

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

JANUARY 2026

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PART 1: IN - YEAR REPORT

PURPOSE

To report to the Council and submit to the National and Provincial Treasury on the monthly financial performance of the Municipality as required by Section 71 of the Municipal Finance Management Act.

EXECUTIVE SUMMARY

Section 71 of the Municipal Finance Management Act deals with requirements for in-year reporting and further states that the Accounting Officer of the Municipality must by no later than 10 working days after end of each month submit to the January or of the municipality and relevant Provincial Treasury, the monthly budget statement in the prescribed format on the state of the municipality's financial results.

IN YEAR BUDGET STATEMENT TABLES

DESCRIPTION	2025/26		
	ORIGINAL BUDGET	YEAR TO DATE ACTUAL	PERCENTAGE
OPERATING REVENUE	770,484,882	518,313,136	67%
OPERATING EXPENDITURE	753,261,967	418,374,677	56%
TRANSFER - CAPITAL	92,090,000	56,259,486	61%
SURPLUS/(DEFICIT)	109,312,915	156,197,945	143%
CAPITAL EXPENDITURE	98,829,145	59,415,630	60%

Table C1 – Budget Statement Summary

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
Financial Performance									
Property rates	61,818	63,085	–	5,431	38,000	36,873	1,126	3%	63,085
Service charges	161,854	186,549	–	12,679	105,741	103,933	1,807	2%	186,549
Investment revenue	10,989	6,656	–	798	5,792	3,886	1,906	49%	6,656
Transfers and subsidies	383,099	381,926	–	436	286,552	280,977	5,575	2%	381,550
Other own revenue	197,698	132,269	–	4,579	82,230	77,445	4,784	6%	132,269
Total Revenue (excluding capital transfers and contributions)	815,459	770,485	–	23,923	518,313	503,114	15,199	3%	770,109
Employee costs	196,286	209,467	–	20,718	134,605	122,213	12,391	10%	209,467
Remuneration of Councillors	29,661	30,966	–	2,282	16,034	18,064	(2,030)	-11%	30,966
Depreciation & asset impairment	62,754	63,492	–	5,014	34,683	37,223	(2,540)	-7%	63,492
Finance charges	1,104	5,962	–	535	1,201	3,477	(2,277)	-65%	5,962
Materials and bulk purchases	181,287	175,262	–	12,374	88,242	103,568	(15,327)	-15%	175,262
Transfers and subsidies	11,313	13,645	–	869	5,135	7,169	(2,033)	-28%	13,645
Other expenditure	173,226	254,467	–	11,982	138,475	148,767	(10,292)	-7%	254,467
Total Expenditure	655,631	753,262	–	53,776	418,375	440,481	(22,106)	-5%	753,262
Surplus/(Deficit)	159,827	17,223	–	(29,852)	99,938	62,633	37,305	60%	16,847
Transfers and subsidies - capital (monetary allocations)	160,508	92,090	–	–	56,259	73,027	(16,767)	-23%	92,090
Transfers and subsidies - capital (monetary allocations)	360	–	–	–	–	–	–	–	376
Surplus/(Deficit) after capital transfers & contributions	320,696	109,313	–	(29,852)	156,198	135,660	20,538	15%	109,313
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	320,696	109,313	–	(29,852)	156,198	135,660	20,538	15%	109,313
Capital expenditure & funds sources									
Capital expenditure	173,549	98,829	–	977	59,416	56,669	2,747	5%	98,829
Capital transfers recognised	160,868	92,090	–	977	56,507	52,571	3,936	7%	74,258
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	12,681	6,739	–	–	2,909	4,098	(1,189)	-29%	24,571
Total sources of capital funds	173,549	98,829	–	977	59,416	56,669	2,747	5%	98,829
Financial position									
Total current assets	298,373	349,635	–	–	475,397	–	–	–	349,635
Total non current assets	1,284,966	1,562,593	–	–	1,236,891	–	–	–	1,562,593
Total current liabilities	130,508	36,771	–	–	174,156	–	–	–	36,771
Total non current liabilities	135,904	169,872	–	–	163,329	–	–	–	169,872
Community wealth/Equity	1,316,927	1,705,585	–	–	1,374,803	–	–	–	1,705,585
Cash flows									
Net cash from (used) operating	158,035	125,873	–	(28,395)	174,743	66,943	(107,800)	-161%	125,873
Net cash from (used) investing	(115,768)	(44,179)	–	(977)	(64,119)	(198,957)	(134,838)	68%	(44,179)
Net cash from (used) financing	(11,751)	(9,348)	–	(1,069)	(2,220)	(5,310)	(3,090)	58%	(9,348)
Cash/cash equivalents at the month/year end	53,191	81,556	–	–	117,613	(128,116)	(245,729)	192%	81,556
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	20,034	7,793	6,419	3,633	4,601	4,342	4,271	203,050	254,142
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	–	–

The above C1 Sum table summarizes the following activities: -

Revenue:

The actual year to date operational revenue as at the end of January is R518, 313 million and the year to date budget of R503, 114 million and this reflects a positive variance of R15, 199 million which is mostly attributable to equitable shares received amounting to R281, 917 million. The following are the secondary revenue item categories reflecting a positive and negative material variance:

- Property rates: 3% favorable variance
- Services Charges – electricity revenue: 2% favorable variance
- Services Charges – refuse revenue: 3% unfavorable variance
- Rental from fixed assets: 21% unfavorable variance
- Interest earned external investment: 49% favorable variance
- Interest earned outstanding debtors: 30% favorable variance
- Fines, penalties and forfeits: 5% favorable variance
- Licenses and permits: 1% favorable variance.
- Transfer and subsidies: 2% favorable variance
- Other revenue: 48% unfavorable variance
- Gains on disposal of assets: 439% favorable variance

Operating Expenditure

The year-to-date operational expenditure as at end of January amounts to R418, 375 million and the year to date budget is R440, 481 million. This reflects the overspending variance of R22, 106 million that translates to 5% variance. The variance is attributed to the overspending of finance charges. The municipality is still facing a challenge regarding the computation of monthly movement of the debt impairment.

All other expenditure line items are performing almost in line with the year to date budget since the variance thereof is less than 10% except for the following.

- Employee related cost: 10% overspending
- Remuneration of councilors: 11% underspending
- Debt impairment: 75% underspending
- Finance charges: 65% underspending.
- Bulk purchases: 14% underspending
- Other material: 21% underspending
- Transfer and subsidies: 28% underspending.
- Other expenditure: 60% underspending
- Losses on disposal of assets: 100% underspending

The above material variances are explained more in detail on Supporting Tables SC 1

Capital Expenditure

The year to date actual capital expenditure as at end of January amounts to R59, 416 million and the year to date budget amounts to R56, 669 million and this gives rise to R2, 747 million under performance.

Surplus/Deficit

Taking the above into consideration, the net operating profit for the month of January is R135, 660 million that is mainly attributed to underperformance on capital expenditure in the reporting period.

Debtors

Outstanding debtors are comprised of consumer and sundry debtors. The total outstanding debtors at end of January amounts to R254,142 million and this shows an increase of R5,020 million as compared to R249,122 million as at end of 2024-25 financial year, and it shows an decrease of R 7,591 million as compared to R256,713 of last month.

Consumer debtors are made up of service charges and property rates that amount to R157,458 million and other debtors amounting to R96, 684 million. Debtors relating to traffic fines are reported as part of other debtors presented under current assets on table C6 and as a result, do not form part of consumer debtors.

Creditors

All creditors were paid within 30 days of receipt of the invoice in the month of January as required by MFMA and as a result there are no outstanding creditors. The creditors mentioned above exclude payments made to creditors relating to retentions.

Table C2 – Financial Performance (Standard Classification)

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
Revenue - Functional									
Governance and administration	331,211	303,737	-	7,723	238,462	224,520	13,942	6%	303,737
Executive and council	55,444	51,149	-	-	37,034	43,152	(6,117)	-14%	51,149
Finance and administration	256,883	238,427	-	7,723	187,491	170,209	17,281	10%	238,427
Internal audit	18,884	14,161	-	-	13,938	11,159	2,779	25%	14,161
Community and public safety	59,675	133,322	-	2,031	90,547	84,831	5,716	7%	133,322
Community and social services	11,320	10,504	-	2	8,806	7,732	1,074	14%	10,504
Sport and recreation	17,612	13,589	-	-	14,558	12,624	1,934	15%	13,589
Public safety	30,744	109,229	-	2,029	67,183	64,475	2,708	4%	109,229
Economic and environmental services	210,401	162,700	-	1,170	89,650	106,098	(16,448)	-16%	162,700
Planning and development	27,921	26,487	-	554	21,920	17,970	3,950	22%	26,487
Road transport	181,644	135,381	-	616	67,126	87,710	(20,584)	-23%	135,381
Environmental protection	836	832	-	-	604	418	186	45%	832
Trading services	230,842	262,816	-	13,000	155,914	160,692	(4,779)	-3%	262,816
Energy sources	190,852	216,641	-	11,627	129,938	134,821	(4,883)	-4%	216,641
Waste management	39,991	46,175	-	1,373	25,976	25,871	104	0%	46,175
Total Revenue - Functional	832,129	862,575	-	23,923	574,573	576,141	(1,568)	0%	862,575
Expenditure - Functional									
Governance and administration	261,398	281,365	-	23,802	185,257	164,677	20,580	12%	281,365
Executive and council	51,199	53,160	-	4,433	27,138	30,835	(3,697)	-12%	53,160
Finance and administration	195,181	214,461	-	18,855	146,981	125,431	21,550	17%	214,461
Internal audit	15,018	13,744	-	514	11,137	8,411	2,726	32%	13,744
Community and public safety	63,737	135,842	-	4,328	57,661	79,413	(21,752)	-27%	135,842
Community and social services	8,012	17,215	-	594	5,100	9,974	(4,874)	-49%	17,215
Sport and recreation	25,212	18,916	-	1,433	16,132	11,173	4,959	44%	18,916
Public safety	30,513	99,711	-	2,301	36,429	58,266	(21,836)	-37%	99,711
Economic and environmental services	112,486	117,998	-	8,885	66,841	68,703	(1,862)	-3%	117,998
Planning and development	24,797	27,626	-	2,163	14,947	15,935	(988)	-6%	27,626
Road transport	87,593	89,092	-	6,722	51,866	52,046	(180)	0%	89,092
Environmental protection	96	1,280	-	-	28	722	(695)	-96%	1,280
Trading services	219,962	218,057	-	16,760	108,616	127,688	(19,073)	-15%	218,057
Energy sources	158,434	170,466	-	12,313	80,860	99,376	(18,516)	-19%	170,466
Waste management	61,528	47,591	-	4,447	27,756	28,313	(557)	-2%	47,591
Total Expenditure - Functional	657,583	753,262	-	53,776	418,375	440,481	(22,106)	-5%	753,262
Surplus/ (Deficit) for the year	174,546	109,313	-	(29,852)	156,198	135,660	20,538	15%	109,313

