

MONTHLY BUDGET STATEMENT REPORT

FIRST QUARTER _SEPTEMBER 2025



**Mkhondo Local
Municipality**



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Department of Financial Services

Report for the quarter ended 30 September 2025

Executive Summary

The in-year reporting is prepared in accordance with the guidelines as set out in the Government Gazette, 17 April 2009 (Schedule C-in-year reports and mid-year budget and performance assessment of Municipalities) and National Treasury Guidelines, Schedule C. Section 71 Reporting Guideline, July 2013 was issued by National Treasury.

PART 1: REVENUE

1.1 REVENUE VS YEAR TO DATE

1.1.1 OPERATING REVENUE

For the first quarter ended 30 September 2025, revenue to the amount of R 266,617-million was realized which is mainly revenue billed from service charges of R 54,548-million, Property Rates R30,976-million, Interest on outstanding debtors R11,633-million. Operating grants of R 152,340-million, other own revenue amounting to R 17,121-million. The year-to-date revenue amounts to R 262,800 million against the budgeted year to date revenue of R244,389- million. The capital transfers recognized for the quarter amounts to R 90,243 million. The year-to-date transfers recognized amounts to R 193,213-million compared to the budget of R69,950-million. Capital transfers are recognized as revenue when the condition of the grant was met.

1.2 The main YTD variances for revenue are:

- Property rates R5,291-million less than YTD budget)
- Service charges R27,567-million less than YTD budget)
- Rental of facilities & equipment R48-thousand less than YTD budget)
- Interest on outstanding debtors R4,666-million less than YTD budget)
- Fines, penalties and forfeits -R1,209-million less than YTD budget)

1.3 AGING DEBTORS AND COLLECTION RATE

The outstanding consumer's accounts for the last months were as follows:

Month	Amount outstanding	Amount billed	Payments received	Payment percentage
July 2025	R 808,067,025	R 35,564,891	R 15,696,632	55.18%
August 2025	R 819,691,711	R 31,602,963	R 18,383,657	51.69%

September 2025	R 835,256,874	R 33,200,833	R 17,726,649	56.09%
Average Percentage				54.32%

The collection rate is calculated using the payment received for the current month over the billing of previous month

Our Debtors book had a total balance of R 835 million at the end of 30 September 2025. Collection still remains a challenge as indicated by the huge amounts of old outstanding debtors.

BREAKDOWN OF DEBTORS BALANCE	
ACCOUNT_TYPE	TOTAL
RESIDENTIAL	594 264 676.42
BUSINESS	53 273 848.46
AGRICULTURAL	125 406 098.22
MUNICIPAL	4 702 334.35
PSI	842 330.12
PBO	153 105.87
PSP/GOV	9 618 623.52
INDUSTRIAL	605 544.67
VACANT	43 914 231.15
SCHOOLS	1 238 736.80
CHURCH	1 234 104.14
TOTAL	835 253 633.72
CONSUMERS PER CATEGORY	Total
EZINKONJANENI	32 925.90
PIET RETIEF	139 322 612.19
KEMPVILLE	21 339 336.82
RETIEFVILLE	10 653 621.20
THANDEKILE	1 296 689.32
ETHANDAKUKHANYA	296 357 233.27
SECTIONAL TITLES	7 267 785.56
AMSTERDAM	193 252 654.82
KWATHANDEKA	14 480 068.56
DIRKIESDORP	2 391 398.28
DRIEFONTEIN	854 882.93
ISWEPE	2 380 387.21
FARMS	144 580 391.44
RUSTPLAAS	625 238.72
OOSLOOP	297 485.19
EMAPHEPHENI	120 922.38
TOTAL	835 253 633.72

BREAKDOWN OF PAYMENTS

Type of service	July 2025	August 2025	September 2025
Electricity	R 6,961,230	R 7,143,818	R 7,112,562
Water	R 946,197	R 1,370,149	R 988,304
Refuse	R 414,387	R 435,616	R 425,437
Sewerage	R 495,833	R 616,346	R 608,556
Rates	R 4,163,778	R R 6,136,072	R 5,851,838
Other payments	R 2,715,206	R 2,681,655	R 2,739,951

Included in the amount for other payments are payments from electricity deposits, VAT, Interest and encroachment fees. The amount billed includes assessment rates, water, electricity, sewerage, refuse, interest on arrears and V.A.T. but excludes income for traffic fines and forestry.

