MAGARENG MUNICIPALITY

QUARTERLY BUDGET & PERFORMANCE ASSESSMENT 2024/2025

DISTRIBUTION:

Executive Mayor:	**Mrs. Neo Mase**
Acting Municipal Manager:	**Mr. TumeloThage**
Chief Financial Officer:	**Ms. Kedisaletse Khaziwa**
Sector Departments:	**National and Provincial Departments**
	Uploaded to the National Treasury GoMuni portal

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1.1 Purpose

To submit a report to council within 30 days of the end of each quarter on implementation of the Budget and Financial state of the Municipality as required by Section 52 of the Municipal Finance Management Act.

1.2 Discussion

The report will be discussed under the following broad heading:
1) Financial management

1.3 Financial Management Review

This section has been split into two parts in terms of reporting methods as required by Treasury as follows:

Part 1 – Quarterly Report

i) Mayor's Report
ii) Executive Summary
iii) In year budget tables

Part 2 – Quarterly Report

i) Material variance explanation
ii) Performance indicators
iii) Debtors' analysis
iv) Creditors analysis
v) Investment portfolio analysis
vi) Allocation and grant receipts and expenditure
vii) Council and employee benefits
viii) Capital Expenditure trend.
ix) Municipal Managers quality certificate

I. Mayors Report

The municipality's budget is being implemented in line with the service delivery budget implementation plan. The municipality, however, still faces key financial risks that threaten the sustainability of the institution. The following are some of the key risks identified:

- Low Collection rate is affecting the cash flow of the municipality.
- Outstanding creditors especially Eskom and Vaalharts water,
- The municipality will be embarking on a Credit Control and Indigent Assistance Awareness Campaign. Through this campaign we seek to educate Consumers on the importance of the payment of accounts, and the detrimental effect non-payment has on service delivery. We aim to have our customers (from all our Customer Groups) that are in arrears and are able to pay their accounts, to make payments or make a payment arrangement on their account. The campaign will also inform and create awareness to Customers as to the assistance provided by the Municipality in relation to the payment of accounts (our social package, discounts and incentives)

Highlight of financial performance, Challenges and Risks for the quarter.

- For the fourth quarter **(April- June 2025),** the total operating revenue has been calculated to be R20.3 million. Additionally, the actual year-to-date actual amounts to **R152.5 million** which reflects a negative variance of **6%** when compared to the projected year-to-date budget amounting to **R162.1 million.** The variance will be explained in detail on the next page

Below is a table that summarizes the municipal finance performance

	BUDGET YEAR 2024/25								
	Original Budget	Adjusted Budget	Q1	Q2	Q3	Q4	YearTD actual	YearTD budget	YTD variance
Total Revenue (excluding capital transfers and contributions)	161,455,421.00	162,057,848.00	51,270,607.44	43,299,348.02	37,631,103.20	20,338,411.81	152,539,470.46	162,057,848.00	- 9,518,377.54
Total Expenditure	164,908,066.00	186,482,375.00	33,147,118.58	41,549,993.16	58,080,553.63	27,086,136.55	159,863,801.88	186,482,375.00	- 26,618,573.12
Surplus/(Deficit)	- 3,452,645.00	- 24,424,527.00	18,123,488.86	1,749,354.86	- 20,449,450.43	- 6,747,724.74	- 7,324,331.42	- 24,424,527.00	17,100,195.58
Transfers and subsidies - capital (monetary allocations)	42,258,000.00	93,535,106.00	28,292,298.46	25,380,224.59	19,410,035.42	2,369,663.41	75,452,218.88	82,092,809.00	- 6,640,590.12
Surplus/(Deficit) after capital transfers & contributions	38,805,355.00	69,110,579.00	46,415,787.32	27,129,579.45	7,599,232.47		81,144,595.63	51,832,934.25	29,311,661.38
Capital expenditure	42,258,000.00	82,092,809.00	18,265,308.45	19,795,414.91	8,639,835.27	15,019,998.02	62,087,417.30	82,092,809.00	- 23,896,330.50