Table C3 – Financial Performance (Revenue and Expenditure by vote)

Vote 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
Revenue by Vote									
Vote 1 - Executive & Council	48,780	46,493	-	-	31,821	38,986	(7,164)	-18%	46,493
Vote 2 - Municipal Manager	53,017	41,927	-	-	40,242	32,060	8,182	26%	41,927
Vote 3 - Budget & Treasury	146,875	143,601	-	7,723	99,559	95,598	3,961	4%	143,601
Vote 4 - Corporate Services	46,686	36,374	-	-	36,205	29,757	6,448	22%	36,374
Vote 5 - Community Services	110,044	189,270	-	3,924	122,826	116,937	5,889	5%	189,270
Vote 6 - Technical Services	387,357	368,377	-	11,723	212,010	238,933	(26,923)	-11%	368,377
Vote 7 - Developmental Planning	19,670	18,235	-	554	15,936	13,298	2,638	20%	18,235
Vote 8 - Executive Support	19,701	18,298	-	-	15,966	10,570	5,396	51%	18,298
Total Revenue by Vote	832,129	862,575	-	23,923	574,565	576,138	(1,573)	0%	862,575
Expenditure by Vote									
Vote 1 - Executive & Council	43,295	43,414	-	2,757	20,708	25,672	(4,964)	-19%	43,414
Vote 2 - Municipal Manager	51,629	51,785	-	4,222	34,695	30,222	4,474	15%	51,785
Vote 3 - Budget & Treasury	84,720	84,881	-	5,378	74,950	49,155	25,795	52%	84,881
Vote 4 - Corporate Services	32,137	46,836	-	4,634	20,268	26,765	(6,497)	-24%	46,836
Vote 5 - Community Services	135,192	194,902	-	9,629	92,154	114,395	(22,242)	-19%	194,902
Vote 6 - Technical Services	265,963	288,567	-	23,390	147,638	169,303	(21,665)	-13%	288,567
Vote 7 - Developmental Planning	17,900	20,568	-	1,675	10,886	11,816	(930)	-8%	20,568
Vote 8 - Executive Support	26,747	22,310	-	2,092	17,076	13,154	3,922	30%	22,310
Total Expenditure by Vote	657,583	753,262	-	53,776	418,375	440,481	(22,106)	-5%	753,262
Surplus/ (Deficit) for the year	174,546	109,313	-	(29,852)	156,191	135,657	20,534	15%	109,313

Table C2 and C3 measure the monthly actuals and year to date actuals against the year-to-date budget. The aforementioned budget tables are presented by standard classification and vote respectively for both revenue and expenditure. The variances are all reflected in the year-to-date variance column.

The financial results portrayed in the two tables are the same as those in other tables (i.e. it is only the description or basis of reporting that is based on financial or budget performance by vote or department, and National Treasury's standard classification).

Table C4: Financial Performance by Revenue Source and Expenditure Type

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
Revenue By Source									
Property rates	61,818	63,085	-	5,431	38,000	36,873	1,126	3%	63,085
Service charges - electricity revenue	147,578	164,683	-	11,583	98,030	95,997	2,033	2%	164,683
Service charges - refuse revenue	14,276	21,866	-	1,095	7,711	7,937	(226)	-3%	21,866
Rental of facilities and equipment	1,886	1,467	-	95	620	786	(165)	-21%	1,467
Interest earned - external investments	10,989	6,656	-	798	5,792	3,886	1,906	49%	6,656
Interest earned - outstanding debtors	13,635	16,493	-	1,741	12,381	9,505	2,875	30%	16,493
Fines, penalties and forfeits	98,497	104,744	-	2,097	64,301	61,474	2,827	5%	104,744
Licences and permits	7,302	6,916	-	520	4,060	4,034	25	1%	6,916
Transfers and subsidies	383,099	381,926	-	436	286,552	280,977	5,575	2%	381,550
Other revenue	4,296	2,648	-	125	860	1,645	(784)	-48%	2,648
Gains	72,082	-	-	-	7	1	6	439%	-
Total Revenue (excluding capital transfers and contributions)	815,459	770,485	-	23,923	518,313	503,114	15,199	3%	770,109
Expenditure By Type									
Employee related costs	196,286	209,467	-	20,718	134,605	122,213	12,391	10%	209,467
Remuneration of councillors	29,661	30,966	-	2,282	16,034	18,064	(2,030)	-11%	30,966
Debt impairment	20,144	87,202	-	-	12,786	51,353	(38,566)	-75%	87,202
Depreciation & asset impairment	62,754	63,492	-	5,014	34,683	37,223	(2,540)	-7%	63,492
Finance charges	1,104	5,962	-	535	1,201	3,477	(2,277)	-65%	5,962
Bulk purchases	139,391	150,170	-	11,236	75,699	87,599	(11,900)	-14%	150,170
Other materials	41,896	25,092	-	1,138	12,543	15,969	(3,427)	-21%	25,092
Contracted services	85,573	92,371	-	2,412	56,887	53,943	2,943	5%	92,371
Transfers and subsidies	11,313	13,645	-	869	5,135	7,169	(2,033)	-28%	13,645
Other expenditure	67,442	72,593	-	9,570	68,802	42,932	25,870	60%	72,593
Losses	67	2,301	-	-	-	539	(539)	-100%	2,301
Total Expenditure	655,631	753,262	-	53,776	418,375	440,481	(22,106)	-5%	753,262
Surplus/(Deficit)	159,827	17,223	-	(29,852)	99,938	62,633	37,305	60%	16,847
Transfers and subsidies - capital (monetary allocations)	160,508	92,090	-	-	56,259	73,027	(16,767)	-23%	92,090
Transfers and subsidies - capital (monetary allocations)	360	-	-	-	-	-	-		376
Surplus/(Deficit) after capital transfers & contributions	320,696	109,313	-	(29,852)	156,198	135,660			109,313
Taxation									
Surplus/(Deficit) after taxation	320,696	109,313	-	(29,852)	156,198	135,660			109,313
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	320,696	109,313	-	(29,852)	156,198	135,660			109,313
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	320,696	109,313	-	(29,852)	156,198	135,660			109,313

Table C4 provides budget performance details for revenue by source and expenditure by type. For revenue, the main positive deviations from budget projections are on property rates, service charges – electricity, refuse, rental of facilities and equipment, interest earned – external investments, interest on outstanding debtors, fines, penalties and forfeits, licenses and permits .

In the case of expenditure, the following line items reflect negative material variance, debt impairment,, finance charges, and losses

Reasons for deviations will only be provided for material variances and a variance is deemed to be material if it is 10% and more.

Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding

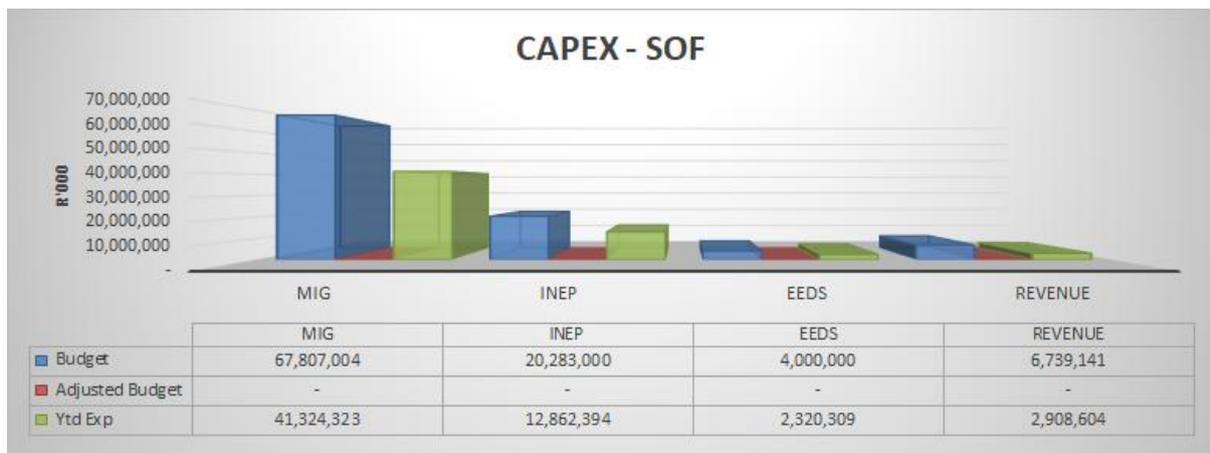
Vote Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Functional Classification									
Governance and administration	2,370	1,304	-	-	1,123	966	157	16%	1,304
Executive and council	-	-	-	-	-	-	-	-	-
Finance and administration	2,370	1,304	-	-	1,123	966	157	16%	1,304
Internal audit	-	-	-	-	-	-	-	-	-
Community and public safety	12,191	870	-	-	925	654	271	41%	870
Community and social services	696	696	-	-	799	567	232	41%	696
Sport and recreation	11,495	174	-	-	126	87	39	45%	174
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	76,556	66,071	-	-	40,687	36,283	4,404	12%	66,071
Planning and development	-	-	-	-	-	-	-	-	-
Road transport	76,556	66,071	-	-	40,687	36,283	4,404	12%	66,071
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	23,448	30,585	-	977	16,680	18,766	(2,086)	-11%	30,585
Energy sources	21,342	29,932	-	977	16,593	18,372	(1,778)	-10%	29,932
Waste management	2,107	652	-	-	87	394	(307)	-78%	652
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	114,566	98,829	-	977	59,416	56,669	2,747	5%	98,829
Funded by:									
National Government	140,508	92,090	-	977	56,507	52,571	3,936	7%	74,258
Provincial Government	-	-	-	-	-	-	-	-	-
District Municipality	20,000	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations)	360	-	-	-	-	-	-	-	-
Transfers recognised - capital	160,868	92,090	-	977	56,507	52,571	3,936	7%	74,258
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	12,681	6,739	-	-	2,909	4,098	(1,189)	-29%	24,571
Total Capital Funding	173,549	98,829	-	977	59,416	56,669	2,747	5%	98,829