1.4. Average debtor's payment percentage for the quarter ended September 2025

The average debtor's payment percentage as per above table is as follows:

The average payment rate for the quarter ended **September 54.32%**

Electricity disconnections, illegal disconnections and reconnections

1.5. Electricity disconnections, illegal disconnections and reconnections

The disconnections and reconnections for the quarter were as follows:

Month	No. of properties On cut of list	No. of properties Disconnected	No. of properties Reconnected	No. Illegal connections disconnected
July 2025	126	114	42	62
August 2025	127	117	81	4
September 2025	280	184	100	0

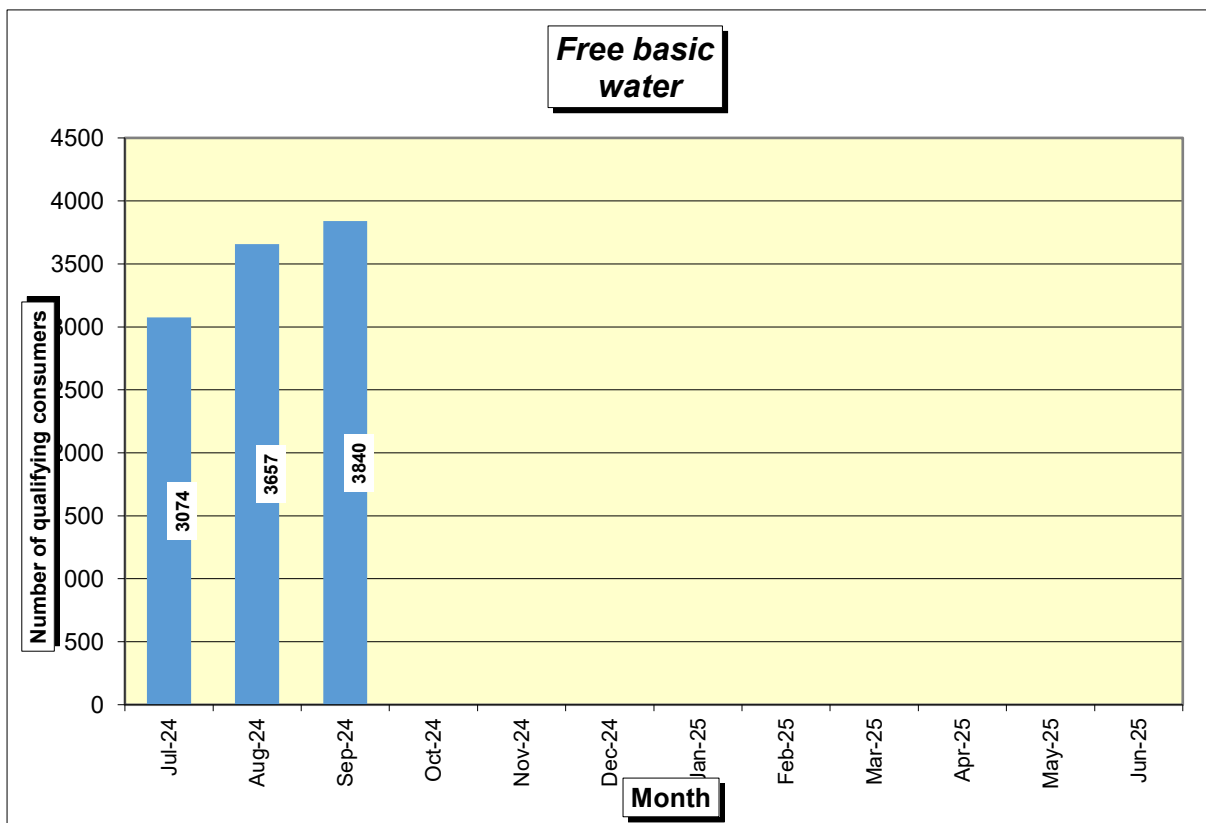
1.6. SUBSIDIES

1.6.1. Free Basic Water

Free basic water to consumers who qualifies, was as follows for the quarter.

Month	Number of households	Monthly amount
July 2025	3074	R 133,839
August 2025	3657	R 159,222
September 2025	3840	R 167,190