Table 1: Income for the fourth quarter 2025

NC093 Magareng - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q4 Fourth Quarter

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Q4 Actuals	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		14,600	18,637	18,637	4,152	17,494	18,637	(1,144)	-6%	18,637
Service charges - Water		3,264	3,663	5,196	993	4,752	5,196	(444)	-9%	5,196
Service charges - Waste Water Management		8,059	11,363	9,363	2,239	9,059	9,363	(304)	-3%	9,363
Service charges - Waste management		6,050	7,045	7,045	1,489	6,552	7,045	(493)	-7%	7,045
Sale of Goods and Rendering of Services		531	773	1,171	168	941	1,171	(230)	-20%	1,171
Interest earned from Receivables		19,311	24,389	24,389	5,702	21,259	24,389	(3,130)	-13%	24,389
Interest from Current and Non Current Assets		357	–	44	–	22	44	(22)	-50%	44
Rent on Land		9	2	36	1	23	36	(13)	-37%	36
Rental from Fixed Assets		6	3	149	(2)	9	149	(140)	-94%	149
Operational Revenue		8,405	298	298	115	473	298	175	59%	298
Non-Exchange Revenue							–	–		
Property rates		12,916	14,608	14,608	3,436	13,579	14,608	(1,029)	-7%	14,608
Fines, penalties and forfeits		395	586	586	–	–	586	(586)	-100%	586
Transfers and subsidies - Operational		76,049	72,942	73,390	180	71,285	73,390	(2,104)	-3%	73,390
Interest		5,986	7,146	7,146	1,866	7,091	7,146	(55)	-1%	7,146
Operational Revenue		208	–	–	–	–	–	–		–
Gains on disposal of Assets		175	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**156,319**	**161,455**	**162,058**	**20,338**	**152,539**	**162,058**	**(9,518)**	**-6%**	**162,058**

Operating Revenue

The operating revenue summary outlined in the table above has been extracted from the C4 table from the C Schedules. During the fourth quarter, the municipality accrued total operating revenue of **R20.3 million.** This figure comprises **R5.7 million** from interest on receivables, **R3.4 million** from property rates and**R8.9 million** from service charges. The largest revenue attributed is Interest earned from receivables. The municipality received the following grants for the quarter: **R168 thousand** from FBDM and **R12 thousand** from SETA. The total year-to-date budget of **R162.1 million** compared with the actual to date figures, which amount to **R152.5 million** reveal a negative variance of **6%.**

Detailed explanation on revenue by source items.

Property rates.

The municipality has billed property rates for the quarter amounting to**R3.4 million**. This represents a **7%** shortfall compared to the year to date budgeted revenue of **R14.6 million** and the year to date actual of **R13.6 million** for the period under review. This variance is deemed immaterial as it falls below the **10%** threshold.

Service charges – Electricity.

The municipality billed electricity for the fourth quarter amounts to **R4.2 million.** However, the year-to-date budget stands at **R18.6 million,** resulting in a negative variance of **6%** when compared to the year-to-date actual of **R17.5 million** for the period under review. It is worth noting that the variance in electricity revenue is deemed immaterial, as it falls below the threshold of **10%.**

Service charges – water.

The municipality billed **R993 thousand** for water services for the quarter under review. However, the actual year-to-date revenue for this period is **R4.8 million**, resulting in a **9%** shortfall compared to the actual year-to-date budget of **R5.2 million**. This variance is deemed immaterial as it falls below the 10% threshold.

Service charges – sanitation.

For the quarter under review, the municipality billed **R2.2 million** for sanitation services. The year-to-date budget amounts to **R9.4 million,** which is **3%** higher than the actual revenue of **R9.1 million,** recorded for the fourth quarter. It is worth noting that the variance in sanitation revenue is deemed immaterial, as it falls below the threshold of 10%.

Service charges – refuse.