Table C5C: Monthly Capital Expenditure by Vote

Vote 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
Expenditure of multi-year capital appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	1,660	435	-	-	412	-	412	#DIV/0!	435
Vote 5 - Community Services	11,217	1,130	-	-	925	567	358	63%	1,130
Vote 6 - Technical Services	88,766	69,137	-	977	43,418	53,133	(9,714)	-18%	69,137
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total multi-year capital expenditure	101,644	70,702	-	977	44,755	53,700	(8,945)	-17%	70,702
Expenditure of single-year capital appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	710	870	-	-	711	966	(254)	-26%	870
Vote 5 - Community Services	2,559	391	-	-	87	481	(394)	-82%	391
Vote 6 - Technical Services	68,636	26,866	-	-	13,863	1,522	12,340	811%	26,866
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total single-year capital expenditure	71,905	28,127	-	-	14,661	2,969	11,692	394%	28,127
Total Capital Expenditure	173,549	98,829	-	977	59,416	56,669	2,747	5%	98,829

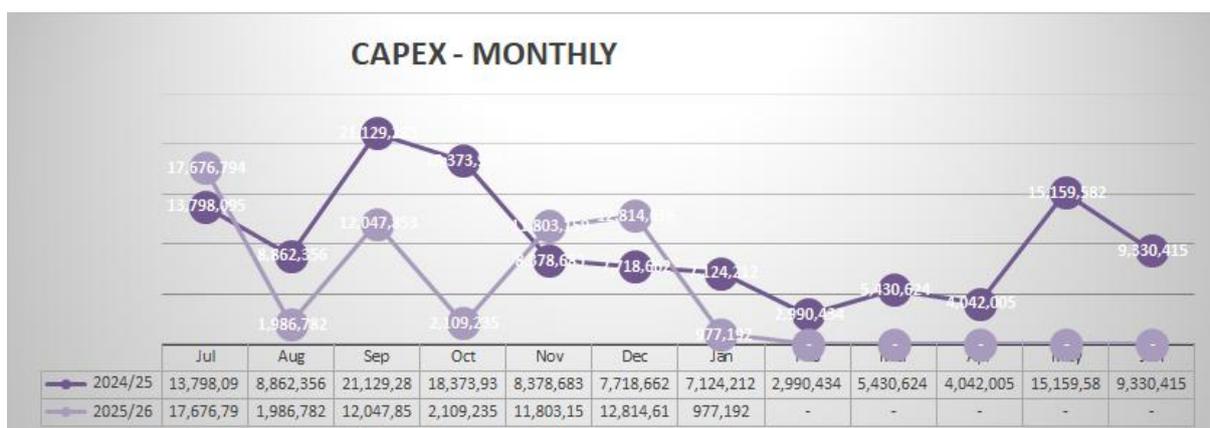
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by municipal vote, standard classification and the funding thereof. For the month of January, R977 thousand expenditure is incurred and the year-to-date expenditure amounts to R59, 416 whilst the year to date budget is R56, 669 million and this gave rise to under spending variance of R2,747 million that translates to 5%.

Figure 1: Capital expenditure by source



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R98, 829 million, R67, 807 million is funded from Municipal Infrastructure Grant, R20, 283 million from Integrated National Electrification Programme, R4, 000 million from Energy Efficiency and Demand Side Management grant.

Figure 2: Monthly capital expenditure



The above graph compares the 2024-25 and 2025-26 monthly capital expenditure performance.

Table C6: Monthly Budget Statement Financial Position

Description	2024/25	Budget Year 2025/26			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash	71,789	90,859	–	9,248	90,859
Call investment deposits	–	–	–	108,365	–
Consumer debtors	167,485	205,168	–	223,725	205,168
Other debtors	20,723	20,791	–	94,979	20,791
Current portion of long-term receivables	119	–	–	–	–
Inventory	38,258	32,818	–	39,080	32,818
Total current assets	298,373	349,635	–	475,397	349,635
Non current assets					
Long-term receivables	–	–	–	–	–
Investments	18,475	21,552	–	–	21,552
Investment property	110,604	46,928	–	133,813	46,928
Investments in Associate	–	–	–	–	–
Property, plant and equipment	1,155,424	1,493,649	–	1,099,901	1,493,649
Biological	463	–	–	–	–
Intangible	–	–	–	–	–
Other non-current assets	–	463	–	3,178	463
Total non current assets	1,284,966	1,562,593	–	1,236,891	1,562,593
TOTAL ASSETS	1,583,339	1,912,228	–	1,712,288	1,912,228
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	6,639	9,126	–	2,452	9,126
Consumer deposits	6,810	6,956	–	5,334	6,956
Trade and other payables	112,056	9,126	–	156,323	9,126
Provisions	5,003	11,563	–	10,046	11,563
Total current liabilities	130,508	36,771	–	174,156	36,771
Non current liabilities					
Borrowing	45,602	48,089	–	15,985	48,089
Provisions	90,302	121,783	–	147,344	121,783
Total non current liabilities	135,904	169,872	–	163,329	169,872
TOTAL LIABILITIES	266,412	206,643	–	337,485	206,643
NET ASSETS	1,316,927	1,705,585	–	1,374,803	1,705,585
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	1,316,927	1,705,585	–	1,374,803	1,705,585
Reserves	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	1,316,927	1,705,585	–	1,374,803	1,705,585

The above table shows that community wealth amounts to R1 374,803 billion, total liabilities R337,485 thousands and the total assets R1 712,288 million. Non-current liabilities are mainly made up of borrowing, provisions for long service award and provisions for landfill sites. Taking the current liabilities and current assets together, the municipality has a current ratio of 2.7:1 which meets the acceptable norm of 2:1. The municipality needs to keep the current liabilities low and increase the current assets to strengthen the liquidity ratio.

Table C7: Monthly Budget Statement Cash Flow

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
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	51,043	50,923	–	3,364	27,723	26,742	981	4%	50,923
Service charges	163,762	174,139	–	16,601	88,476	89,542	(1,066)	-1%	174,139
Other revenue	27,788	17,646	–	2,761	146,256	144,260	1,996	1%	17,646
Transfers and Subsidies - Operational	390,673	381,926	–	–	286,870	285,872	998	0%	381,926
Transfers and Subsidies - Capital	140,508	92,090	–	–	71,734	156,585	(84,851)	-54%	92,090
Interest	5,318	9,058	–	908	8,879	7,366	1,513	21%	9,058
Payments									
Suppliers and employees	(621,057)	(580,294)	–	(50,626)	(448,860)	(632,756)	(183,896)	29%	(580,294)
Finance charges	–	(5,962)	–	(535)	(1,201)	(870)	331	-38%	(5,962)
Transfers and Grants	(0)	(13,654)	–	(869)	(5,135)	(9,799)	(4,664)	48%	(13,654)
NET CASH FROM/(USED) OPERATING ACTIVITIES	158,035	125,873	–	(28,395)	174,743	66,943	(107,800)	-161%	125,873
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	659	43,526	–	–	–	–	–	–	43,526
Decrease (increase) in non-current receivables	(1,694)	1,360	–	–	–	–	–	–	1,360
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–
Payments									
Capital assets	(114,733)	(89,065)	–	(977)	(64,119)	(198,957)	(134,838)	68%	(89,065)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(115,768)	(44,179)	–	(977)	(64,119)	(198,957)	(134,838)	68%	(44,179)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	146	–	3	(14)	679	(693)	-102%	146
Payments									
Repayment of borrowing	(11,751)	(9,494)	–	(1,072)	(2,206)	(5,989)	(3,783)	63%	(9,494)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(11,751)	(9,348)	–	(1,069)	(2,220)	(5,310)	(3,090)	58%	(9,348)
NET INCREASE/ (DECREASE) IN CASH HELD	30,517	72,347	–	(30,442)	108,404	(137,325)			72,347
Cash/cash equivalents at beginning:	22,675	9,209	–	–	9,209	9,209			9,209
Cash/cash equivalents at month/year end:	53,191	81,556	–	–	117,613	(128,116)			81,556

Table C7 presents details pertaining to cash flow performance. As at end of January, the net cash inflow from operating activities is R174, 743 million whilst net cash outflow from investing activities is R64,119 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R2,220 million. The cash and cash equivalent held at end of January amounted to R117, 613 million and the net effect of the above cash flows is cash inflow movement of R9, 209 million. The cash and cash equivalent at end of the reporting period of R117, 613 million, is mainly made up of cash in the primary bank account amounting to R9, 248 million and short-term investments amounting to R108, 365 million at the end of January.

