.10	298 696.67	-		2 290 007.77	3 195 047.62	5 485 055.39	3 195 047.62	2 290 007.77
9010981110	Oct	18-Oct-25	901709582079	1 593 081.03	238 959.15	-	-	1 832 020.18	2 290 007.77	4 122 027.95	2 290 007.77	1 832 020.18
9010981110	Nov	19-Nov-25	901087975115	1 657 305.08	248 595.76	-	-	1 905 900.84	1 832 020.18	3 737 921.02	1 832 020.18	1 905 900.84
9010981110	Dec	02-Dec-25	901336358574	1 454 932.73	218 239.91	-	-	1 673 172.64	1 905 900.84	3 579 073.48	1 905 900.84	1 673 172.64
9010981110	Jan	23-Jan-26	901800946752	1 331 723.71	199 758.56	-		1 531 482.27	1 673 172.64	3 204 654.91	1 673 172.64	1 531 482.27
9010981110	Feb	23-Feb-26	901733911325	1 228 470.33	496 783.85	2 083 422.00		3 808 676.18	1 531 482.27	5 340 158.45	1 531 482.27	3 808 676.18
9010981110	Mar	19-Mar-26	901615384696	1 208 289.12	181 243.37	-		1 389 532.49	3 808 676.18	5 198 208.67	-	5 198 208.67
9010981110	Apr	23-Apr-26	901088172041	1 385 810.72	209 341.61	-	-	1 604 952.33	5 198 208.67	6 803 161.00	5 198 208.67	1 604 952.33
9010981110	May	21-May-26				-	-	-		-		1 604 952.33
9010981110	June	19-Jun-26				-	-	-		-		1 604 952.33
				17 358 405.18	2 918 274.08		-	22 358 101.28	26 976 526.62	42 531 466.88	23 167 850.44	

Account No.	Month	Date	Tax invoice No.	Amount Excl.	VAT	Adjustment	Interest	Current billing	Arrears	Total Due	Payments	
			Opening balance	3 562 637.65								3562637.65
8341001579	July	19-Jul-25	834826163397	3 580 576.55	537 086.48	-	-	4 117 663.03	3 562 637.65	7 680 300.68	3 562 537.65	4 117 763.03
8341001579	Aug	20-Aug-25	834930994433	3 753 303.62	562 995.54	-	-	4 316 299.16	4 117 663.03	8 433 962.19	4 117 663.03	4 316 299.16
8341001579	Sept	19-Sept-25	834288707310	2 854 932.50	398 239.88	-	-	3 053 172.38	4 316 299.16	7 369 471.54	4 316 299.16	3 053 172.38
8341001579	Oct	19-Oct-25	834985821436	2 304 280.07	345 642.01	-	-	2 649 922.08	3 053 172.38	5 703 094.46	3 053 172.38	2 649 922.08
8341001579	Nov	19-Nov-25	834833110773	2 426 864.98	364 029.75	-	-	2 790 894.73	2 649 922.08	5 440 816.81	2 649 922.08	2 790 894.73
8341001579	Dec	02-Dec-25	834737897917	2 225 146.49	333 771.97	-	-	2 558 918.46	2 790 894.73	5 349 813.19	2 790 894.73	2 558 918.46
8341001579	Jan	23-Jan-26	834010279125	1 968 281.30	295 242.20	-		2 263 523.50	2 558 918.46	4 822 441.96	2 558 918.46	2 263 523.50
8341001579	Feb	19-Feb-26	834139869608	1 863 005.19	580 901.26	2 009 670.00		4 453 576.45	2 263 523.50	6 717 099.95	2 263 523.50	4 453 576.45
8341001579	Mar	03-Mar-26	834765983455	1 877 072.26	281 560.84	-		2 158 633.10	4 453 576.47	6 612 209.57	-	6 612 209.57
8341001579	Apr	03-Apr-26	834763715853	2 164 754.30	324 713.15	-		2 489 467.45	6 612 209.57	9 101 677.02	6 612 209.57	2 489 467.45
8341001579	May	21-May-26				-	-	-		-		-
8341001579	June	19-Jun-26				-	-	-		-		-
				24 818 217.26	4 024 183.08	2 009 670.00	-	30 852 070.34	36 378 817.03	67 230 887.37	31 925 140.56	

Account No.	Month	Date	Tax invoice No.	Amount Excl.	VAT	Adjustment	Interest	Current billing	Arrears	Total Due	Payments	
			Opening balance	1 666 304.01								1 666 304.01
7296044246	July	20-Jul-25	729968324050	1 821 559.88	273 233.98	-	-	2 094 793.86	1 666 304.01	3 761 097.87	1 666 304.01	2 094 793.86
7296044246	Aug	22-Aug-25	729196845409	1 826 081.05	273 912.18	-	-	2 099 993.23	2 094 793.86	4 194 787.09	2 094 793.86	2 099 993.23
7296044246	Sept	02-Sept-25	729311991941	1 302 937.16	195 440.57	-	-	1 498 377.73	2 099 993.21	3 598 370.94	2 099 993.21	1 498 377.73
7296044246	Oct	02-Oct-25	729076003302	1 045 793.30	156 869.00	-	-	1 202 662.30	1 498 377.73	2 701 040.03	-	2 701 040.03
7296044246	Nov	03-Nov-25	729689759989	1 040 087.00	156 013.11	-	-	1 196 100.11	2 701 040.03	3 897 140.14	2 701 040.03	1 196 100.11
7296044246	Dec	02-Dec-25	729616927399	992 661.55	148 899.23	-		1 141 560.78	1 196 100.48	2 337 661.26	1 196 100.48	1 141 560.78
7296044246	Jan	21-Jan-26	729121508519	947 627.19	142 144.08	-		1 089 771.27	1 141 560.78	2 231 332.05	1 141 560.78	1 089 771.27
7296044246	Feb	22-Feb-26	834139869608	1 863 005.19	580 901.26	2 009 670.00	-	4 453 576.45	2 263 523.50	6 717 099.95	2 263 523.50	4 453 576.45
7296044246	Mar	03-Mar-26	729504591807	948 603.76	142 290.56	-	-	1 090 894.32	1 121 048.22	2 211 940.54	-	2 211 940.54
7296044246	Apr	03-Apr-26	729336987723	1 012 337.20	151 850.58	-	-	1 164 187.78	2 211 940.54	3 376 128.32	1 121 046.22	2 255 082.10
7296044246	May	03-May-26				-	-	-		-		-
7296044246	June	19-Jun-26				-	-	-		-		-
				12 800 693.28	2 221 554.55		-	17 031 917.83	17 994 860.36	35 026 598.19	14 284 362.09	20 742 236.10
				437 674 253.27	66 210 420.41		76 086 920.82	583 700 148.18	10 615 750 330.85	9 848 225 835.99	253 676 397.99	1 604 952.33
				895 842 013.85								