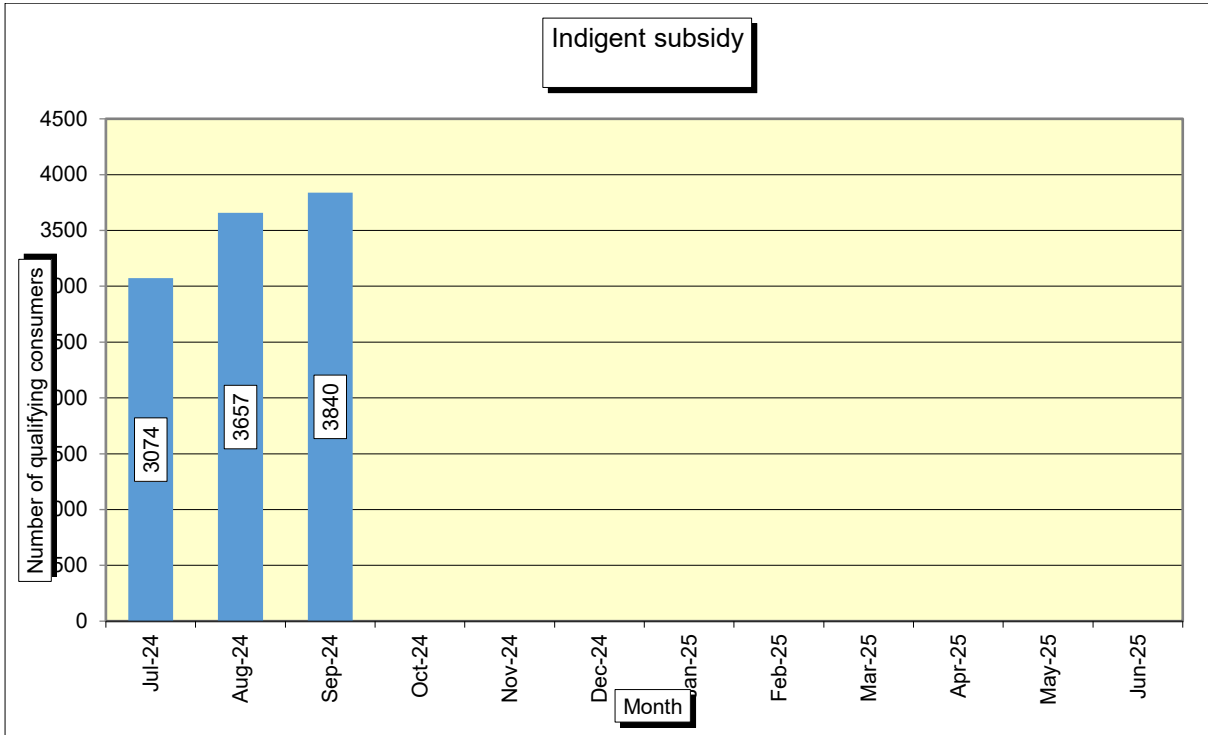
Below is a graphical representation of the number of consumers who received free basic water for the past quarter.



1.6.2. Indigent

Indigent subsidy at R 446.14 per consumer, who qualifies, was as follows for the quarter.

Month	Number of consumers	Amount
July 2025	3074	R 1,371,434
August 2025	3657	R 1,631,533
September 2025	3840	R1,713,177



PART 2: Expenditure/Creditors

2.1. EXPENDITURE VS YEAR TO DATE

2.1.1. Operating Expenditure

- Operating expenditure to the amount of R203,356 -million was appropriated for the quarter ended 30 September 2025. The year-to-date operating expenditure amounted to R231,675- million - against the budgeted year to date expenditure of R 231,675 -million.

2.1.2. Creditor's analysis

Supporting table SC4 provides detail on aged creditors for the month ended 30 September 2025

MP303 Mkhondo - Supporting Table SC4 Monthly Budget Statement - aged creditors - Quarter 1_September 2025

Description	NT Code	Budget Year 2025/26								Total	Prior year totals for chart (same period)
		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		
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	53,873	27,615	–	4,170	15,661	14,876	13,514	201,845	331,554	–
Bulk Water	0200	–	–	–	–	–	–	–	2,977	2,977	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	20,650	5,720	50	41,297	5,961	5,119	4,195	613,599	696,591	–
Auditor General	0800	–	–	–	–	–	–	–	–	–	–
Other	0900	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	1000	74,523	33,336	50	45,467	21,622	19,995	17,709	818,421	1,031,122	–

Supporting table SC4 provides detail on aged creditors. In terms of the MFMA all creditors are paid within thirty (30) days of receiving the invoice or statement.

2.2. Employee Related Costs as at the end of 30 September 2025

2.2.1. Payroll

Appointments for the month	0(permanent)
Temporal employees	0
Terminations of service	1(temp)
Transfers	0
EPWP	245
Number of councilors	38
Number of employees (Incl. Councilors & Temps)	805

Overtime paid	R 5,000,000
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2.2.2. Councillor allowances and employee benefits

MP303 Mkhondo Local Municipality- Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits Quarter 1_ September 2025.