PART 2: SUPPORTING TABLES

Supporting Table: SC 1 Material Variance Explanations

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue By Source			
Property rates	3%	The actual revenue generated is more than the projected monthly revenue	The municipality should ensure revenue is collected in all business areas where revenue is billed
Service charges - electricity revenue	2%	The projected monthly revenue appear to be lower than the actual revenue performance	The municipality should ensure revenue is collected in all business areas where they utilize our electricity
Service charges - refuse revenue	-2%	The actual revenue generated is less than the projected monthly revenue	The municipality should ensure revenue is collected in all business areas where skips bins are located
Rental of facilities and equipment	-21%	The actual revenue generated is less than the projected monthly revenue and the majority of the rented assets are not at arm's length transactions	The municipal needs to ensure all the municipal and rented equipments generate revenue as hired out.
Interest earned - external investments	49%	The municipality has invested in four different investment portfolios with Standard bank, and ABSA and the actual interest generated is more than the budgeted revenue	The municipality should draft cash flow projections plan which will assist if there is a need to invest during the budget preparations to avoice variances.
Interest earned - outstanding debtors	30%	The actual revenue generated is more than the projected monthly revenue.	The municipality should keep on encouraging customers to pay the accounts on time to avoid incurring interest.
Fines, penalties and forfeits	5%	The actual revenue issued on speed cameras is more than the pojections. The contract of the speed fine cameras has been appointed, however there still slow collection in terms of revenue collection.	The municipality should continue to strategies on how to speed up the revenue collection under this item. There should be road blocks in the groblersdal entrances where cashiers are available to collection on outstanding traffic fines.
Licences and permits	1%	The actual revenue generated is more than the projected monthly revenue	The municipal department of town planning should come up with measures to ensure that all vendors operating within municipal services area are issued with licences and permits and pay fees.
Transfers and subsidies	2%	The equitable share trenches received is more than the projections thereof.	The budget team should request LPT DORA to guide in the projections during the final budget preparations.
Other revenue	-48%	The actual revenue generated is less than the projected monthly revenue.	The municipality should ensure that all write offs on the outstanding debts are true reflections of what should be wrtten off.
Expenditure By Type			
Employee related costs	10%	The actual expenditure incurred on employee related costs is more than the projections thereof	The municipality has appointed on vacant posts and other municipal employees took their retirement
Remuneration of councillors	-11%	The actual expenditure incurred on remuneration of councillors is less than the projected monthly expenditure	The municipality should budget according to the number of councillors that they have
Debt impairment	-75%	Debt impairment has been calculated and the projection are less than the actual.	The municipality should introduce the method of calculating debt impairment on monthly basis to avoid the the variances.
Depreciation & asset impairment	-7%	The actual depreciation calculated is less than the projections thereof	The municipality has introduced the method of calculating depreciation on monthly basis as they Asset module contract is with the system vendor.
Finance charges	-65%	Finance charges is mainly for finance lease and the municipality has a new lease contract,the actual is less than the budgeted.	The municipality should encourage the service provider to submit invoices before month end sytem closure so payments are processed and captured on the system to avoid variances.
Bulk purchases	-14%	The municipal licenced electrification areas have increased and the projections are more than the actual expenditure, the monthly payments were captured after month end.	The municipality should continue to encourage the service provider (Eskom) to submit invoices before month end sytem closure so payments are processed and captured on the system to avoid variances.
Other materials	-21%	The municipal licenced electrification areas due to illegal connections hence the projections are more than the actual expenditure.	The municipality should ensure that all the municipal assets are maintained to keep their useful life as they are.
Contracted services	5%	The actual expenditure incurred is more than the projected monthly expenditure	Majority of contractors are paid after month end. The municipality should encourage contractors to submit invoices on time to avoid variances and ultimately improves cash flow management.
Transfers and subsidies	-28%	The actual expenditure incurred is less than the projected monthly expenditure	No remedial action is needed
Other expenditure	60%	The actual expenditure incurred is less than the projected monthly expenditure	The municipality should identify expenditure lead to significant variances and improve on those items to avoid the variances.
Losses	-100%	The losses that have incurred in this month the projection are less than the actual	The municipality should continue to come up with the remedies that they will use to identify expenditure lead to significant variances and improve on those items to avoid the variances.

Supporting Table: SC 1 Material Variance Explanations (Continuation)

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure			
National Government	7%	The projections on capital grants is less than the spending thereof.	The majority of municipal national funded capital projects are at the completion stage
Internally generated funds	-29%	There actual spending is less than the projections	The municipality should implement all the internal projects to ensure service delivery is achieved.
Cash Flow			
Property rates	4%	The actual collection rate on property rates is more than the projected rate	The municipality should keep on improving on the actual collection on residential and business areas and encourage customers to pay their accounts when they are due.
Service charges	-1%	The collection rate on service charges is less than the projected rate	The municipality should continue with the strategies that they use for collecting on licenced municipal areas on electricity billings and refuse removal
Other revenue	1%	The collection rate on leased assets is more than the projected amount	The municipality should come up with the strategies to ensure that all leased municipal assets are rented out as projected
Government - operating	0%	The receipted trenches of operational grants are not in line with the projections thereof.	The municipality should make use of DORA during the draft and final budget preparations.
Government - Capital	-54%	The receipted trenches of capital grants are not in line with the projections.	The municipality should make use of DORA during the draft and final budget preparations.
Interest	21%	Interest on other revenue is under projected to the over collection from other debtors	No remedial action is needed
Suppliers and employees	29%	The actual costs incurred is less than the projected costs and the variance is caused by vacant posts on employee related costs, and other variaces in materials and other expenditure.	The variance is caused by outstanding payment on Contracted services, Other materials and general expenses therefore the municipality should avoid closing the year end with outstanding creditors
Finance charges	-38%	The finance costs which is for finance lease contracts has outstanding payments due to late payments submissions.	The municipality shoud encourage Kgwadi ya madiba to send invoices on time and the fleet unit should prepare invoices on time to avoid the material variances.
Transfers and Grants	48%	The payments relating to this account are less than the projections thereof	Municipality should develop a strategy to pay on time to avoid interest
Capital assets	68%	The projected capital expenditure on capex is more than the actual spending thereof.	The municipality shoud encourage implementation of all capital projects.
Increase (decrease) in consumer deposits	-102%	The actual payments on consumer deposit is less than the projections thereof	No remedial action is needed
Repayment of borrowing	63%	The projections is not in line with the amortisation schedule	The municipality should make use of amortisation during budget preparations and ensure the payments are inline with the amortisation schedule.

Supporting Table: SC 3 - Debtors Age Analysis

Description	Budget Year 2025/26											
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Bad Debts Written Off	Impairment Bad Debts
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Electricity	10,353	1,883	185	156	107	137	89	3,234	16,144	3,723	-	-
Receivables from Non-exchange Transactions - Property Rates	5,456	3,218	2,130	1,994	1,964	1,940	1,931	84,964	103,596	92,794	-	-
Receivables from Exchange Transactions - Waste Management	1,096	718	636	620	613	602	600	31,689	36,574	34,124	-	-
Receivables from Exchange Transactions - Property Rental Debtors	89	74	97	21	21	39	39	762	1,143	882	-	-
Interest on Arrear Debtor Accounts	1,750	1,704	1,656	1,630	1,612	1,575	1,546	76,576	88,049	82,939	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Other	1,289	195	1,715	(788)	284	49	67	5,825	8,635	5,436	-	-
Total By Income Source	20,034	7,793	6,419	3,633	4,601	4,342	4,271	203,050	254,142	219,897	-	-
2024/25 - totals only	17,354	8,433	5,279	5,474	4,269	4,374	3,314	200,625	249,122	218,056		
Debtors Age Analysis By Customer Group												
Organs of State	2,485	1,885	2,244	1,120	1,058	1,059	1,048	49,032	59,931	53,316	-	-
Commercial	10,392	2,189	713	521	508	486	470	11,844	27,123	13,829	-	-
Households	6,482	3,550	3,311	2,773	2,928	2,703	2,661	139,321	163,728	150,386	-	-
Other	675	169	151	(781)	108	94	92	2,853	3,361	2,366	-	-
Total By Customer Group	20,034	7,793	6,419	3,633	4,601	4,342	4,271	203,050	254,142	219,897	-	-

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of January amount to R254, 142 million. The debtors' book is made up as follows:

- Rates 42%
- Electricity 6%
- Rental 0%
- Refuse removal 14%
- Interest on outstanding debtors 35%
- Other 3%

The debtors' age analysis is graphically presented below.

Figure 3: Debtors age analysis

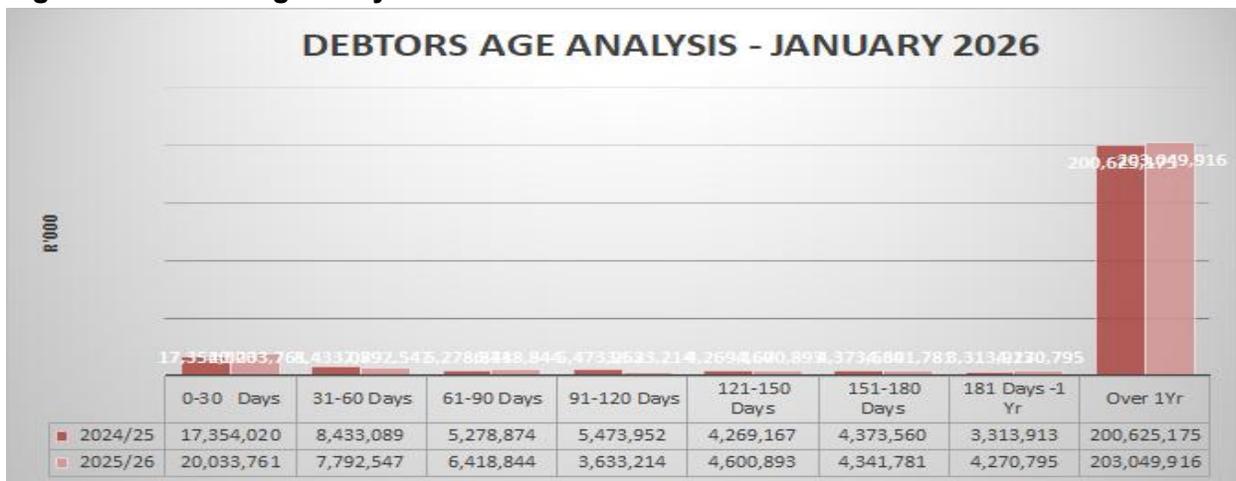
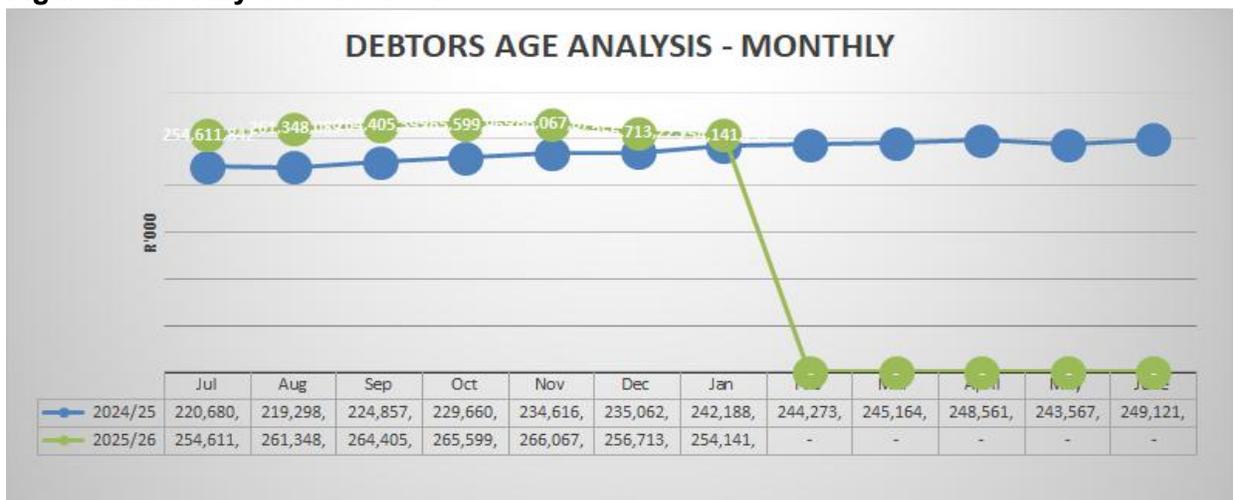


Figure 4: Monthly debtors' book



The initial graph compares debtors' age analysis for 2024-25 financial year and 2025-26 (as at end of January) whilst the latter shows monthly movement of debtors for both the current financial year and the 2024-25 financial year. The debtor's book is more than the 2024/25 monthly figures and this is an indication that the municipality is performing well in terms of collection.