The total amount owed to DWS as at 31 May 2026 is **R 1,288 billion.**

	Client:	Msukaligwa Local Municipality	Prepared by:	Nompumelelo Mashaja
	Year end:	30 June 2026	Date:	06-Jul-26
	Subject:	Bulk Purchases - Water	Reviewed by:	S Nkosi
	Period ending	30 June 2025	Date:	30-Jun-26
			Final Review by:	
			Date:	

DWAF ACCOUNTS MOVEMENTS FOR THE YEAR AS PER INVOICES							
ACCOUNTS	opening balance	Amount Excl	VAT Amount	Interest	payments	Adjustment	Creditor
20029265 NRWI	496 490 053.53	-	-	-	-	-	496 490 053.53
20029265 CMA	-	-	-	-	-	-	-
20028765 NRWI	198 876.96	-	-	-	38 875.02	-	237 751.98
20028765 CMA	100 885.98	25 916.67	-	4 845.93	-	-	131 648.58
20031984 NRWI	41 908 198.74	- 54 593 275.93	-	-	-	-	- 12 685 077.19
20031984 CMA	-	-	-	-	-	-	-
20033982 NRWI	336 243 385.67	-	-	-	-	-	336 243 385.67
20033982CMA	-	-	-	-	-	-	-
20037906 NWRI	111 607.71	3 441.60	-	4 998.32	5 162.40	-	125 210.03
20037906 CMA	-	-	-	-	-	-	-
21070010 NWRI	1 554 885.56	-	-	-	-	-	1 554 885.56
21070010 CMA	726.35	186.60	-	34.96	279.90	-	1 227.81
20014912 NRWI	139 334 230.26	-	-	-	-	-	139 334 230.26
20014912 CMA	24 356.99	- 3 343.25	-	1 009.99	-	-	22 023.73
20056412 NWRI	18 558 912.46	1 174 072.00	175 141.20	-	3 732.22	-	19 911 857.88
20056412 CMA	3 732.00	2 488.00	-	167.64	2 023 819.80	-	2 030 207.44
20059491 NRWI	104 074 973.83	10 657 416.00	1 575 254.74	4 768 367.65	89 903.88	- 4 768 367.65	116 307 548.45
20059491 CMA	233 313.02	59 935.92	-	11 206.74	3 058 167.68	- 11 206.74	3 351 416.62
20059482 NRWI	141 998 117.60	15 423 710.48	2 300 819.00	6 572 360.14	8 862 264.74	- 6 572 360.14	168 584 911.82
20059482 CMA	127 232.05	32 684.70	-	6 111.41	49 946.67	- 6 111.41	209 863.42
TOTAL DWS	1 280 963 488.71	- 27 216 767.21	4 051 214.94	11 369 102.78	14 132 152.31	- 11 358 045.94	1 271 941 145.59

The statement below reflect a balance of R 10,163,178 million in the Trading services account (Account opened for ring-fencing fund for the debt relief)



P O Box 1153
Johannesburg 2000
Street Address Commercial Account Services Customers
4 First Place, 6th Floor, Bankcity
Universal Branch Code 250655
fnb.co.za
Lost Cards 087-575-9406
Account Enquiries 087-736-2247
Fraud 087-575-9444
Relationship Manager Geoffrey Mawkhwa
m (087) 345-0990

*MSUKALIGWA LOCAL MUNICIPALITY
90 KERK AND TAUTE ST
ERMELO
2351

Customer VAT Registration Number Not Provided
Bank VAT Registration Number 4210100051

Public Sector Cheque Account : 63143810413
Tax Invoice/Statement Number : 13
Statement Period : 30 April 2026 to 31 May 2026
Statement Date : 31 May 2026

Statement Balances		Bank Charges		Interest Rate	
Opening Balance	10,124,390.62 Cr	Service Fees	115.00 Dr	Credit Rate**	4.75%
Closing Balance	10,163,178.25 Cr	Cash Deposit Fees	0.00	Debit Rate (Non-NCA)	12.50%
Of Which Inclusive of VAT @ 15.00%	15.00 Dr	Cash Handling Fees	0.00		
Total VAT (ZAR)	15.00 Dr	Other Fees	0.00		

Transactions in RAND (ZAR)

Date	Description	Amount	Balance	Accrued Bank Charges
29 May	Cr Int rate 4.73000	0.00	10,124,390.62Cr	
31 May	Int On Credit Balance	38,902.63Cr	10,163,293.25Cr	
31 May	Service Fees	115.00	10,163,178.25Cr	
	Closing Balance		10,163,178.25Cr	

Turnover for Statement Period

No. Credit Transactions 1	38,902.63Cr
No. Debit Transactions 1	115.00Dr

Please contact us within 30 days from your statement date, should you wish to query an entry on this statement (incl. card transactions done during this statement period, but not yet reflecting). Should we not hear from you, we will assume that you have received the statement and that it is correct.

For more information on your Pricing Option, please contact us or visit our website.
**For the latest Credit Rates on product, please go to fnb.co.za

First National Bank - a division of FirstRand Bank Limited. Registration Number 1929/001225/06. An Authorised Financial Services and Credit Provider (NCRCP20).

On 29 May 2026, the Prime Lending Rate changed to 10.50%. This may impact the rate on any of your credit facilities.