The municipality billed **R1.5 million** for refuse services and the actual year to date budget amounts to **R7million,** which is **7%** above the year to date actual revenue that amounts to **R 6.6 million** during the period under review. The variance is considered to be immaterial as it is below the 10% threshold.

Rent from fixed assets.

During the quarter under review, the municipality recorded a reversal revenue of **R2 thousand** from fixed assets this is due to the refunds being made to people who hire the sports facility should there be no damages. While the year-to-date budget stands at **R149 thousand** and the year to date actual amounts to **R10 thousands** of which results in a negative variance of **94%.**

Interest earned – from receivables.

The municipality recognized interest from receivables amounting to **R5.7 million,** with the year-to-date budget standing at **R24.4 million**, which is **13%** above the actual year-to-date actual of **R21.3 million** for the fourth quarter. The major attribute to this variance is the interest accrued on outstanding debts owed to the municipality. This shortfall has negative implications for the municipal debtor's book, as the accounts remain unpaid for longer and continue to accrue interest.

Fines, penalties, and forfeits

The municipality did not generate any income on this line item for the quarter under review.

Licenses and Permits

The municipality did not budget for this line item. The license testing yard is not operational renovation is required as per the Department of Traffic regulations.

Transfers recognized – operational.

The municipality received **R168 thousand** from FBDM for O & M, and **R12 thousand** was received from SETA for the fourth quarter. The year to date actual for the operational grants amount to**R71.3 million** which is **3%** below the year to date budget of **R73,4million.**

It is with noting that all operational grants were received according to the DoRA, allocation letters from funders, and the payment schedule from National Treasury. FBDM operational grant revenue is recognised as per the expenditure incurred which amounts to the allocation, expenditure is incurred through invoice claimed to the district.

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Other revenue/ Operational Revenue

The municipality generated total revenue of **R115 thousand** from other revenue for the quarter under review. The year-to-date budget amounts to **R298 thousand** which is **59%** less than the year to date actual amounting to **R473 thousand,** the municipality understated the budget for this line item.

Interest from current and non-current assets

The year to date actual in this line item stands at **R22 thousand** and the year to date budget amounts to **R44 Thousand** which results in a negative variance of **50%,** this interest is from the closing of the traffic fines call account. This call account was closed due to no collection and speed camera contract ended.

Rent on land

For the quarter under review the municipality generated total revenue of **R1 thousand** which reflects a negative variance of **37%** when compared to the year to date budget of **R36 thousand** and the year to date actual of **R23 thousand.**

Interest non-exchange

The municipality generated **R1.9 million** and year to date budget amounts to **R7.1 million** which is**1%** above the year to date actual revenue that amounts to **R7 million** during the period under review. The variance is considered to be immaterial as it is below the **10%** threshold

Table 2: Expenditure for the Fourth quarter 2025
The below table indicates expenditure items by type.

NC093 Magareng - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q4 Fourth Quarter

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Q4 Actuals	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure By Type										
Employee related costs		47,180	54,352	54,964	11,890	49,394	54,964	(5,570)	-10%	54,964
Remuneration of councillors		5,257	5,587	5,365	1,313	5,278	5,365	(87)	-2%	5,365
Bulk purchases - electricity		26,694	25,000	22,490	2,826	14,288	22,490	(8,202)	-36%	22,490
Inventory consumed		10,606	13,333	13,018	557	5,634	13,018	(7,384)	-57%	13,018
Debt impairment		–	17,056	31,865	(672)	31,865	31,865	–		31,865
Depreciation and amortisation		18,423	23,541	23,541	5,885	23,541	23,541	0	0%	23,541
Interest		1,958	1,887	1,415	–	146	1,415	(1,270)	-90%	1,415
Contracted services		11,668	7,750	12,512	2,082	10,227	12,512	(2,285)	-18%	12,512
Transfers and subsidies		–	–	–	–	–	–	–		–
Irrecoverable debts written off		63,729	–	–	–	–	–	–		–
Operational costs		19,054	15,824	20,734	3,206	19,491	20,734	(1,242)	-6%	20,734
Losses on Disposal of Assets		3,105	–	–	–	–	–	–		–
Other Losses		–	579	579	–	–	579	(579)	-100%	579
Total Expenditure		**207,674**	**164,908**	**186,482**	**27,086**	**159,864**	**186,482**	**(26,619)**	**-14%**	**186,482**