Below is list of the top twenty debtors that contribute significantly to the ever-growing debt book.

TOP TWENTY DEBTORS

ACCOUNT	ACCOUNT HOLDER NAME	INDIGENT	PENSIONER	HAND OVER	OUTSTANDING TOTAL BALANCE
9005301	PATRICIO & SONS PROP (PTY) LTD/ TWIN CITY TRADING (PTY) LTD	N	N	N	2,132,853
9012345	BREEDT J & OOSTHUIZEN J F	N	N	N	1,755,406
9001667	NDEBELE MAHLANGU TRIBE	N	N	N	1,459,017
9001668	NDEBELE MAHLANGU TRIBE	N	N	N	1,458,595
911906	TAFELKOP MALL (PTY) LTD	N	N	N	1,062,985
9002327	DE LEMOS E M	N	N	N	997,122
1501364	JAN JOUBERT TRUST (JO JO TANKS)	N	N	N	776,367
9001763	TSHEHLA TRUST MAMAILE GEORGE	N	N	N	722,250
18857	VODACOM PTY LTD	N	N	N	699,441
9002503	GOUWS BOERDERY TRUST 1999/022459/07	N	N	N	624,016
5000633	ERASMUS G J	N	N	N	606,320
9001714	KWAMAQHUZE COMMUNAL PROP ASSOC	N	N	N	600,347
9019006	TIGER STRIPES INVESTMENTS (PTY	N	N	Y	593,661
2100165	LEBOWA TRANSPORT	N	N	N	592,579
9001550	LEHLAKONG COMMUNAL PROP ASSOC	N	N	Y	545,060
5004546	I R L (SOUTH AFRICA) RESOURCES INVESTMENT PROP.LTD	N	N	N	535,605
9001052	NDEBELE STAM	N	N	Y	522,611
9014203	I R L (SOUTH AFRICA) RESOURCES INV	N	N	N	500,765
9000529	REPUBLIC OF SOUTH AFRICA	N	N	Y	500,484
8005664	DEPARTMENT OF HEALTH	N	N	N	495,426
TOTAL					17,180,909

Supporting Table: SC 4 - Creditors Age Analysis

Description	Budget Year 2025/26								Prior year totals for chart
	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	
Creditors Age Analysis By Customer Type									
Bulk Electricity									-
Bulk Water									-
PAYE deductions									-
VAT (output less input)									-
Pensions / Retirement deductions									-
Loan repayments									-
Trade Creditors									-
Auditor General									-
Other	-								-
Total By Customer Type	-	-	-	-	-	-	-	-	-

Supporting table SC4 provides creditors age analysis. In terms of section 65 of the MFMA all creditors must be paid within 30 days of receiving an invoice.

The contracted services are to be paid through order system payments and that should feed the age analysis module every month.

Supporting Table: SC 5 - Investment Portfolio

Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Commission Paid	Expiry date	Opening balance	Interest earned	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
ABSA CALL ACCOUNT(9396519964)		Current Investment	7.2%		31-Jan-26	47,437,032	290,081	-	-	47,727,113
STANDARD BANK(038823527 033)		Current Investment	7.4%		22-Jan-26	30,127,295	127,295	-30,254,589	-	-
STANDARD BANK(038823527 032)		Current Investment	7.4%		24-Feb-26	30,128,382	189,516		-	30,317,898
STANDARD BANK(038823527 034)		Current Investment	7.5%		24-Mar-26	30,129,245	190,790		-	30,320,035
TOTAL INVESTMENTS AND INTEREST						137,821,954		- 30,254,589		108,365,046

The Municipality had short investment portfolios during the month of January with an opening balance of R137, 822 million and without a top up investment in various investment portfolios. An amount of R797, 682 thousand was earned as an interest. Investment withdrawn was R30, 255 million and closed off with R108, 365 million at the end of January.

Supporting Table: SC 6 - Transfers and Grant Receipts

LIM472 Elias Motsoaledi - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M07 - January										
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										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		383,099	381,550	-	-	286,721	280,864	5,857	2.1%	381,550
Expanded Public Works Programme Integrated Grant		2,609	2,862	-	-	2,004	2,069	(65)	-3.1%	2,862
Local Government Financial Management Grant	3	2,800	2,800	-	-	2,800	2,800	-		2,800
Equitable Share		377,690	375,888	-	-	281,917	275,995	5,922	2.1%	375,888
Provincial Government:		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	376	-	-	149	376	(227)	-60.3%	376
Education, Training and Development Practices SETA		-	376	-	-	149	376	(227)	-60.3%	376
Total Operating Transfers and Grants		383,099	381,926	-	-	286,870	281,240	5,630	2.0%	381,926
Capital Transfers and Grants										
National Government:		140,508	92,090	-	-	71,734	73,796	(2,062)	-2.8%	92,090
Energy Efficiency and Demand Side Management Grant		4,000	4,000	-	-	2,600	4,000	(1,400)	-35.0%	4,000
Municipal Infrastructure Grant		91,314	67,807	-	-	55,950	54,496	1,454	2.7%	67,807
Integrated National Electrification Programme Grant		17,544	20,283	-	-	13,184	15,300	(2,116)	-13.8%	20,283
Municipal Disaster Recovery Grant		27,650	-	-	-	-	-	-		-
Provincial Government:		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		359	-	-	-	-	179	(179)	-100.0%	-
Education, Training and Development Practices SETA		359	-	-	-	-	179	(179)	-100.0%	-
Total Capital Transfers and Grants		140,867	92,090	-	-	71,734	73,976	(2,242)	-3.0%	92,090
TOTAL RECEIPTS OF TRANSFERS & GRANTS		523,966	474,016	-	-	358,604	355,216	3,389	1.0%	474,016

Supporting tables SC6 presents information on both received grants and those expected to be received in the near future. The year-to-date actual receipts amount to R358, 604 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R281, 917 million; Financial Management Grant amounting to R2, 800, million LGSETA amounting R149 thousands, Municipal Infrastructure Grant amounting to R55, 950 million; Integrated National Energy Grant R13 184 and Expanded Public Works Programme R2,004 million were received and Energy Efficiency and Demand Side Management Grant R2,600 million. All the trenches of the grants allocated for the current financial year have been received in line with the National Treasury payment.

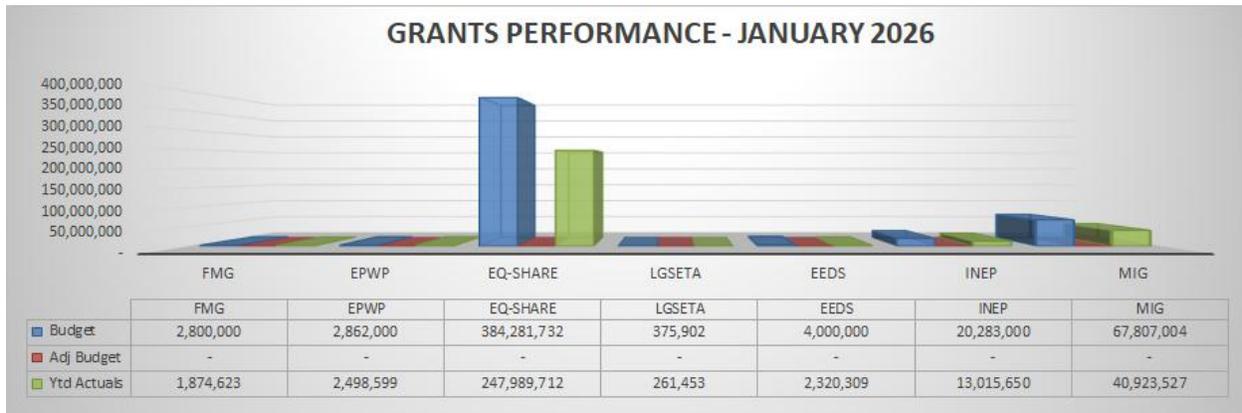
Supporting Table: SC 7 Transfers and grants – Expenditure

LIM472 Elias Motsoaledi - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M07 - January

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										
Operating expenditure of Transfers and Grants										
National Government:		5,409	5,662	-	436	4,373	1,638	2,735	167.0%	5,662
Expanded Public Works Programme Integrated Grant		2,609	2,862	-	364	2,499	2,069	430	20.8%	2,862
Local Government Financial Management Grant	3	2,800	2,800	-	73	1,875	2,800	(925)	-33.0%	2,800
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	(3,231)	3,231	-100.0%	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	376	-	-	261	112	149	132.5%	376
Education, Training and Development Practices SETA		-	376	-	-	261	112	149	132.5%	376
Total Operating Transfers and Grants		5,409	6,038	-	436	4,635	1,751	2,884	164.7%	6,038
Capital Transfers and Grants										
National Government:		116,346	92,090	-	-	56,259	73,027	(16,767)	-23.0%	92,090
Energy Efficiency and Demand Side Management Grant		3,999	4,000	-	-	2,320	3,231	(910)	-28.2%	4,000
Municipal Infrastructure Grant		91,315	67,807	-	-	40,924	54,496	(13,572)	-24.9%	67,807
Integrated National Electrification Programme Grant		17,544	20,283	-	-	13,016	15,300	(2,285)	-14.9%	20,283
Municipal Disaster Recovery Grant		3,488	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		350	-	-	-	-	-	-	-	-
Education, Training and Development Practices SETA		350	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants		116,696	92,090	-	-	56,259	73,027	(16,767)	-23.0%	92,090
TOTAL EXPENDITURE OF TRANSFERS & GRANTS		122,105	98,128	-	436	60,894	74,777	(13,883)	-18.6%	98,128

An amount of R436 thousand has been spent on grants during the month of January and the year-to-date actuals is R60, 894 million whilst the year to date budget amounts to R74,777 million and this results in an over-performance variance of R13 ,883 million that translates to 18.6%. Of the total spending amounting to R436 thousand is spent on operational grants whilst capital grants spent R0 .