Page 1 of 1

Branch Number	Account Number	Date	PIN
6306	63143810413	20260531	PUBLIC SECTOR CHEQUE ACCOUNT

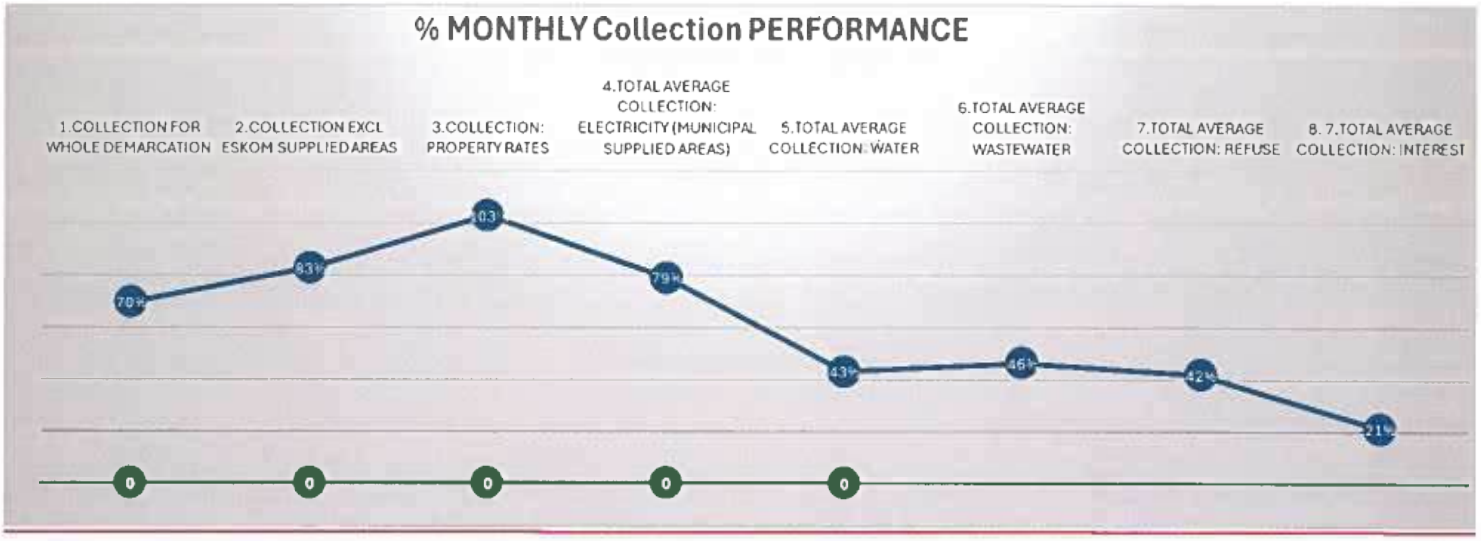
15.2 MFMA Circular 124 – Condition 6.4 Compliance with a unfunded MTREF Budget.

The municipality has approved an unfunded Budget of R 1,284 billion deficit for the 2025-26 Financial year.

15.3 MFMA Circula 124 – Condition 6.5 – Cost Reflective Tariffs

The municipality has submitted cost of supply to NERSA for approval, in order to implement the cost reflective tariffs.

15.4 MFMA Circular 124 – Condition 6.6 - Electricity and Water as collection tool



- Collection rate for Electricity for the month ending 30 April 2026 is 83%
- Colectrin rate for Water for the month ending 30 April is 43%

15.5 MFMA Circular 124 – Condition 6.7 Average Quarterly collection rate

National Treasury
Municipal Debt Relief
MFMA Circular No. 124
Municipal Finance Management Act No. 56

Municipal Details

Mpumalanga				
MP302	Gert Sibande	Msukaligwa	Feb-26	18

Collection Rate Assessment

Aggregate Collection	Summary - Quarter 1 Billing	Collection	R - Billing not collected	% Collection	Q1	Summary - Quarter 2 Billing	Collection	R - Billing not collected	% Collection	Q2	Summary - Quarter 3 Billing	Collection	R - Billing not collected	% Collection	Q1	Summary - Quarter 4 Billing	Collection	R - Billing not collected	% Collection	Q1
1.Collection for whole demarcation	208 726 723	150 152 790	58 573 933	72%	72%	213 436 990	154 655 979	58 781 011	72%	72%	137 403 763	92 914 373	44 489 389	68%	66%	-	-	-	#DIV/0!	
2.Collection excl Eskom supplied areas	46 082 870	39 323 785	6 759 086	85%	85%	42 645 668	39 312 453	3 333 215	92%	89%	28 379 892	23 813 061	4 566 831	84%	84%	-	-	-	#DIV/0!	
3.Collection: Property Rates	57 380 219	53 493 179	3 887 040	93%	93%	60 681 183	56 961 770	3 719 413	94%	94%	39 084 249	34 966 209	4 118 040	89%	89%	-	-	-	#DIV/0!	
4.Total average collection: Electricity	68 990 075	57 825 361	11 164 714	84%	84%	69 060 817	59 072 797	9 988 020	86%	85%	42 724 417	34 961 216	7 763 201	82%	83%	-	-	-	#DIV/0!	
5.Total average collection: Water	32 605 029	17 722 084	14 882 945	54%	54%	35 696 588	17 913 299	17 783 289	50%	52%	22 912 292	10 784 123	12 128 169	47%	47%	-	-	-	#DIV/0!	
6.Total average collection: Wastewater	18 720 614	9 385 698	9 334 916	50%	50%	18 476 677	9 888 287	8 588 390	54%	51%	12 604 659	5 960 426	6 644 232	47%	47%	-	-	-	#DIV/0!	
7.Total average collection: Refuse	16 071 844	7 199 732	8 872 112	45%	45%	15 942 912	7 473 750	8 469 162	47%	47%	10 868 579	4 392 836	6 475 742	40%	43%	-	-	-	#DIV/0!	
8.Total average collection: Interest	14 958 941	4 526 735	10 432 206	30%	0%	13 578 813	3 346 077	10 232 736	25%	25%	9 209 567	1 849 562	7 360 005	20%	20%	-	-	-	#DIV/0!	

1.Collection for whole demarcation	66%
2.Collection excl Eskom supplied areas	84%
3.Collection: Property Rates	89%
4.Total average collection: Electricity (Municipal supplied areas)	82%
5.Total average collection: Water	47%
6.Total average collection: Wastewater	47%
7.Total average collection: Refuse	40%
8.Total average collection: Interest	20%

15.6 MFMA Circular 124 - Condition 6.8 Completeness of the Revenue Base

- The Property Rates Reconciliation for April 2026 indicates that the General Valuation Roll and the Municipal Financial System are fully aligned in terms of property numbers and market values, with no variances recorded.