Summary of Employee and Councillor remuneration R thousands	Ref	Budget Year 2025/26								
		2024/25 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers)	4									
Basic Salaries and Wages	3	15,968	14,420	14,420	57	113	3,605	(3,492)	-97%	14,420
Pension and UIF Contributions	2	1,337	3,148	3,148	92	275	787	(512)	-65%	3,148
Medical Aid Contributions	2	152	466	466	13	40	116	(77)	-66%	466
Motor Vehicle Allowance	4	-	-	-	-	-	-	-	-	-
Cellphone Allowance		1,786	2,589	2,589	149	447	647	(201)	-31%	2,589
Housing Allowances		24	28	28	2	6	7	(1)	-14%	28
Other benefits and allowances		497	702	702	25	132	176	(44)	-25%	702
Sub Total - Councillors		19,764	21,353	21,353	337	1,012	5,338	(4,326)	-81%	21,353
% increase			8.0%	8.0%						8.0%
Senior Managers of the Municipality										
Basic Salaries and Wages		5,736	3,823	3,823	181	361	956	(595)	-62%	3,823
Pension and UIF Contributions		476	613	613	-	-	153	(153)	-100%	613
Medical Aid Contributions		146	224	224	-	-	56	(56)	-100%	224
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		603	827	827	-	-	207	(207)	-100%	827
Motor Vehicle Allowance		548	932	932	10	20	233	(213)	-91%	932
Cellphone Allowance		58	77	77	3	7	19	(13)	-66%	77
Housing Allowances		21	91	91	-	-	23	(23)	-100%	91
Other benefits and allowances		0	1	1	-	-	0	0	-100%	1
Payments in lieu of leave		124	219	219	-	-	55	(55)	-100%	219
Long service awards		-	130	130	-	-	32	(32)	-100%	130
Sub Total - Senior Managers of		7,712	6,937	6,937	194	388	1,734	(1,347)	-78%	6,937
% increase			-10.0%	-10.0%						-10.0%
Other Municipal Staff										
Basic Salaries and Wages		150,446	161,569	161,569	27,143	35,840	40,392	(4,552)	-11%	161,569
Pension and UIF Contributions		28,294	29,226	29,226	4,857	5,148	7,307	(2,159)	-30%	29,226
Medical Aid Contributions		11,256	9,808	9,808	1,850	1,906	2,452	(546)	-22%	9,808
Overtime		20,564	25,568	25,568	4,259	4,259	6,392	(2,133)	-33%	25,568
Performance Bonus		12,065	15,135	15,135	3,176	3,523	3,784	(261)	-7%	15,135
Motor Vehicle Allowance		7,394	9,778	9,778	430	953	2,444	(1,491)	-61%	9,778
Cellphone Allowance		131	277	277	26	68	69	(1)	-2%	277
Housing Allowances		376	1,098	1,098	102	334	274	59	22%	1,098
Other benefits and allowances		19,200	15,095	15,095	3,521	3,656	3,773	(118)	-3%	15,095
Payments in lieu of leave		3,074	3,163	3,163	155	155	791	(635)	-80%	3,163
Long service awards		(224)	1,035	1,035	48	48	259	(210)	-81%	1,035
Post-retirement benefit obligations		2,868	1,071	1,071	-	-	268	(268)	-100%	1,071
Acting and post related allowance		1,661	2,482	2,482	300	323	621	(298)	-48%	2,482
Sub Total - Other Municipal Staff		257,106	275,304	275,304	45,869	56,213	68,826	(12,613)	-18%	275,304
% increase			7.1%	7.1%						7.1%
Total Parent Municipality		284,582	303,594	303,594	46,400	57,612	75,898	(18,286)	-24%	303,594
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES &		284,582	303,594	303,594	46,400	57,612	75,898	(18,286)	-24%	303,594
% increase	4		6.7%	6.7%						6.7%
TOTAL MANAGERS AND STAFF		264,818	282,241	282,241	46,063	56,601	70,560	(13,959)	-20%	282,241

This table (SC8) provides the detail for councillor and employee benefits. For the quarter ended 30 September 2024, councillor allowance amounted to R 4,235-million. The year-to-date figure amounts to R4, 235-million against the budget year to date of R4, 841- million. For the quarter ended 30 September 2024, the total salaries, allowances and benefits paid to staff amounts to R62, 286-million. The year-to-date actual amounts to R62, 286-million against the budgeted year to date of R67, 017-million. During the quarter ended 30 September 2024 an amount of R 4,724-million was paid out to some employees for overtime worked during the quarter ended 30 September 2024.

2.3. BULK SERVICES

- Bulk purchases electricity – R70,322-million
- Bulk purchases water – R0-million

4. ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

Supporting tables SC6 & SC7(1) provide detail of grants separately as income and expenditure, as far as revenue is recognized and expenditure is appropriated. On the receipt of grants, the year-to-date actual amounts to R 196,565-million, which was for the equitable share, WSIG, EQS, INEP and MIG. On the other hand, the year-to-date Capital grant expenditure amounts to R0 -million against the budgeted year to date amount of R33,547-million.

Description R thousands	Budget Year 2025/26							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:								
Operating Transfers and Grants								
National Government:								
	379,956	-	1,165	155,645	94,989	60,656	63.9%	379,956
Expanded Public Works Programme	2 159	-	-	540	540	0	0.0%	2 159
Integrated Grant	3 000	-	-	3 000	750	2 250	300.0%	3 000
Local Government Financial Management Grant	4 720	-	1 165	2 982	1 180	1 802	152.7%	4 720
Municipal Infrastructure Grant	4 000	-	-	1 600	1 000	600	60.0%	4 000
Energy Efficiency and Demand Side Management Grant	366 077	-	-	147 523	91 519	56 004	61.2%	366 077
Equitable Share	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	379,956	-	1,165	155,645	94,989	60,656	63.9%	379,956
Capital Transfers and Grants								
National Government:								
	139,902	-	29,866	90,243	34,975	55 267	158.0%	139,902
Municipal Infrastructure Grant	89 686	-	22 133	56 651	22 421	34 230	152.7%	89 686
Integrated National Electrification Programme Grant	10 000	-	-	-	2 500	(2 500)	-100.0%	10 000
Water Services Infrastructure Grant	-	-	2 643	28 501	-	28 501	#DIV/0!	-
Municipal Disaster Recovery Grant	16 968	-	5 090	5 090	4 242	848	20.0%	16 968
Public Transport Network Grant	23 248	-	-	-	5 812	(5 812)	-100.0%	23 248
Total Capital Transfers and Grants	139,902	-	29,866	90,243	34,975	55,267	158.0%	139,902
TOTAL RECEIPTS OF TRANSFERS & GRANTS	519,858	-	31,031	245,887	129,965	115,923	89.2%	519,858