Figure 5: Grants' performance



The above graph depicts the gazette and budgeted amounts for all the grants and the expenditure thereof as at end of January.

The grants expenditure is shown below in percentages:

- Financial Management Grant 67%
- Expanded Public Work Programme 87%
- Equitable Share 65%
- Integrated National Electrification Grant 64%
- Municipal Infrastructure Grant 60%
- Energy Efficiency and Demand Side Management Grant 58%
- LGSETA 70%

Supporting Table: SC8 - Councilor Allowances and Employee Related Costs

Summary of Employee and Councillor remuneration	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
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	17,052	17,802	–	1,339	9,435	8,901	534	6%	17,802
Pension and UIF Contributions	2,442	2,550	–	193	1,351	1,275	76	6%	2,550
Medical Aid Contributions	6	6	–	–	–	3	(3)	-100%	6
Motor Vehicle Allowance	6,759	7,056	–	490	3,419	3,528	(109)	-3%	7,056
Cellphone Allowance	3,118	3,255	–	239	1,681	1,627	54	3%	3,255
Housing Allowances		–	–	–	–	–	–	–	–
Other benefits and allowances	285	297	–	21	147	149	(2)	-1%	297
Sub Total - Councillors	29,661	30,966	–	2,282	16,034	15,483	551	4%	30,966
% increase		4%							4%
Senior Managers of the Municipality									
Basic Salaries and Wages	3,896	7,064	–	3,841	6,873	4,121	2,752	67%	7,064
Pension and UIF Contributions	332	476	–	47	253	318	(65)	-20%	476
Medical Aid Contributions	285	393	–	29	276	229	47	20%	393
Motor Vehicle Allowance	740	1,414	–	76	529	825	(296)	-36%	1,414
Cellphone Allowance	355	196	–	15	99	114	(15)	-13%	196
Housing Allowances		–	–	–	–	–	–	–	–
Other benefits and allowances	177	735	–	0	305	440	(135)	-31%	735
Sub Total - Senior Managers of Municipality	5,785	10,277	–	4,007	8,335	6,047	2,288	38%	10,277
% increase		78%							78%
Other Municipal Staff									
Basic Salaries and Wages	125,657	127,054	–	11,181	78,869	74,115	4,755	6%	127,054
Pension and UIF Contributions	23,028	25,620	–	2,143	15,152	14,945	206	1%	25,620
Medical Aid Contributions	7,735	6,782	–	730	4,852	3,898	954	24%	6,782
Overtime	931	1,311	–	197	371	658	(287)	-44%	1,311
Performance Bonus		–	–	–	–	–	–	–	–
Motor Vehicle Allowance	16,172	17,160	–	1,478	10,213	10,010	203	2%	17,160
Cellphone Allowance	2,377	2,382	–	214	1,506	1,399	107	8%	2,382
Housing Allowances	294	337	–	26	172	187	(15)	-8%	337
Other benefits and allowances	12,487	18,237	–	742	13,936	9,204	4,732	51%	18,237
Payments in lieu of leave	938	308	–	–	1,198	180	1,019	568%	308
Long service awards	881	–	–	–	–	1,571	(1,571)	-100%	–
Post-retirement benefit obligations		–	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff	190,501	199,190	–	16,711	126,269	116,166	10,103	9%	199,190
% increase		5%							5%
Total Parent Municipality	225,947	240,434	–	23,000	150,639	137,697	12,942	9%	240,434
% increase									
TOTAL SALARY, ALLOWANCES & BENEFITS	225,947	240,434	–	23,000	150,639	137,697	12,942	9%	240,434
% increase		6%							6%
TOTAL MANAGERS AND STAFF	196,286	209,467	–	20,718	134,605	122,213	12,391	10%	209,467

Table SC8 provides details for Remuneration of Councilors and Employee related cost. The total salaries, allowances and benefits paid at end of January amounts to R150, 639 million and the year-to-date budget is R137,697 million and the expenditure for remuneration of councilors amounts to R16,034 million while the year-to-date budget is R15,483 million. The year-to-date actual expenditure for senior managers is R8,335 million and the year-to-date budget is R6,047 million. The year-to-date actual for other municipal staff is R126, 269 million and the year-to-date budget is R116,116 million. The remuneration of councilors has an underspending variance, senior managers have underspending and other municipal staff category has underspending variance.

Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts

Description	Budget Year 2025/26												2025/26 Medium Term Revenue &			
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Year	Year +1	Year +2	
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	2020/21	2021/22	2022/23	
Cash Receipts By Source																
Property rates	4,941	3,311	3,173	5,766	3,702	3,465	3,364	3,203	4,229	4,203	4,303	7,262	50,923	53,066	54,392	
Service charges - electricity revenue	9,327	9,351	13,506	10,867	14,163	11,020	15,997	14,559	14,051	15,559	15,559	24,042	168,000	175,561	179,967	
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - refuse	649	481	589	660	690	574	604	433	601	533	533	(207)	6,139	6,415	6,577	
Rental of facilities and equipment	68	27	94	47	191	32	19	114	112	149	133	482	1,467	1,534	1,602	
Interest earned - external investments	810	1,198	2,962	768	125	42	798	32	32	38	40	(1,546)	5,297	5,540	5,784	
Interest earned - outstanding debtors	194	186	195	548	189	755	111	298	316	314	306	350	3,761	3,930	4,028	
Fines, penalties and forfeits	2,755	2,676	2,508	2,428	2,429	49,409	2,097	143	102	121	113	(58,166)	6,614	8,183	8,917	
Licences and permits	576	575	756	664	447	523	520	576	576	576	576	552	6,916	7,234	7,553	
Transfers and Subsidies - Operational	156,621	3,545	-	120	1,288	125,296	-	793	85,893	-	-	8,370	381,926	376,589	393,576	
Other revenue	68,184	169	2,583	112	6,090	154	125	190	103	104	108	(75,275)	2,648	2,770	2,892	
Cash Receipts by Source	244,124	21,518	26,365	21,980	29,313	191,270	23,635	20,341	106,014	21,597	21,671	(94,138)	633,691	640,823	665,288	
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations)	21,000	10,927	19,650	-	800	19,357	-	81,969	14,850	8,000	-	(86,463)	90,090	78,600	86,195	
Transfers and subsidies - capital (monetary allocations)	-	-	-	-	-	-	-	-	-	-	(179)	179	-	-	-	
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	100,365	-	(56,839)	43,526	78,256	100,365	
Increase (decrease) in consumer deposits	(3)	(2)	51	(35)	(6)	(22)	3	24	337	24	24	(249)	146	153	157	
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	113	113	113	113	908	1,360	1,422	1,485	
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Receipts by Source	265,121	32,443	46,066	21,945	30,107	210,605	23,638	102,447	121,314	130,099	21,629	(236,602)	768,813	799,254	853,490	
Cash Payments by Type																
Employee related costs	17,619	17,690	17,470	17,069	16,619	27,420	20,718	16,976	16,977	16,972	16,969	1,114	203,613	207,906	213,270	
Remuneration of councillors	2,282	2,282	2,282	2,282	2,282	2,342	2,282	2,581	2,581	2,581	2,581	4,608	30,966	32,360	33,169	
Interest paid	-	173	-	-	272	221	535	1,116	1,116	1,116	1,116	297	5,962	4,913	2,513	
Bulk purchases - Electricity	738	14,293	14,009	13,056	10,673	11,694	11,236	12,931	12,931	12,931	12,931	27,747	155,170	174,938	197,226	
Other materials	917	2,080	1,855	2,087	1,757	2,708	1,138	52,976	14,373	14,373	14,373	(40,900)	67,738	70,768	72,563	
Contracted services	5,853	13,716	7,895	10,755	8,960	7,296	2,412	4,851	7,886	3,505	7,043	(10,070)	70,102	68,548	72,158	
Grants and subsidies paid - other	629	759	751	111	1,387	629	869	1,903	1,243	2,426	1,243	1,695	13,645	14,273	14,901	
General expenses	7,371	18,245	3,949	30,610	7,052	73,027	12,839	17,447	17,447	17,447	17,447	(150,786)	72,095	67,770	69,661	
Cash Payments by Type	35,409	69,237	48,211	75,970	49,002	125,336	52,030	110,781	74,554	71,351	73,703	(166,295)	619,291	641,476	675,461	
Other Cash Flows/Payments by Type																
Capital assets	22,380	1,987	12,048	2,109	11,803	12,815	977	26,457	(5,367)	43,643	20,593	(60,380)	89,065	70,928	77,772	
Repayment of borrowing	-	316	-	-	383	435	1,072	-	-	-	-	(2,206)	-	-	-	
Total Cash Payments by Type	57,789	71,540	60,259	78,079	61,189	138,585	54,080	138,821	96,730	116,577	95,879	(242,174)	727,355	734,150	779,193	
NET INCREASE/(DECREASE) IN CASH HELD	207,332	(39,097)	(14,193)	(56,135)	(31,082)	72,020	(30,442)	(36,374)	24,584	13,522	(74,250)	5,572	41,458	65,103	74,297	
Cash/cash equivalents at the month/year beginning:	9,209	216,541	177,444	163,251	107,116	76,035	148,055	117,613	81,239	105,823	119,345	45,095	9,209	50,667	115,771	
Cash/cash equivalents at the month/year end:	216,541	177,444	163,251	107,116	76,035	148,055	117,613	81,239	105,823	119,345	45,095	50,667	50,667	115,771	190,068	

Supporting table SC9 provides detailed monthly cash flow statement that spells out the receipts by source and payments by type. The monthly total cash receipts reflect an amount of R23, 635 million and the total cash payment for the month was R54, 080 million and this resulted in net decrease in cash amounting to R30, 442 million. With cash and cash equivalent of R148,055 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting to R117, 613 million. This is a supporting table for table C7 – Cash Flow Statement.