Property Rates Reconciliation	
Province	MP
District	Gert Sibande District
Type	LM
Municipal Name	Msukaligwa
GV Period	01/05/2026-31/05/2026
Financial Year	2025-2026
Reconciliation Period	May-26

Reconciliation Overview

High Level Reconciliation

Propety Categories	# of Properties			Market Values		
Propety Categories	GV	MFS	Variance	GV Market Values	MFS Market Values	Variance
Residential	26244	26244	0	11 266 354 801.00	11 266 354 801.00	-
Industrial	106	106	0	335 790 300.00	335 790 300.00	-
Business and Commercial	837	837	0	3 288 523 200.00	3 288 523 200.00	-
Agricultural	2246	2246	0	11 693 259 600.00	11 693 259 600.00	-
Mining	92	92	0	67 270 000.00	67 270 000.00	-
State Owned for Public Purpose	147	147	0	1 307 549 100.00	1 307 549 100.00	-
PSI	688	688	0	123 824 500.00	123 824 500.00	-
PBO	131	131	0	332 211 300.00	332 211 300.00	-
Multi Use	0	0	0	-	-	-
Vacant	3338	3338	0	527 476 020.00	527 476 020.00	-
TOA	2	2	0	94 700 000.00	94 700 000.00	-
Municipal	0	0	0	-	-	-
Other	0	0	0	-	-	-
	33831	33831	0	29 036 958 821.00	29 036 958 821.00	-

Prepared By	Nomusa Zulu	Date	31/05/2026
	Contact Details		
Signature			
Reviewed By	GT Mahlangu	Date	
	Contact Details		
Signature			

15.7 MFMA Circular 124 – Condition 6.10 Provincial Treasury certification of Municipalities

- Municipality receives the Condition of Compliance certificate monthly, with the condition of non-compliance.
- The municipality has actioned and consider all non-compliance findings for the month of April 2026 with the intention to improve the compliance percentage.

15.8 MFMA Circular 124 – Condition 6.11 Limitation on Municipality borrowing

- The Municipality does not have any borrowings as at 30 April 2026

15.9 MFMA Circular 124 – Municipal Compliance Self-Assessment

- See the table below for self-assessment report

Annexure A2 - Monthly

National Treasury

Municipal Debt Relief

MFMA Circular No. 124

Municipal Finance Management Act No. 56 of 2003

Select Assessor

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Period	May'26
National Financial Year	2025/26
Demarcation Code of Municipality being assessed	MP302
District	Gert Sibande
Demarcation Description	Msukaligwa

I, name and surname of HOD , hereby certify that the provincial treasury monitored the compliance against the conditions of Municipal Debt Relief as set-out in **MFMA Circular No. 124** and that the Provincial Treasury is satisfied and certifies that the said municipality fully complies with the conditions as set-out in the table below:

Municipal Debt Relief Conditions (Monthly reporting)

Choose from drop down list

Condition				Notes/Comments
	6.3 + 6.12	**Maintaining the Eskom and bulk water current account –**		
1	6.12.2	- Has the municipality paid its *bulk water current account* within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? *Note - refer condition 6.12..2*	No	
2	6.12.2	- Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://fguploadportal.treasury.gov.za?	Yes	
3	6.12.2	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/ or Water Trading Entity?	Yes	
4	6.3.1	- Has the municipality paid its *Eskom bulk current account* within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? *Note - current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New arrears" (March 2023 and / or subsequent current account(s) up to the date of NT approval of the application.*	Yes	
5	6.3.2 6.3.3	- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://fguploadportal.treasury.gov.za?	Yes	
6	6.3.4	- Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	2024/25 Main Adjustment MTREF	
	6.4	**Compliance with a funded MTREF –** *(choose from drop down list the MTREF assessed)*	No	
7	6.4.1	- Is the municipality's MTREF funded and aligning to the National Treasury's Budget Funding Guidelines - http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx?	Yes	
8	6.4.1	- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes	
9	6.4.1	- Has the municipality made adequate provision for debt impairment *(considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget)* on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations? *Note - For example, if the municipality managed to collect 80 percent of its revenue (also property rates), the provision for debt impairment aligning with the historic collection years should align to 80 percent of the 2025/26 MTREF revenue projections (also property rates). If the municipality merely used the debt impairment to 'balance' the budget and there is no alignment between the provision for such a share actual collection of revenue, the Provincial Treasury must respond to this term as "No"*	Yes	
10	6.4.1	- Has the municipality made adequate provision for depreciation and asset impairment *(considering its asset register and physical state of assets)* on the A1 Schedule) Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes	

		Note - if the municipality merely used the correction and loss adjustment to balance the budget and there is no real alignment between the provision for such a in the case of electricity/energy tariff, the Provincial Treasury must respond to this item as "no"	There is an FRP	
11	6.4.2	- *If the municipality's MTREF is not funded*, has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?		
		Note - if the municipality has an FRP, a credible budget funding plan, a real reform, however, the FRP / MTREF must address the existing FRP incongruities / will be subject to a funded MTREF, if not, the FRP requires strengthening		
12	6.4.2	- *If the municipality's MTREF is not funded and it has an FRP per the legislative framework*, does the existing FRP incorporate a credible Budget Funding Plan (will the FRP give effect to a funded MTREF over the period of the FRP) - aligning with the principles of a budget funding plan as envisaged in item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)? *Note - only if the municipality does not have an FRP may "N/A" be selected from the dropdown list.*	Yes	
13	6.4.2	- Does the municipality's annual and monthly cashflow projections included on the A1 Schedule (Table A7 - Budgeted Cash Flows and Supporting Table SA 30 - Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations aligns with and gives effect to the municipality's Budget Funding Plan strategy (or the FRP strategy) and related seasonal trends *(For example higher winter Eskom tariffs, lower January collection rates, etc.?)*	Yes	
14	6.5	Cost reflective tariffs – (excluding metros) has the municipality included its completed tariff tool (refer MFMA Circular no. 98 and item 5.2 of MFMA Budget Circular no. 122) as part of the municipality's annual tabled and adopted MTREF submissions with effect the tabling of the 2023/24 MTREF?	Yes	
	6.6	Electricity and water as collection tools – has the municipality, with effect from the tabling of the 2023/24 MTREF, demonstrated, through its by-laws and budget related policies that:		
15	6.6.1	- the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, thereafter to water, wastewater, refuse removal and lastly to electricity?	Yes	
16	6.6.2	- the municipality disconnects electricity services and/or block the purchasing of pre-paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?	No	
17	6.6.3	- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/ property owner unless the defaulter already registered as an indigent consumer with the municipality? Note: In terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.		no license
18	6.6.4	- If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively? *Note - the municipality's monthly MFMA s.71 statement must include as part of the narratives the indigent information in the required NT format.*	Yes	
	6.6	Supporting evidence: The National Treasury and/ or provincial treasury's related budget assessment confirms the municipality's relevant MTREF's related budget policies and by-laws demonstrate compliance with paragraph 6.6		
	6.7	Maintain a minimum average quarterly collection of property rates and services charges –		
19	6.7.1	- Has the municipality achieved a minimum of *80 per cent average quarterly collection* of property rates and service charges with effect from 01 April 2023 and *85 per cent average quarterly collection* with effect from 01 April 2024 during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and mSCOA data strings uploaded via the GoMuni Upload Portal?	No	