Operating Expenditure

Table 2 provides a detailed overview of the municipality's operating expenditure. These figures are taken from C4 in the attached C-Schedule. During the quarter assessment, the municipality spent a total of **R27.1 million** on operating expenses. The current year-to-date actual budget indicates that the municipality should have spent **R186.5 million** up to this point and the municipality has spent **R159.9million.** Considering this, the municipal variance for the fourth quarter stands at a negative **14%.** The variances will be explained per line item below.

Employee related costs

The municipality's expenditure on employee-related costs totaled to **R11.9 million** for the quarter under review. This represents a 10% variance from the year-to-date budget of **R55million** and the year to date actual of **R49.4 million.** This variance is deemed immaterial as it is within the 10% threshold.

Remuneration of councilors

Expenditure incurred in relation to councilor's remuneration amounts to **R1.3million** and the year-to-date budget amounts to **R5.4million,** which reflects a negative variance of **2%,** when we compare with the year to date actual amounting to**R5.3million**. The variance in Remuneration of councilors is immaterial.

Debt impairment

The municipality has recognized a debt impairment of **–R672 thousand** in the fourth quarter, this is due to reversal of journal to be on par with the year to date budget. Both the year-to-date budget and the year to date actual, stand at **R31.9 million,** indicating a variance of**0%.** This alignment between the year-to-date actual and budget figures is attributed to the diligent capture of monthly journals which reflect the movement, as per guidance from the Provincial Treasury.

Depreciation

The municipality has incurred an amount of **R5.9 million,** classified as a non-cash item. The actual year-to-date expenditure amounts to **R23.5 million**, reflecting a 0% variance when compared to the year-to-date budget which amounts to **R23.5 million.** The treatment on this line item is the same as the debt impairment.

Bulk purchases

The municipality spent **R2.8 million** for electricity bulk purchases in the fourth quarter. The year-to-date budget for electricity is **R22.5 million** and the year to date actual amount to **R14.3 million,** which results in a negative variance of **36%.** This variance is due to the municipality's inability to meet its payment commitments to Eskom because of current financial constraints. It's important to note that this amount only pertains to electricity expenses, as water costs are categorized as inventory items.

Inventory consumed.

The reclassification of MSCOA has resulted in water purchases being categorized under inventory consumed. For the reporting quarter the municipality has incurred an expenditure amounting to **R557 thousand** and the year to date actual is**R5.6 million,** this reflects a variance of **57%** less than the projected budget of **R13 million**. The municipality fails to make monthly payments to Vaal-harts due to financial constraints.

Contracted Services.

Contracted services include Accountants and Auditors, Security service, professional consulting and other services related to maintenance of infrastructure as and when the need arises. The amount spent for Contracted Services amounts to **R2.1 million** for the quarter and the year-to-date actual amounts to **R10.2 million** which reflects a negative **18%** variance when compared to the year to date budget which amounts to **R12.5 million.**

Other expenditure

This item has incurred expenditure amounting to **R3.2 million** and the actual year to date amounts to **R19.2 million** which reflects a negative variance of **6%** when we compare it with the year to date budget of **R20.7 million**. Other/Operational expenditure includes items such as remuneration of ward committees, Assets consultants, insurance costs, external audit fees and other municipal running costs.