Supporting Table: SC 12 Capital Expenditure Trend

Month	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
Monthly expenditure performance trend									
July	4,245	8,331	–	17,677	17,677	8,331	(9,346)	-112%	18%
August	6,735	7,934	–	1,987	19,664	16,264	(3,399)	-21%	20%
September	7,018	7,609	–	12,048	31,711	23,873	(7,838)	-33%	32%
October	9,954	7,128	–	2,109	33,821	31,002	(2,819)	-9%	34%
November	7,123	7,604	–	11,803	45,624	38,605	(7,019)	-18%	46%
December	7,080	8,639	–	12,815	58,438	47,244	(11,194)	-24%	59%
January	11,054	9,425	–	977	59,416	56,669	(2,747)	-5%	60%
February	26,782	8,220	–	–	–	64,889	–	–	–
March	30,069	10,081	–	–	–	74,970	–	–	–
April	15,133	5,922	–	–	–	80,892	–	–	–
May	26,556	8,719	–	–	–	89,612	–	–	–
June	21,801	9,218	–	–	–	98,829	–	–	–
Total Capital expenditure	173,549	98,829	–	59,416					

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table the capital expenditure for the month of January amounts to R977 thousand. The year-to-date actual expenditure incurred is R59, 416 million whilst the year-to-date budget is R56, 669 million, that gives rise to overspending variance of R2, 747 million that translates to 5%

Supporting Table: SC 13(a) Capital Expenditure on New Assets

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
Capital expenditure on new assets by Asset Class									
Infrastructure	42,783	38,079	-	249	14,327	27,614	13,287	48%	38,079
Roads Infrastructure	20,000	-	-	-	-	-	-	-	-
Roads	20,000	-	-	-	-	-	-	-	-
Road Structures									
Electrical Infrastructure	22,248	31,292	-	70	10,252	18,372	8,120	44%	31,292
Power Plants	4,000	3,100	-	-	2,099	3,149	1,050	33%	3,100
MV Substations	-	-	-	-	-	-	-	-	-
MV Switching Stations									
MV Networks	17,544	28,192	-	70	8,153	15,223	7,070	46%	28,192
LV Networks									
Capital Spares	704	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	100	5,221	-	179	3,431	8,393	4,962	59%	5,221
Landfill Sites	100	5,221	-	179	3,431	8,393	4,962	59%	5,221
Rail Infrastructure	435	1,565	-	-	644	849	205	24%	1,565
Drainage Collection	435	1,565	-	-	644	849	205	24%	1,565
Community Assets	-	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
Municipal Offices	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Servitudes									
Computer Software and Applications		-	-	-	-	-	-	-	-
Computer Equipment	1,660	870	-	-	711	737	26	4%	870
Computer Equipment	1,660	870	-	-	711	737	26	4%	870
Furniture and Office Equipment	760	435	-	-	-	228	228	100%	435
Furniture and Office Equipment	760	435	-	-	-	228	228	100%	435
Machinery and Equipment	278	174	-	-	-	87	87	100%	174
Machinery and Equipment	278	174	-	-	-	87	87	100%	174
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	45,481	39,557	-	249	15,039	28,666	13,628	48%	39,557

Supporting Table: SC 13(b) Capital Expenditure on Renewal of Existing Assets

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
Capital expenditure on renewal of existing assets by Asset Class									
Infrastructure	17,550	3,414	-	-	2,923	129	(2,794)	-2160%	3,414
Roads Infrastructure	17,050	-	-	-	-	-	-	-	-
Roads	17,050	-	-	-	-	-	-	-	-
Road Structures									
Electrical Infrastructure	500	3,240	-	-	2,794	-	(2,794)	0%	-
MV Networks	-	3,240	-	-	2,794	-	(2,794)	0%	-
Capital Spares	500	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	174	-	-	130	129	(0)	0%	3,414
Landfill Sites	-	-	-	-	130	129	(0)	0%	3,414
Waste Transfer Stations		174							
Community Assets	1,696	-	-	-	-	-	-	-	-
Community Facilities	1,696	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	1,696	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities									
Outdoor Facilities									
Other assets	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
Municipal Offices	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Servitudes									
Computer Software and Applications									
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment									
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment									
Machinery and Equipment	238	87	-	-	-	57	57	100%	87
Machinery and Equipment	238	87	-	-	-	57	57	100%	87
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets									
Total Capital Expenditure on renewal of existing assets	19,484	3,501	-	-	2,923	186	(2,737)	-1472.1%	3,501

Supporting Table: SC 13(c) Repairs and Maintenance Expenditure

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
Repairs and maintenance expenditure by Asset Class									
Infrastructure	19,675	15,722	-	418	10,015	10,397	382	4%	15,622
Roads Infrastructure	13,024	7,129	-	-	4,610	4,335	(275)	-6%	7,029
Roads	13,024	7,129	-	-	4,610	4,335	(275)	-6%	7,029
Road Furniture							-		
Electrical Infrastructure	4,551	5,468	-	119	3,615	4,111	496	12%	5,468
MV Substations		100					-		100
MV Networks	4,551	5,368	-	119	3,615	4,111	496	12%	5,368
Solid Waste Infrastructure	2,100	3,125	-	298	1,791	1,823	32	2%	3,125
Landfill Sites	2,100	3,125	-	298	1,791	1,823	32	2%	3,125
Capital Spares							-		
Rail Infrastructure	-	-	-	-	-	128	128	100%	-
MV Substations						128	128	100%	
LV Networks							-		
Community Assets	448	2,227	-	(865)	191	4,098	3,907	95%	2,227
Community Facilities	448	2,227	-	(865)	191	4,098	3,907	95%	2,227
Parks	448	2,227	-	(865)	191	4,098	3,907	95%	2,227
Sport and Recreation Facilities	-	-	-	-	-	-	-		-
Indoor Facilities							-		
Outdoor Facilities							-		
Other assets	959	1,984	-	29	223	872	649	74%	1,984
Operational Buildings	959	1,984	-	29	223	872	649	74%	1,984
Municipal Offices	959	1,984	-	29	223	872	649	74%	1,984
Intangible Assets	1,470	100	-	6	38	-	(38)	0%	100
Servitudes							-		
Licences and Rights	1,470	100	-	6	38	-	(38)	0%	100
Computer Software and Applications	1,470	100	-	6	38	-	(38)	0%	100
Computer Equipment	-	4,797	-	865	4,694	-	(4,694)	0%	4,797
Computer Equipment		4,797		865	4,694		(4,694)	0%	4,797
Furniture and Office Equipment	-	580	-	-	263	338	75	22%	580
Furniture and Office Equipment		580	-	-	263	338	75	22%	580
Machinery and Equipment	12,401	12,701	-	1,058	8,010	8,062	52	1%	12,701
Machinery and Equipment	12,401	12,701	-	1,058	8,010	8,062	52	1%	12,701
Transport Assets	4,295	2,920	-	131	1,209	1,628	419	26%	2,920
Transport Assets	4,295	2,920	-	131	1,209	1,628	419	26%	2,920
Total Repairs and Maintenance Expenditure	39,247	41,032	-	1,641	24,643	25,394	752	3%	40,932

Supporting Table: SC 13(d) Depreciation and asset impairment

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
Depreciation by Asset Class									
Infrastructure	31,545	13,966	-	3,762	26,107	24,975	(1,132)	-5%	13,966
Roads Infrastructure	24,678	5,802	-	3,310	22,976	20,957	(2,019)	-10%	5,802
Roads	24,221	5,395	-	360	2,499	99	(2,399)	-2421%	5,395
Road Structures	228	237	-	2,903	20,153	138	(20,014)	-14453%	237
Road Furniture	229	170	-	47	324	20,719	20,395	98%	170
Storm water Infrastructure	-	44	-	-	-	-	-	-	44
Drainage Collection	-	44	-	-	-	-	-	-	44
Electrical Infrastructure	4,640	6,472	-	401	2,783	3,145	362	12%	6,472
MV Substations	1,226	3,171	-	77	534	1,549	1,016	66%	3,171
MV Switching Stations	(1)	335	-	26	183	168	(15)	-9%	335
MV Networks	1,543	625	-	114	792	255	(537)	-210%	625
LV Networks	262	669	-	54	372	390	18	5%	669
Capital Spares	1,610	1,671	-	130	902	783	(120)	-15%	1,671
Solid Waste Infrastructure	2,227	1,648	-	50	348	835	487	58%	1,648
Landfill Sites	516	445	-	50	347	227	(120)	-53%	445
Waste Transfer Stations	-	-	-	-	-	-	-	-	-
Waste Processing Facilities	1,708	1,200	-	-	-	606	606	100%	1,200
Capital Spares	3	3	-	0	2	2	1	35%	3
Drainage Collection	-	-	-	-	-	38	38	0	-
Community Assets	958	1,124	-	59	412	679	267	39%	1,124
Community Facilities	802	849	-	59	412	528	116	0	849
Halls	30	30	-	2	14	25	11	0	30
Centres	183	193	-	6	43	145	102	0	193
Cemeteries/Crematoria	92	97	-	15	106	49	(57)	(0)	97
Purbs	1	8	-	0	1	5	4	0	8
Taxi Ranks/Bus Terminals	244	258	-	16	110	150	40	27%	258
Capital Spares	253	264	-	20	138	154	16	10%	264
Sport and Recreation Facilities	156	275	-	-	-	151	151	100%	275
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	156	275	-	-	-	151	151	100%	275
Capital Spares									
Other Heritage	-	-	-	-	-	-	-	-	-
Other assets	3,966	5,223	-	274	1,899	3,786	1,887	50%	5,223
Operational Buildings	1,415	2,178	-	179	1,244	1,363	120	9%	2,178
Municipal Offices	716	1,606	-	138	955	937	(18)	-2%	1,606
Stores	389	244	-	19	135	213	78	37%	244
Training Centres	310	328	-	22	154	214	60	28%	328
Housing	2,552	3,045	-	94	655	2,422	1,767	73%	3,045
Social Housing	2,552	3,045	-	94	655	2,422	1,767	73%	3,045
Intangible Assets	6	-	-	-	-	16	16	100%	-
Servitudes	6	-	-	-	-	11	11	100%	-
Licences and Rights	-	-	-	-	-	4	4	100%	-
Computer Software and Applications	-	-	-	-	-	4	4	100%	-
Computer Equipment	673	1,010	-	131	891	673	(218)	-32%	1,010
Computer Equipment	673	1,010	-	131	891	673	(218)	-32%	1,010
Furniture and Office Equipment	763	2,539	-	175	1,190	1,418	228	16%	2,539
Furniture and Office Equipment	763	2,539	-	175	1,190	1,418	228	16%	2,539
Machinery and Equipment	3,564	4,112	-	483	3,286	2,529	(757)	-30%	4,112
Machinery and Equipment	3,564	4,112	-	483	3,286	2,529	(757)	-30%	4,112
Transport Assets	20,401	35,518	-	130	898	3,147	2,249	71%	35,518
Transport Assets	20,401	35,518	-	130	898	3,147	2,249	71%	35,518
Total Depreciation	61,877	63,492	-	5,014	34,683	37,223	2,540	7%	63,492