MP303 Mkhondo - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure -Quarter1 September 2025

Description R thousands	Ref	Budget Year 2025/26								
		2024/25 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:	3	12,004	13,879	-	-	-	3,470	(3,470)	-100.0%	13,879
Expanded Public Works Programme Integrated Grant		2 004	2 159	-	-	-	540	(540)	-100.0%	2 159
Local Government Financial Management Grant		3 000	3 000	-	-	-	750	(750)	-100.0%	3 000
Municipal Infrastructure Grant		-	4 720	-	-	-	1 180	(1 180)	-100.0%	4 720
Energy Efficiency and Demand Side Management Grant		7 000	4 000	-	-	-	1 000	(1 000)	-100.0%	4 000
Total Operating Transfers and Grants		12,004	13,879	-	-	-	3,470	(3,470)	-100.0%	13,879
Capital Transfers and Grants National Government:										
		152,433	139,902	-	-	-	34,975	(34 975)	-100.0%	139,902
Municipal Infrastructure Grant		85 449	89	-	-	-	22	(22 500)	-100.0%	89
Integrated National Electrification Programme Grant		28 508	686	-	-	-	421	(4 242)	-100.0%	686
Municipal Disaster Recovery Grant		38 476	10 000	-	-	-	2 500	(5 812)	-100.0%	10 000
Public Transport Network Grant		-	16 968	-	-	-	4 242	-	-100.0%	16 968
			23 248	-	-	-	5 812	-	-	23 248
Total Capital Transfers and Grants		152,433	139,902	-	-	-	34,975	(34,975)	-100.0%	139,902
TOTAL EXPENDITURE OF TRANSFERS & GRANTS		164,437	153,781	-	-	-	38,445	(38,445)	-100.0%	153,781

2.4.1 Table C5: Monthly Capital Expenditure by Vote

Table C5 indicates the quarterly actuals on capital expenditure for all votes and measures the year-to-date actuals against the year to date planning (SDBIP) figures. For the quarter, capital expenditure to the amount of R245- thousand realized. The year to date capital expenditure amounts to R245-thousand.

Capital Expenditure by Funding Source is reflected in the table below:

MP303 Mkhondo - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 -											
Vote Description R thousands	Ref	2024/25				Budget Year 2025/26					
						Monthly actual	YearTD actual	YearTD budget		%	
Multi-	2										
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-	-
Single Year expenditure appropri-	2										
Vote 1 - Executive and Council		-	909	-	-	-	-	227	(227)	-100%	909
Vote 2 - Budget and Treasury Office		3,444	450	-	19	245	113	132	117%	117%	450
Vote 3 - Corporate Services		906	400	-	-	-	100	(100)	-100%	-100%	400
Vote 5 - Community Services		311	606	-	-	-	152	(152)	-100%	-100%	606
Vote 6 - Technical Services		141,875	123,472	-	-	-	30,868	(30,868)	-100%	-100%	123,472
Vote 7 - Afforestation and Tourism		-	1,635	-	-	-	409	(409)	-100%	-100%	1,635
Total Capital single-year	4	146,506	127,472	-	19	245	31,868	(31,624)	-99%	-99%	127,472
Total Capital Expenditure		146,506	127,472	-	19	245	31,868	(31,624)	-99%	-99%	127,472
Capital Expenditure - Functional Classification											
Governance and administration		4,320	1,759	-	19	245	440	(195)	-100%	-100%	1,759
Executive and council		-	909	-	-	-	227	(227)	-100%	-100%	909
Finance and administration		4,320	850	-	19	245	212	32	-100%	-100%	850
Community and public safety		311	303	-	-	-	76	(76)	-100%	-100%	303
Sport and recreation		311	303	-	-	-	76	(76)	-100%	-100%	303
Economic and environmental		58,909	29,190	-	-	-	7,297	(7,297)	-100%	-100%	29,190
Road transport		58,909	29,190	-	-	-	7,297	(7,297)	-100%	-100%	29,190
Trading services		82,966	94,585	-	-	-	23,646	(23,646)	-100%	-100%	94,585
Energy sources		39,381	9,605	-	-	-	2,401	(2,401)	-100%	-100%	9,605
Water management		16,733	56,746	-	-	-	14,187	(14,187)	-100%	-100%	56,746
Waste water management		26,852	27,931	-	-	-	6,983	(6,983)	-100%	-100%	27,931
Waste management		-	303	-	-	-	76	(76)	-100%	-100%	303
Other		-	1,635	-	-	-	409	(409)	-100%	-100%	1,635
Total Capital Expenditure -	3	146,506	127,472	-	19	245	31,868	(31,624)	-99%	-99%	127,472
Funded by:											
National Government		118,243	121,654	-	-	-	30,413	(30,413)	-100%	-100%	121,654
Transfers recognised - capital		118,243	121,654	-	-	-	30,413	(30,413)	-100%	-100%	121,654
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		25,455	5,819	-	19	245	1,455	(1,210)	-83%	-83%	5,819
Total Capital Funding		143,698	127,472	-	19	245	31,868	(31,624)	-99%	-99%	127,472