Table 3: Transfer and subsidies-capital and Surplus/(Deficit)

NC093 Magareng - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q4 Fourth Quarter

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Q4 Actuals	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Surplus/(Deficit)		**(51,356)**	**(3,453)**	**(24,425)**	**(6,748)**	**(7,324)**	**(24,425)**	**17,100**	**-70%**	**(24,425)**
Transfers and subsidies - capital (monetary allocations)		50,290	42,258	82,093	2,370	75,452	82,093	(6,641)	**-8%**	82,093
Transfers and subsidies - capital (in-kind)		4,894	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**3,829**	**38,805**	**57,668**	**(4,378)**	**68,128**	**57,668**	**10,460**	**0**	**57,668**
Income Tax								–		
Surplus/(Deficit) after income tax		**3,829**	**38,805**	**57,668**	**(4,378)**	**68,128**	**57,668**	**10,460**	**0**	**57,668**
Share of Surplus/Deficit attributable to Joint Venture								–		
Share of Surplus/Deficit attributable to Minorities								–		
Surplus/(Deficit) attributable to municipality		**3,829**	**38,805**	**57,668**	**(4,378)**	**68,128**	**57,668**	10,460	0	**57,668**
Share of Surplus/Deficit attributable to Associate								–		
Intercompany/Parent subsidiary transactions								–		
Surplus/ (Deficit) for the year		**3,829**	**38,805**	**57,668**	**(4,378)**	**68,128**	**57,668**	**10,460**	**0**	**57,668**

Table C4 of the attached C Schedule of the MBRR excludes the capital transfers (capital grants) revenue from the operational revenue and calculates surplus or deficit before and after adding the capital transfers.

For this financial year, the municipality budgeted **R42.3 million** and adjusted the amount to **R82.1 million** after the adjustment budget for capital grants, as per Dora payment schedule, the municipality has to date has received**R2.4 million** on capital grants for the reporting quarter and the total year to date actual amounts to **R75.5 million**, from the total capital grants received **R25 million** is from WSIG(Water Service Infrastructure Grant), **R22.3 million** is from MIG(Municipal Infrastructure Grant) and **R26 million** is from RBIG(Regional Bulk Infrastructure Grant). This results in a negative **8%** variance when we compare both the year to date actual and budget. The year-to-date deficit before exclusion of capital transfers amounted to **R6.7 million** and with the inclusion of capital budget the deficit amounts to **R4.4 million** for the quarter under review.

Statement of financial performance

The tables above highlight the financial performance of the municipality per revenue source and expenditure type.

II. Executive Summary

Introduction

Section 52 of the Municipal Finance Management Act deals with requirements for quarterly reporting and further states that the Mayor of the Municipality must within 30 days of the end of each quarter submit a report to council on implementation of the Budget and the financial state of the Municipality.

When necessary, an explanation of any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote; any material variances from the service delivery and budget implementation plan; and any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipalities approved budget.