	Note – "Through the nominated municipal collection (MMC) module, the municipality must submit the municipal quarterly collection within 10 working days from the end of the quarter		
6.7.1	If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, **has the municipality demonstrated to the satisfaction of National Treasury the following :**		
6.7.2.1	* the underperformance directly related to Eskom supplied areas where the municipality does not have electricity as a collection tool and that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set out in paragraph 6.7.1	not yet the end of a quarte	
6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)?	not yet the end of a quarte	
6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed and the reason(s) for the failure?	not yet the end of a quarte	
6.7.3	– The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection and only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	Yes	
6.7.4	– Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	Yes	
6.7.5	– Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	No	
6.8	**Municipality's Completeness of the revenue base –**	Yes	
6.8.1	– Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer?	Yes	
6.8.1	– If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? *Note – monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting in the MFMA s 71 statement*	N/a	
6.8.2	– **For the latest ending Quarter** – Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on https://lguploadportal.treasury.gov.za?	Yes	
6.9	**Monitor and report on implementation –**		
6.9.1	– **MFMA section 71 reporting** – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	Yes	
6.9.2	– If progress is slow in terms of paragraph 6.9.1, is the active intervention evident from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string? *Note – condition 6.9.2 has a typing error and must refer to 6.9.1*	Yes	
6.9.3	– **Municipalities with financial recovery plans (FRP)** – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive?	Yes	
6.9.4	– If the municipality has an FRP, with effect from 01 April 2023, parallel to submitting its monthly FRP progress report to the Provincial Executive, has the municipality also submitted the FRP progress report to the National Treasury: Municipal Financial Recovery Service (MFRS) timeously via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za?		
	Note – in order to be a FRP reporting municipality in the Financial Recovery Programme, the FRP progress report must be submitted to monthly Provincial and National		
6.10	*Provincial Treasury Note: Provincial Treasury certification of municipal compliance in terms of section 5 and 7 of the SFRA, with effect from 01 April 2023, is only required of municipalities that will benefit from Municipal Debt Relief, unless*	Yes	
6.10.1	– has the relevant Provincial Treasury (delegated) / National Treasury (non-delegated) monthly monitored the municipality's compliance in terms of these conditions?	Yes	
6.10.2	– has the Head of the relevant Provincial Treasury (delegated) monthly certified the municipality's compliance to these conditions, to the National Treasury's satisfaction as envisaged in the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.5 of MFMA Circular no. 124) and timeously uploaded the compliance certificate via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za? *Note – in the case of a non-delegated municipality the National Treasury to issue the compliance certificate.*	Yes	
6.10.3	– has the Provincial Treasury failed to rectify any provincial treasury non-compliance with any of the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.6 of MFMA Circular no. 124) within one month of the non-compliance occurring?	No	
	Note – if the PT is led to address its/ure such non compliance will be considered as non compliance by the municipality in terms of paragraph 6.1.1		
6.11	**Limitation on municipality borrowing powers** – has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?		
	Note – there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme. If confirms that MFMA Circular No. 124 condition 6.11 (limitation on municipality borrowing powers) will not be enforced in relation to new long-term loans entered into after the effective date of debt relief approval) as envisaged in MFMA section 46. Short-term borrowing activities, not giving rise to an overdraft for a year ending on 30 June considered within the ambit of this condition		
6.12	**For the duration of the Municipal Debt Relief (to ensure proper management of resources):**	Yes	
6.12.1	– has the municipality apportioned and ring-fenced in a sub-account to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?	Yes	
6.12.2	– has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?	Yes	
	Note: Only if relevant in the specific circumstances, will a request be made to the Minister of Finance upon the municipality's request to exempt the municipality from MFMA s 8(3)		
	Supporting evidence : Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s 71 statement collected revenue	Yes	
6.13	**Accounting Treatment** – has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date? *Note – to include accounting for any related benefit (e.g. interest suppression, etc.) and alignment with mSCOA.*	Yes	
6.14	**NERSA License** – has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?		
	Note: By applying for Municipal Debt Relief as set out in paragraph 4 of MFMA Circular no. 124, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to revoke the municipality's licence in terms of section 17 of the Electricity Regulation Act, 2006 (Act No. 4 of 2006). Any such application must be preceded by the relevant processes for appointing an external mechanism as envisaged in Chapter 8 of the Municipal Systems Act, 2000, including the necessary service delivery agreement aligning with the Municipal Systems Act, Electricity Regulation Act, 2006, in terms of the conditions of government's under support to Eskom. Eskom will once again have to enforce its credit control and debt collection policies vis-à-vis the municipality's consumers that are the subject of municipal debt relief, etc		

PT: HOD/ NT / MM Name: MR M KUNENE

Signature of HOD/ NT/ MM:

Date: 10-May-26

***Note – if the official is signing on behalf of the Head of the Provincial Treasury (HOD) / Municipal Manager, the written procuration of the HOD / MM must be attached as an Annexure to this Certificate of Compliance*