Capital Expenditure by Funding Source is reflected in the table below:

Funded By	Budget	1st Quarterly Actuals	YTD Actuals
National Government			
• MIG	R89,686,000	R 0	R 0
• INEP	R 10,000,000	R 0	R 0
• Municipal Disaster Recovery Grant	R 16,968,000	R 0	R 0
• WSIG	R 23,248,000	R0	R0
Own funding	R 5,819,000	R245,000	R 245,000

2.4.2. BANK AND CASH

➤ Closing figures as per Bank Statement

This figure reflects the balance of the banks account which Council utilize for day-to-day running of the Municipality. The balance as at **September 2025** was **R 26,811 million**.

ACCOUNT NAME	ACCOUNT NUMBER	NAME OF BANK	AMOUNT	RESULT
CHEQUE ACC.	62013126356	FNB	R1,069,323.70	CREDIT
Equitable Share	62706889617	FNB-EQS	R 76,237.69	CREDIT
Business Call EPWP	62706895911	FNB-EPWP	R 8,339.49	CREDIT
Business Call MIG	62706890911	FNB-MIG	R 23,376,037.01	CREDIT
Business Call INEP	62706893890	FNB-INEP	R 857,052.80	CREDIT
Business Call FMG	62706892280	FNB-FMG	R 11,737.25	CREDIT
Business Call WSIG	62706897214	FNB-WSIG	R 70,989.07	CREDIT
Business Call ACC	62016967351	FNB	R 17,677.47	CREDIT
ABSA	5008322939	FIXED TERM	R 12,1392.78	CREDIT
ABSA	2056165426	FIXED TERM	R 46,727.30	CREDIT
Business Call ACC	62254274732	FNB	R 10,861.77	CREDIT
Business Call ACC	63062137419	FNB-RETENTION	R 11,623.27	CREDIT
Business Call ACC	63062335667	FNB-ESKOM	R 21,689.90	CREDIT
Business Call ACC	63062137766	FNB-CSI	R 4,308,285.06	CREDIT

PART 3: BUDGET AND REPORTING

3.1. Monthly Budgeted Amount vs. Income & expenditure (Actual)

- The monthly budgeted amounts vs. expenditure and income (Actuals) for the month ended 30 September 2025 were as follows:

Income				Variances		Expenditure		Variances
Month	Annual Budget	Quarterly Budget	Actual Quarter 1	Income	Annual Budget	Quarterly Budget	Actual Quarter 1	Expenditure
1 st Quarter	R 977,555,000	R 244,389,000	R 261,800,000	R 17,411,000	R 926,699,000	R231,675,000	R 203,356,000	(R28,319,000)
2 nd Quarter								
3 rd Quarter								
4 th Quarter								
Total	R 977,555,000		R 261,800,000		R 926,699,000		R 203,356,000	

3.2. Table C4: Monthly Financial Performance by Revenue Source and Expenditure Type

Table C4 provides details of the service delivery targets for revenue by source and expenditure by type. For revenue, the main deviations are property rates, rental of facilities, interest on investments, fines, agency services and other revenue. In the case of expenditure debt impairment, finance charges, other materials, transfer & subsidies and other expenditure.

MP303 Mkhondo Local Municipality- Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – 1st Quarter

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		145 263	263 785	-	15 446	43 234	65 946	(22 713)	-34%	263 785
Service charges - Water		19 678	30 472	-	1 788	4 970	7 618	(2 648)	-35%	30 472
Service charges - Waste Water Management		10 483	17 156	-	1 008	2 827	4 289	(1 462)	-34%	17 156
Service charges - Waste management		12 596	17 040	-	1 149	3 516	4 260	(744)	-17%	17 040
Sale of Goods and Rendering of Services		16 629	3 226	-	(54)	399	807	(407)	-51%	3 226
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		43 289	55 512	-	2 691	8 247	13 878	(5 631)	-41%	55 512
Interest from Current and Non Current Assets		1 727	3 513	-	45	486	878	(393)	-45%	3 513
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		1 160	1 614	-	107	356	404	(48)	-12%	1 614
Licence and permits		1	65	-	-	-	16	(16)	-100%	65
Special Rating Levies		-	-	-	-	-	-	-	-	-
Operational Revenue		917	1 930	-	46	56	483	(427)	-88%	1 930
Non-Exchange Revenue										
Property rates		89 068	102 743	-	10 260	30 977	25 686	5 291	21%	102 743
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		7 626	6 490	-	140	414	1 623	(1 209)	-75%	6 490