Supporting Table: SC 13(e) Capital Expenditure on upgrading of Existing Assets

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
Capital expenditure on upgrading of existing assets by Asset Class									
Infrastructure	98,282	55,771	-	728	41,454	27,817	(13,637)	-49%	55,771
Roads Infrastructure	96,932	55,771	-	728	41,454	27,817	(13,637)	-49%	55,771
Roads	96,932	55,771	-	728	41,454	27,817	(13,637)	-49%	55,771
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	916	-	-	-	-	-	-	-	-
Power Plants									
MV Substations									
MV Switching Stations									
MV Networks	916								
LV Networks									
Solid Waste Infrastructure	435	-	-	-	-	-	-	-	-
Landfill Sites	435								
Waste Transfer Stations									
Community Assets	10,301	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
Parks									
Sport and Recreation Facilities	10,301	-	-	-	-	-	-	-	-
Indoor Facilities									
Outdoor Facilities	10,301								
Other assets	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
Municipal Offices	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Computer Software and Applications									
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment									
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment									
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment									
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets									
Total Capital Expenditure on upgrading of existing assets	108,584	55,771	-	728	41,454	27,817	(13,637)	-49%	55,771

Supporting table SC13a, SC13b and SC13e provide details of capital expenditure in terms of asset classification based on new assets and renewal of existing assets; while table SC13c provide details of expenditure performance on repairs and maintenance by asset classification and Table SC13d presents expenditure on depreciation and asset impairment. These tables present the capital programme, and assets management and performance of the Municipality.

The total expenditure for new capital projects amounts to R15, 039 million and the year-to-date budget is R28,666 million.

The total expenditure for renewal of existing assets amounts to R2,923 million and the year to budget amounts to R186 thousand for the 2025/26 financial year.

The year-to-date actual expenditure on repairs and maintenance is R24, 643 million, and the year-to-date budget is R25,394 million, reflecting an underspending variance of R752 thousand that translates to 3%.

The year-to-date actual expenditure on upgrading of existing assets is R41, 454 million and the year-to-date budget is R27, 817 million, reflecting a negative spending variance of R13,637 million that translates to 49%.

The year-to-date actual expenditure on depreciation and asset impairment is R34, 683 million and the year-to-date budget is R37, 223 million, reflecting a positive spending variance of R2, 540 million that translates to 7% which means the integration between asset management system and core financial system is working which is one of the requirements for implementation of mSCOA. This is basically mean that the municipality is complying mSCOA requirements in terms of the depreciation method

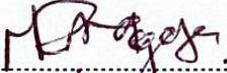
List of Capital Programmes and Projects

Department	Project Description	Type	Asset Class	Asset Sub-Class	2025/26 Medium Term Revenue and Expenditure Framework			
					Original Budget	Original Budget After Virements	YTD Actuals	Percentage
Community Services	Landfill Sites:Ablution Facility Groblersdal	single	Community Assets	Community Assets	43 479	43 479	43 450	100%
	Landfill Sites:Ablution Facility Roosenekal	single	Furniture and Office Equipment	Furniture and Office Equipment	43 479	43 479	43 450	100%
	Landfill Sites:construction of washbay at Groblersdal landfill site	single	Solid Waste Infrastructure	Landfill Sites	173 914	173 914	-	0%
	Landfill Sites:Fencing of Tafelkop Cemetery	Multi	Community Assets	Community Assets	695 653	695 653	799 250	115%
	Landfill Sites:Landfill Site Off Storage	single	Machinery and Equipment	Machinery and Equipment	43 479	43 479	-	0%
	Landfill Sites:Notice Boards	single	Community Assets	Landfill Sites	86 957	86 957	-	0%
	Landfill Sites:Weighbridge Groblersdal Landfill Site	Multi	Machinery and Equipment	Machinery and Equipment	260 870	260 870	-	0%
Corporate Services	Machinery and Equipment:Machinery and Equipment	Multi	Community Assets	Community Assets	173 914	173 914	125 900	72%
	Computer Equipment	single	Computer Equipment	Computer Equipment	869 566	869 566	711 204	82%
	Furniture and Office Equipment:Furniture and Office Equipment	Multi	Furniture and Office Equipment	Furniture and Office Equipment	434 783	434 783	411 600	95%
Technical Services	Drainage Collection:Groblersdal Storm water	Multi	Electrical Infrastructure	Capital Spares	1 565 218	1 565 218	644 198	41%
	Landfill Sites:Groblersdal Landfill site 6.6	Multi	Storm water Infrastructure	Drainage Collection	11 538 950	11 538 950	-	0%
	Machinery and Equipment:Machinery and Equipment	single	Machinery and Equipment	Capital Spares	173 914	173 914	129 552	74%
	MV Networks:Electrification of Doorom (Designs)	Multi	Electrical Infrastructure	MV Networks	1 299 000	1 299 000	810 363	62%
	MV Networks:Electrification of Kgaphamadi	Multi	Electrical Infrastructure	MV Networks	2 736 000	2 736 000	1 093 100	40%
	MV Networks:Electrification of Luckau Maganagobuswa	Multi	Electrical Infrastructure	MV Networks	1 588 000	1 588 000	569 813	35%
	MV Networks:Electrification of Lusaka (Designs)	Multi	Electrical Infrastructure	MV Networks	2 400 000	2 400 000	1 746 970	73%
	MV Networks:Electrification of Mantrombi Section	Multi	Electrical Infrastructure	MV Networks	3 100 000	3 100 000	2 098 946	68%
	MV Networks:Electrification of Mkhajini ward 19	Multi	Electrical Infrastructure	MV Networks	500 000	500 000	-	0%
	MV Networks:Electrification of Nswelamolse ext (Designs)	single	Electrical Infrastructure	MV Networks	3 240 000	3 240 000	2 793 739	86%
	MV Networks:Electrification of Oorlog (Designs)	Multi	Electrical Infrastructure	MV Networks	1 872 000	1 872 000	1 206 122	64%
	MV Networks:Electrification of Phooko	Multi	Electrical Infrastructure	MV Networks	1 100 000	1 100 000	813 197	74%
	MV Networks:Electrification of Zaaipuss Police Station (Designs)	Multi	Electrical Infrastructure	MV Networks	2 448 000	2 448 000	1 740 144	71%
	MV Networks:Energy Efficiency and Demand Side Management	single	Electrical Infrastructure	Power Plants	4 000 000	4 000 000	2 320 309	58%
	MV Networks:Installation of Engineering Services at Game Farm	single	Electrical Infrastructure	MV Substations	434 783	434 783	-	0%
	MV Networks:Installation of high mast in Tafelkop Dipakapakeng bluemoon	Multi	Roads Infrastructure	Roads	395 000	684 627	227 116	33%
	MV Networks:Installation of high mast light in Dikgalaopeng	Multi	Roads Infrastructure	Roads	395 000	684 627	224 814	33%
	MV Networks:Installation of high mast light in Legolaneng	Multi	Roads Infrastructure	Roads	395 000	684 627	45 802	7%
	MV Networks:Installation of high mast light in Lusaka	single	Roads Infrastructure	Roads	395 000	684 627	45 802	7%
	MV Networks:Installation of high mast light in Magakadimeng	single	Roads Infrastructure	Roads	395 000	684 627	45 802	7%
	MV Networks:Installation of high mast light in Makgopheng	Multi	Roads Infrastructure	Roads	395 000	684 627	224 814	33%
	MV Networks:Installation of high mast light in Matlala Lehweleere	Multi	Roads Infrastructure	Roads	395 000	684 627	45 802	7%
	MV Networks:Installation of high mast light in Matsisi Village	Multi	Roads Infrastructure	Roads	395 000	684 627	229 637	34%
	MV Networks:Installation of high mast light in Slompo	single	Roads Infrastructure	Roads	395 000	684 627	45 802	7%
	MV Networks:Installation of high mast light in Tafelkop Rammupudu T-Junction	Multi	Roads Infrastructure	Roads	395 000	684 627	229 503	34%
	MV Networks:Installation of high mast light in Waalkraal Clinic	Multi	Roads Infrastructure	Roads	395 000	684 627	45 802	7%
	MV Networks:Installation of Solar Panels	Multi	Electrical Infrastructure	Roads	434 783	434 783	-	0%
	MV Networks:Refurbishment of Roosenekal Network	Multi	Electrical Infrastructure	MV Networks	434 783	434 783	-	0%
	Roads:Upgrading of Kgobokwane-Kgaphamadi Road	Multi	Roads Infrastructure	Roads	11 430 592	13 474 737	9 436 028	70%
	Roads:Upgrading of Malaeneng A Ntwane Access Road	Multi	Roads Infrastructure	Roads	2 084 317	1 951 272	1 952 272	100%
	Roads:Upgrading of Maraganeng internal Access road (MIG)	Multi	Roads Infrastructure	Roads	12 006 125	12 006 125	11 494 249	96%
	Roads:UPGRADING OF MOGAUNG ROAD	Multi	Roads Infrastructure	Roads	434 783	434 783	-	0%
	Roads:Upgrading of Mokumong access road to Marateng taxi rank	Multi	Roads Infrastructure	Roads	8 569 778	8 569 778	8 549 577	100%
	Roads:Upgrading of Ramaphosa from gravel to paved road	Multi	Roads Infrastructure	Roads	434 783	434 783	-	0%
	Roads:Upgrading of Tafelkop Bapeding Bus route	single	Roads Infrastructure	Roads	6 584 350	3 627 797	3 627 797	100%
	Roads:Upgrading of Waalkraal Bus route	single	Roads Infrastructure	Roads	11 247 892	9 107 448	4 853 706	53%
	TOTAL					98 829 145	98 829 145	59 415 630

Quality certificate

I, **Namudi Reginah Mahlakwane**, the Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the monthly budget statement report and supporting documentation for the month of 31 January 2026 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Municipal Manager of Elias Motsoaledi Local Municipality (LIM472)

Signature 

Date 13/02/2026