National Treasury

Municipal Debt Relief

MFMA Circular No. 124

Municipal Finance Management Act No. 56 of 2003

Province		
MP		
Code	District	Code Description
MP302	Gert Sibande	Msukaligwa

Monthly Performance Report

Municipal Details			Part A						Part B					Part C			Part D				Part C							Part E														Part F		Month applicable
			Eskom And Bulk water current account						Compliance with a funded MTREF					FRPIBFP & Tariff Assessment			Electricity and water as collection tools				Quarterly collection of property rates and services charges							Maximization of Revenue Base			Oversight												Compliance Status		
Month	Code Descr	Code	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18	C19	C20	C21	C22	C23	C24	C25	C26	C27	C28	C29	C30	C31	C32	C33	C34	C35	C36	C37	C38	C39	C40	C41	Score		
1.July	Msukaligwa	MP302	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	93%	Non Compliance	Yes
2.August	Msukaligwa	MP302	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	93%	Non Compliance	Yes
3. September	Msukaligwa	MP302	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	85%	Non Compliance	Yes
4.October	Msukaligwa	MP302	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	90%	Non Compliance	Yes
5.November	Msukaligwa	MP302	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	90%	Non Compliance	Yes
6.December	Msukaligwa	MP302	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	90%	Non Compliance	Yes
7.January	Msukaligwa	MP302	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	90%	Non Compliance	Yes
8.February	Msukaligwa	MP302	No	No	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	80%	Non Compliance	Yes
9.March	Msukaligwa	MP302	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	90%	Non Compliance	Yes
10.April	Msukaligwa	MP302	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	No	No	No	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A	Yes	Yes	Yes	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	78%	Non Compliance	Yes
11.May	Msukaligwa	MP302	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	No	Yes	No	N/A	N/A	N/A	N/A	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	83%	Non Compliance	Yes
12.June	Msukaligwa	MP302																																								0%	Non Compliance	Yes

	Comments/Motivation
HOD Name:	MR. M. KUNENE
Signature of HOD:	
Date:	10-May-26

** Note - if the official is signing on behalf of the Head of the Provincial Treasury (HOD), the written procuration of the HOD must be attached as an Annexure to this Certificate of Compliance.

15.10 Municipal Debt Relief Performance across the period of debt relief participation

National Treasury

Municipal Debt Relief

MFMA Circular No. 124

Municipal Finance Management Act No. 56 of 2003

Province		
MP		
Code	District	Code Description
MP302	Gert Sibande	Msukaligwa

Monthly Performance Report

Municipal Details			Part A						Part B					Part C			Part D				Part C							Part E														Scoring and Rating	
			Eskom And Bulk water current account						Compliance with a funded MTREF					FRPIBFP & Tariff Assessment			Electricity and water as collection tools				Quarterly collection of property rates and services charges							Maximization of Revenue Base			Oversight														
Month	Code Descr	Code	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18	C19	C20	C21	C22	C23	C24	C25	C26	C27	C28	C29	C30	C31	C32	C33	C34	C35	C36	C37	C38	C39	C40	C41	Score	Rating
25.July 25	Msukaligwa	MP302																																									85%	Non Compliance
26.August25	Msukaligwa	MP302																																									85%	Non Compliance
27.September25	Msukaligwa	MP302																																									85%	Non Compliance
28.October25	Msukaligwa	MP302																																									85%	Non Compliance
29.November25	Msukaligwa	MP302																																									85%	Non Compliance
30.December25	Msukaligwa	MP302																																									85%	Non Compliance
31.January26	Msukaligwa	MP302																																									85%	Non Compliance
32.February26	Msukaligwa	MP302																																									85%	Non Compliance
33.March26	Msukaligwa	MP302																																									85%	Non Compliance
34.April26	Msukaligwa	MP302																																									85%	Non Compliance
35.May 26	Msukaligwa	MP302																																									0%	
36.June 26	Msukaligwa	MP302																																									0%	
37.July 26	Msukaligwa	MP302																																									0%	
38.August26	Msukaligwa	MP302																																									0%	
39.September26	Msukaligwa	MP302																																									0%	
40.October26	Msukaligwa	MP302																																									0%	
41.November26	Msukaligwa	MP302																																									0%	

	Comments/Motivation
HOD Name:	Ms Gugu Mashilane
Signature of HOD:	
Date:	24/04/2026

** Note - if the official is signing on behalf of the Head of the Provincial Treasury (HOD), the written procuration of the HOD must be attached as an Annexure to this Certificate of Compliance.

National Treasury

Water Debt Relief

Water Debt Relief Guideline

Municipal Finance Management Act No. 56 of 2003

Legend	
	Complied
50-99%	Moderate Compliance
	Not Compliant

Monthly Performance Report

Municipal Details			Part A				Part B				Part C							Part D			Scoring and Rating	
			Bulk water current account				Accounting Treatment and mSCOA Reporting				Monitor and report on implementation							FRPs & Implementation progress				
Month	Code Description	Code	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18	Score	Rating
1.July 2025	Maukaligwa	MP302	No	No	No	No	N/A	N/A	No	No	No	Yes	No	No	No	No	No	No	Yes	Yes	28%	Not Compliant
2.August 2025	Maukaligwa	MP302	No	No	No	No	N/A	N/A	No	No	No	Yes	No	No	No	No	No	No	Yes	Yes	28%	Not Compliant
3.September 2025	Maukaligwa	MP302	No	No	No	No	N/A	N/A	Yes	Yes	No	Yes	No	No	No	No	No	No	Yes	Yes	39%	Not Compliant
4.October 2025	Maukaligwa	MP302	No	No	No	No	N/A	N/A	Yes	Yes	No	Yes	No	No	No	No	No	No	Yes	Yes	39%	Not Compliant
5.November 2025	Maukaligwa	MP302	No	No	No	No	N/A	N/A	Yes	Yes	Yes	Yes	No	No	No	No	No	Yes	Yes	Yes	50%	Not Compliant
6.December 2025	Maukaligwa	MP302	No	No	No	No	N/A	N/A	Yes	Yes	Yes	Yes	No	No	No	No	No	Yes	Yes	Yes	50%	Not Compliant
7.January 2026	Maukaligwa	MP302	No	No	No	No	N/A	N/A	Yes	Yes	No	No	No	No	No	No	No	No	No	Yes	28%	Not Compliant
8.February 2026	Maukaligwa	MP302	No	Yes	Yes	No	N/A	N/A	No	Yes	No	No	No	No	No	No	No	Yes	Yes	Yes	44%	Not Compliant
9.March 2026	Maukaligwa	MP302	No	No	No	No	N/A	N/A	Yes	Yes	Yes	Yes	No	No	No	No	No	Yes	Yes	Yes	50%	Not Compliant
pril 2026	Maukaligwa	MP302	No	No	No	No	N/A	N/A	No	Yes	Yes	Yes	No	No	No	No	No	Yes	Yes	Yes	44%	Not Compliant
11. May 2026	Complete demarcation Code ab	Search																			0%	Not Compliant
12. June 2026	Complete demarcation Code ab	Search																			0%	Not Compliant

PT: HOD/ NT / MM Name:	Ms Gugu Mashiteng
Signature of PT: HOD/ NT/ MM:	
Date:	25/05/2026

** Note – If the official is signing on behalf of the Head of the Provincial Treasury (HOD), the written procuration of the HOD must be attached as an Annexure to this Certificate of Compliance

16. WATER DEBT RELIEF CONDITIONS

16.1 Condition 7.1 - "Maintaining the bulk water current account – (current account for the purpose of this exercise means the account for a single month's consumption that was due and payable during the month being assessed):"

The Municipality did not comply with this condition for the month ending 30 April 2026, however funds have been ring-fenced to assist in complying with the condition.