Licence and permits	567	1 070	-	2	8	267	(259)	-97%	1 070
Transfers and subsidies - Operational	370 239	381 310	-	-	147 523	95 328	52 195	55%	381 310
Interest	13 599	30 639	-	1 061	3 387	7 660	(4 273)	-56%	30 639
Fuel Levy	-	-	-	-	-	-	-	-	-
Operational Revenue	51 942	60 989	-	5 169	15 402	15 247	154	1%	60 989
Gains on disposal of Assets	-	-	-	-	-	-	-	-	-
Other Gains	105	-	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	784 890	977 555	-	38 858	261 800	244 389	17 412	7%	977 555
Expenditure By Type									
Employee related costs	264 818	282 241	-	46 070	56 607	70 560	(13 952)	-20%	282 241
Remuneration of councillors	19 764	21 353	-	337	1 012	5 338	(4 326)	-81%	21 353
Bulk purchases - electricity	206 582	214 387	-	46 846	73 091	53 597	19 494	36%	214 387
Inventory consumed	89 925	21 873	-	3 748	3 932	5 468	(1 536)	-28%	21 873
Debt impairment	(65 937)	117 654	-	-	-	29 414	(29 414)	-100%	117 654
Depreciation and amortisation	125 172	97 148	-	6 432	19 721	24 287	(4 566)	-19%	97 148
Interest	32 327	18 177	-	7 689	10 461	4 544	5 917	130%	18 177
Contracted services	145 692	83 548	-	8 056	13 746	20 887	(7 141)	-34%	83 548
Transfers and subsidies	677	-	-	-	-	-	-	-	-
Irrecoverable debts written off	211 956	5 000	-	-	-	1 250	(1 250)	-100%	5 000
Operational costs	87 514	65 318	-	3 503	8 247	16 330	(8 083)	-49%	65 318
Losses on Disposal of Assets	7 276	-	-	-	-	-	-	-	-
Other Losses	8 239	-	-	-	-	-	-	-	-
Total Expenditure	1 134 005	926 699	-	122 682	186 819	231 675	(44 856)	-19%	926 699
Surplus/(Deficit)	(349 116)	50 856	-	(83 824)	74 982	12 714	62 268	490%	50 856

3.3. Table C: 6 Monthly Budget Statement Financial Position

In general, the community wealth of the municipality amounts to R955,025-thousand. Total liabilities amount to R1,344,220-billion, whilst total assets amount to R2,299,249-billion in September.

MP303 Mkhondo - Table C6 Monthly Budget Statement - Financial Position - M03 - September

Description R thousands	Ref 1	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		7 738	15 357	–	26 811	15 357
Trade and other receivables from exchange transactions		24 553	68 909	–	52 270	68 909
Receivables from non-exchange transactions		28 756	78 949	–	45 398	78 949
Current portion of non-current receivables		–	1 100	–	–	1 100
Inventory		26 759	62 315	–	38 421	62 315
VAT		117 744	381 335	–	132 452	381 335
Other current assets		859	872	–	859	872
Total current assets		206 409	608 836	–	296 211	608 836
Non current assets						
Investments		610	613	–	610	613
Investment property		131 732	131 353	–	131 607	131 353
Property, plant and equipment		1 776 171	1 834 262	–	1 756 810	1 834 262
Biological assets		111 090	96 553	–	111 090	96 553
Living and non-living resources		–	–	–	–	–
Heritage assets		2 916	2 916	–	2 916	2 916
Intangible assets		(0)	–	–	(0)	–
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		2 022 520	2 065 697	–	2 003 034	2 065 697
TOTAL ASSETS		2 228 929	2 674 533	–	2 299 245	2 674 533
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	–	–	–	–
Consumer deposits		4 277	4 892	–	4 296	4 892
Trade and other payables from exchange transactions		1 170 001	646 361	–	1 114 718	646 361
Trade and other payables from non-exchange transactions		(0)	(0)	–	98 364	(0)
Provision		1 739	2 053	–	1 739	2 053
VAT		49 588	352 299	–	69 778	352 299
Other current liabilities		–	–	–	–	–
Total current liabilities		1 225 605	1 005 605	–	1 288 896	1 005 605
Non current liabilities						
Financial liabilities		–	–	–	–	–
Provision		46 274	43 876	–	46 274	43 876
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		9 051	13 617	–	9 051	13 617
Total non current liabilities		55 325	57 493	–	55 325	57 493
TOTAL LIABILITIES		1 280 930	1 063 098	–	1 344 220	1 063 098
NET ASSETS	2	947 999	1 611 436	–	955 025	1 611 436
COMMUNITY WEALTH/EQUITY						

Accumulated surplus/(deficit)		910 170	1 611 436	-	955 025	1 611 436
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	910 170	1 611 436	-	955 025	1 611 436

3.4. Table C7: Monthly Budget Statement Cash Flow

Table C7 provides detail of the monthly cash in- and out flow. For the month of September, the net cash from operating activities was R 67,453-million whilst cash used for investing activities amounts to R-245-thousand net cash used for financing activities amounts to R0-thousand. The cash & cash equivalent held at the end of September amounted to R 26-million.