16.2 Condition 7.2 - Accounting Treatment and mSCOA Reporting

Due to advice from National Treasury, the Municipality has revised its budget funding plan and is in the process of updating the template recently provided by NT on a monthly basis.

16.3 Condition 7.3 - Monitor and report on implementation – Section 71 monthly Reporting and FRP

The municipality assessed the Financial Recovery Plan as at 30 April 2026 and updated progress for each pillar.

The municipality is still on the RESCUE Phase with a total of 178 key intervention activities planned across four strategic pillars. As of the latest progress update, 87 activities have been completed, representing 49% of the overall targets, while 91 activities (51%) remain in progress.

Pillar 1: Governance shows steady advancement, with 5 of 23 activities completed and 18 underway, indicating significant ongoing work to strengthen oversight, leadership, and accountability mechanisms.

Pillar 2: Institutional Development has achieved 14 of 32 planned activities, with an equal number (18) still in progress. This demonstrates balanced effort toward capacity building and structural reforms within institutions.

Pillar 3: Financial Management reflects notable progress, having completed 29 of 53 activities, while 24 activities are still being implemented. This suggests active work toward improving financial systems, transparency, and resource management.

Pillar 4: Service Delivery, the largest component, leads in total outputs, with 39 of 70 activities completed and 27 in progress. This highlights significant improvement efforts in frontline services, though substantial work remains to reach full implementation.

16.4 Water Debt Relief Self-Assessment Checklist

Annexure 02 - Monthly

Department of Water and Sanition and National Treasury
Water Debt Relief
Water Debt Relief Guideline
Municipal Finance Management Act No. 56 of 2003

National Treasury

Certificate of Compliance: Water Debt Relief Conditions

Period	May-26
National Financial Year	2025/26
Demarcation Code of Municipality being assessed	MP302
District	Gert Sibande
Demarcation Description	Msukaligwa

I, MR M KUNENE, hereby certify that the provincial treasury monitored the municipality's compliance against the conditions of Municipal Debt Relief as set-out in the Water Debt Relief Guideline and that the Provincial Treasury is satisfied and certifies that the said municipality fully complies with the conditions as set-out in the table below:

Water Debt Relief Conditions (Monthly reporting)

Condition			Choose from drop down list	Notes/Comments
1	7.1	**Maintaining the bulk water current account –**		
2	7.1.	- Has the municipality paid its *bulk water current account* within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? *Note – refer condition 7.1.*	No or only partial payment	
3	7.1.1	- Has the municipality submitted the supporting evidence of the bulk water current account payment(s) to the relevant Water Board (WB) and/ or Water Trading Entity (WTE) and / or Water User Association (WUA)within 1 day of making any such payment (in PDF format)?	Yes	
5	7.1.2	- Has the municipality submitted the consolidated proof of payments to the respective bulk suppliers to the National Treasury GoMuni Upload portal https //guploadportal treasury gov za by the 10th working day of the month following the invoice date (in PDF format)?	Yes	
4	7.1.2	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board (WB) and/ or Water Trading Entity (WTE) and / or Water User Association (WUA)?	Yes	
	7.2	**Accounting Treatment and mSCOA Reporting**		
5	7.2.1	Accounting Treatment – has the municipality fully accounted for and correctly reported on the write-off of its Water arrear debt (debt existing as on 30 September 2024) as per any written instruction of the National Treasury: Office of the Accountant General and NT: CD: Local Government Budget Analysis issued for Water Debt Relief to date?	N/A (No write-off yet)	
6	7.2.1	Did the municipality account for any related benefit (e.g. interest suppression, etc.) and does such align with mSCOA?	N/A (No benefit yet)	
	7.3	**Monitor and report on implementation –**		
7	7.3.1	MFMA section 71 reporting – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the Water Debt Relief Conditions as part of the implementation of the municipality's funded budget (and Budget Funding Plan where relevant)?	Yes	
8	7.3.1.1	Does the municipality's MFMA section 71 statement for the month being assessed include the municipality's water debt relief compliance self-assessment (signed by the Municipal Manager) – in the format of the Water Debt Relief compliance certificate (Annexure 02 of the Water Debt Relief Guideline)?	Yes	
	7.3.1	**Does the municipality's MFMA section 71 statement for the month being assessed –**		
9	7.3.1.2	Part A: Include the municipality's progress against its approved funded budget?	Yes	
10	7.3.1.2	Part B: If the municipality's budget was assessed as unfunded by any of the Treasuries, the municipality include the progress against approved Budget Funding Plan?	Yes	
11	7.3.1.2	- Does the municipality's progress report envisaged in Part A and B above clearly demonstrate that the municipality is achieving the required Water Debt Relief compliance?	Yes	
12	7.3.1.3	- Include the municipality's water losses (both in Rand value and kiloltires) for the month being assessed? (MFMA Circular 71)	No	
13	7.3.1.3	- Include the municipality's energy losses (both in Rand value and kilowatt hours) for the month being assessed? (MFMA Circular 71)	No	
14	7.3.1.3	- If the municipality is unable to calculate and report on its water and/or energy losses, did the municipality make any progress in terms of its loss calculation/ reporting strategy towards *calculating and reporting on such losses?*	No	
15	7.3.1.3	- Include the *progress made to reduce* the municipality's reported water and/ or energy losses against its water and energy losses reduction strategy?	Yes	
		Municipalities with financial recovery plans (FRP)		
16	7.3.1.2	- **Municipalities with financial recovery plans (FRP)** – If the municipality has a FRP as envisaged in the prevailing local government legislative framework: Did the municipality's FRP progress report during the month being assessed, explicitly include the municipality's progress against those components of the FRP aimed to achieve water debt relief compliance as part of achieving a funded budget?	Yes	
17	7.3.1.2	- **Municipalities with financial recovery plans (FRP)** – Was the municipality's FRP progress report during the month being assessed, submitted to the relevant Provincial Executive?	Yes	
18	7.3.2	- If progress is slow in terms of paragraph 7.3.1, is the municipal council and senior management team's active intervention evident from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string?	Yes	

PT: HOD/ NT / MM Name: MR M KUNENE

Signature of PT: HOD/ NT/ MM:

Date: 10-May-26

***Note – If the official is signing on behalf of the Head of the Provincial Treasury (HOD) / Municipal Manager, the written procuration of the HOD / MM must be attached as an Annexure to this Certificate of Compliance*

**Note – The Signed Certificate to be uploaded on Gomuni must not include comments column - comments need to be incoporated into the related PT report*

National Treasury

Water Debt Relief

Water Debt Relief Guideline

Municipal Finance Management Act No. 56 of 2003

Legend	
	Compliant
60-89%	Moderate Compliance
	Not Compliant

Monthly Performance Report

Municipal Details			Part A: Bulk water current account				Part B: Accounting Treatment and mSCOA Reporting				Part C: Monitor and report on Implementation							Part D: FRPs & Implementation progress			Scoring and Rating	
Month	Code Description	Code	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18	Score	Rating
1.July 2025	Msukaligwa	MP302																			89%	Moderate compliance
2.August 2025	Msukaligwa	MP302																			89%	Moderate compliance
3.September 2025	Msukaligwa	MP302																			89%	Moderate compliance
4.October 2025	Msukaligwa	MP302																			89%	Moderate compliance
5.November 2025	Msukaligwa	MP302																			89%	Moderate compliance
6.December 2025	Msukaligwa	MP302																			94%	Moderate compliance
7.January 2026	Msukaligwa	MP302																			94%	Moderate compliance
8.February 2026	Msukaligwa	MP302																			94%	Moderate compliance
9.March 2026	Msukaligwa	MP302																			94%	Moderate compliance
10.April 2026	Msukaligwa	MP302																			83%	Moderate compliance
11. May 2026	Msukaligwa	MP302																			78%	Moderate compliance
12. June 2026	Complete demarcation Code ab	Search																			0%	Not Compliant
13.July 2026	Complete demarcation Code ab	Search																			0%	Not Compliant
14.August 2026	Complete demarcation Code ab	Search																			0%	Not Compliant
15. September 2026	Complete demarcation Code ab	Search																			0%	Not Compliant
16. October 2026	Complete demarcation Code ab	Search																			0%	Not Compliant
17.November 2026	Complete demarcation Code ab	Search																			0%	Not Compliant
18.December 2026	Complete demarcation Code ab	Search																			0%	Not Compliant
19. January 2027	Complete demarcation Code ab	Search																			0%	Not Compliant
20.February 2027	Complete demarcation Code ab	Search																			0%	Not Compliant
21.March 2027	Complete demarcation Code ab	Search																			0%	Not Compliant
22.April 2027	Complete demarcation Code ab	Search																			0%	Not Compliant
23.May 2027	Complete demarcation Code ab	Search																			0%	Not Compliant
24.June 2027	Complete demarcation Code ab	Search																			0%	Not Compliant
25.July 2027	Complete demarcation Code ab	Search																			0%	Not Compliant
26.August 2027	Complete demarcation Code ab	Search																			0%	Not Compliant
27. September 2027	Complete demarcation Code ab	Search																			0%	Not Compliant
28.October 2027	Complete demarcation Code ab	Search																			0%	Not Compliant
29.November 2027	Complete demarcation Code ab	Search																			0%	Not Compliant
30.December 2027	Complete demarcation Code ab	Search																			0%	Not Compliant
31.January 2028	Complete demarcation Code ab	Search																			0%	Not Compliant
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33.March 2028	Complete demarcation Code ab	Search																			0%	Not Compliant
34.April 2028	Complete demarcation Code ab	Search																			0%	Not Compliant
35.May 2028	Complete demarcation Code ab	Search																			0%	Not Compliant
36.June 2028	Complete demarcation Code ab	Search																			0%	Not Compliant
37.July 2028	Complete demarcation Code ab	Search																			0%	Not Compliant
38.August 2028	Complete demarcation Code ab	Search																			0%	Not Compliant
39.September 2028	Complete demarcation Code ab	Search																			0%	Not Compliant
40.October 2028	Complete demarcation Code ab	Search																			0%	Not Compliant
41.November 2028	Complete demarcation Code ab	Search																			0%	Not Compliant
42.December 2028	Complete demarcation Code ab	Search																			0%	Not Compliant
43.January 2029	Complete demarcation Code ab	Search																			0%	Not Compliant
44.February 2029	Complete demarcation Code ab	Search																			0%	Not Compliant
45.March 2029	Complete demarcation Code ab	Search																			0%	Not Compliant
46.April 2029	Complete demarcation Code ab	Search																			0%	Not Compliant
47.May 2029	Complete demarcation Code ab	Search																			0%	Not Compliant
48.June 2029	Complete demarcation Code ab	Search																			0%	Not Compliant

PT: HOD/ NT / MM Name:	MR M.KUNENE
Signature of PT: HOD/ NT/ MM:	
Date:	10-Jun-26

* NOTE - If the person is signing on behalf of the Head of the Provincial Treasury (HOD), the written proclamation of the HOD must be attached as an Annexure to the Certificate of Compliance.

Municipal Managers Quality Certification

QUALITY CERTIFICATE

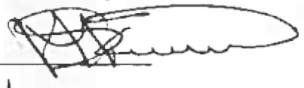
MP 302 MSUKALIGWA LOCAL MUNICIPALITY

I, **M. KUNENE**, the Municipal Manager of Msukaligwa Local Municipality, hereby certify that the budget statement report and supporting documentation for submission of the **Section 71 Monthly Report for May 2026 – M11** has been prepared in accordance with the Municipal management act and the regulations made under the Act.

Municipal Manager of Msukaligwa Local Municipality

Name: MR. M. KUNENE

Position: **Municipal Manager: MP 302 Msukaligwa local municipality**

Signature: 

Date: 10/6/26