MP303 Mkhondo - Table C7 Monthly Budget Statement - Cash Flow - M03 - September

Description R thousands	Ref 1	Budget Year 2025/26								
		2024/25 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		80 614	113 811	113 811	6 026	16 805	28 453	(11 648)	-41%	113 811
Service charges		188 552	395 336	395 336	17 709	53 504	98 834	(45 330)	-46%	395 336
Other revenue		26 168	55 827	55 827	2 482	6 875	13 957	(7 082)	-51%	55 827
Transfers and Subsidies - Operational		26 332	381 310	381 310	1 219	11 284	95 328	(84 044)	-88%	381 310
Transfers and Subsidies - Capital		151 453	139 902	139 902	29 866	90 243	34 975	55 267	158%	139 902
Interest		4 973	15 846	15 846	573	1 622	3 962	(2 340)	-59%	15 846
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees Interest		(356 860)	(942 816)	(942 816)	9 577	(176 647)	(235 704)	(4 070)		(942 816)
Transfers and Subsidies		-	(16 281)	16 281	-	-	-	-		(16 281)
		-	-	-	-	-	-	59 057	-25%	-
		-	-	-	-	-	-	4 070	-100%	-
		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		121 231	142 935	175 496	67 453	3 684	35 734	32 050	90%	142 935
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		51	-	-	-	-	-	-	-	-
Payments										
Capital assets		166 847	(138 686)	(138 686)	-	(3 120)	(34 671)	31 552	-91%	(138 686)
NET CASH FROM/(USED) INVESTING ACTIVITIES		166 899	(138 686)	(138 686)	-	(3 120)	(34 671)	(31 552)	91%	(138 686)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		0	346	346	-	-	87	(87)	-	346
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-100%	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		0	346	346	-	-	87	87	100%	346
NET INCREASE/ (DECREASE) IN CASH HELD		288 130	4 595	37 156	67 453	564	1 149	-		4 595
Cash/cash equivalents at beginning:							1 149			4 595
Cash/cash equivalents at month/year end:										

PART: 4

ASSETS & LOGISTICS

4.1 Expenditure Report on Vehicle Maintenance

Departments	July	August	September
Corporate Services	8 709.10	6 796.90	966.76 ⁵
Council	70 858.21	35 110.37	29 158.17
Electrical	63 464.34	60 740.66	58 484.33
Finance	19 352.11	32 204.08	48 072.21
Fire and Rescue	23 784.04	28 284.34	51 022.21
Forestry	60 261.23	39 684.74	72 384.91
Parks	11 697.37	29 249.42	33 736.51
Solid waste	153 667.29	185 529.29	191 559.51
Technical Services/Roads	152 269.89	222 935.11	208 773.25
traffic	9 271.76	27 514.54	15 763.98
Water	481 250.83	546 884.50	700 451.66
Total	1 054 586.17	1 214 933.95	1 415 373.50

4.2 Expenditure on Generator's fuel

Departments	July	August	September
Solid Waste	R 7,113.36	R 32,334.80	R 19,301.76
Finance		R10,030.20	
Water			R 41,613.28
Fire			R 10,924.26
Total	R 7,113.36	R 39,891.80	R71,839.30

4.3 Assets Additions

Departments	July	August	September
Financial Services	R 315,714.50	R 97,236.77	R 18,000.00
Corporate Services		R 76,986.87	R 9,000,00
Community Services		R 25,662.29	
Planning		R 25,662.29	
Total	R 315,714.50	R 225,548.23	R 27,000.00

PART: 5. COMPLIANCE REGISTER

5.2. Compliance Register

Item	Submitted by due date	July	August	September
1	S71 Reports to NT & PT (Hard/Soft copy)	✓	✓	✓
2	S52(d) Quarterly Reports			
4	Draft Budget key schedule of key deadlines		✓	

Remarks

We acknowledge the compliance as the Financial Services Department to produce monthly budget statement to the Executive Mayor of the Municipality and the Accounting Officer as a legislative requirement set out in the MFMA section 71 reporting.

Compiled by:

.....
Ms. Nonhlanhla Hadebe
Accountant: Budget & Financial Reporting
Mkhondo Local Municipality

Reviewed by:

.....
Mr. T. Motha
Senior Manager: Expenditure
Mkhondo Local Municipality

Approved by

.....
Mr. K. Duba
Chief Financial Officer
Mkhondo Local Municipality
13/10/2025