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

III. IN YEAR BUDGET STATEMENT TABLES

Table C1: Quarterly Budget Statement Summary

NC093 Magareng - Table C1 Monthly Budget Statement Summary - Q4 Fourth Quarter

Description	2023/24	Budget Year 2024/25							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Q4 Actuals	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	12 916	14 608	14 608	3 436	13 579	14 608	(1 029)	-7%	14 608
Service charges	31 972	40 709	40 241	8 873	37 857	40 241	(2 384)	-6%	40 241
Investment revenue	357	–	44	–	22	44	(22)	-50%	44
Transfers and subsidies - Operational	76 049	72 942	73 390	180	71 285	73 390	(2 104)	(0)	73 390
Other own revenue	35 025	33 197	33 775	7 849	29 797	33 775	(3 979)	-12%	–
Total Revenue (excluding capital transfers and contributions)	**156 319**	**161 455**	**162 058**	**20 338**	**152 539**	**162 058**	**(9 518)**	**-6%**	**162 058**
Employee costs	47 180	54 352	54 964	11 890	49 394	54 964	(5 570)	-10%	54 964
Remuneration of Councillors	5 257	5 587	5 365	1 313	5 278	5 365	(87)	-2%	5 365
Depreciation and amortisation	18 423	23 541	23 541	5 885	23 541	23 541	0	0%	23 541
Interest	1 958	1 887	1 415	–	146	1 415	(1 270)	-90%	1 415
Inventory consumed and bulk purchases	37 300	38 333	35 508	3 383	19 922	35 508	(15 586)	-44%	35 508
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	97 557	41 209	65 689	4 615	61 583	65 689	(4 106)	-6%	65 689
Total Expenditure	**207 674**	**164 908**	**186 482**	**27 086**	**159 864**	**186 482**	**(26 619)**	**-14%**	**186 482**
Surplus/(Deficit)	**(51 356)**	**(3 453)**	**(24 425)**	**(6 748)**	**(7 324)**	**(24 425)**	**17 100**	**-70%**	**(24 425)**
Transfers and subsidies - capital (monetary allocations)	50 290	42 258	82 093	2 370	75 452	82 093	(6 641)	-8%	82 093
Transfers and subsidies - capital (in-kind)	4 894	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**3 829**	**38 805**	**57 668**	**(4 378)**	**68 128**	**57 668**	**10 460**	**18%**	**57 668**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**3 829**	**38 805**	**57 668**	**(4 378)**	**68 128**	**57 668**	**10 460**	**18%**	**57 668**
Capital expenditure & funds sources									
Capital expenditure	**51 549**	**42 258**	**82 481**	**15 020**	**62 087**	**82 481**	**(20 394)**	**-25%**	**82 481**
Capital transfers recognised	51 549	42 258	82 093	15 020	61 721	82 093	(20 372)	-25%	82 093
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	–	–	388	–	367	388	(21)	-6%	388
Total sources of capital funds	**51 549**	**42 258**	**82 481**	**15 020**	**62 087**	**82 481**	**(20 394)**	**-25%**	**82 481**
Financial position									
Total current assets	47 495	158 919	144 762		70 130				144 762
Total non current assets	480 911	395 757	419 113		505 829				419 113
Total current liabilities	309 201	383 573	373 845		368 303				373 845
Total non current liabilities	7 640	8 079	8 143		7 640				8 143
Community wealth/Equity	**210 698**	**163 025**	**193 330**		**192 720**				**193 330**
Cash flows									
Net cash from (used) operating	68 849	27 912	62 017	(10 444)	83 937	62 017	(21 921)	-35%	168 042
Net cash from (used) investing	(51 374)	(42 258)	(82 481)	(15 020)	(62 087)	(82 481)	(20 394)	25%	(82 481)
Net cash from (used) financing	(14)	325	325	3	50	325	275	85%	325
Cash/cash equivalents at the month/year end	**18 194**	**(13 952)**	**(20 070)**	**(27 211)**	**23 004**	**(20 070)**	**(43 074)**	**215%**	**86 990**
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	6 026	5 716	5 582	5 371	5 408	5 200	30 386	417 700	481 390
Creditors Age Analysis									
Total Creditors	13 742	17 039	17 204	16 080	15 181	56 882	56 908	94 329	287 364

Revenue

For the fourth quarter April to June 2025, the municipality billed **R20.3 million** and the year-to-date actual amounts to **R152.5 million** whilst the year to date budget amounts to **R162.1 million** this results in a negative **6%** year to date variance when comparing year to date actual with the year to date budget. This revenue is not actual cash as it includes billed and realized revenue.

Monthly income for the 12 months ended 30 June 2025

Description	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEBRUARY	MARCH	APRIL	MAY	JUNE	YearTD actual
Revenue													
Exchange Revenue													
Service charges - Electricity	1,269,500	1,683,940	1,597,548	1,528,996	1,493,219	1,439,576	1,800,348	740,970	1,787,388	1,594,284	473,567	2,084,295	17,493,631
Service charges - Water	368,559	357,669	371,954	411,699	687,038	400,972	309,743	408,528	443,136	354,621	304,779	333,178	4,751,877
Service charges - Waste Water Management	762,276	751,368	762,247	760,173	759,796	759,481	751,506	754,550	759,158	753,009	741,132	744,525	9,059,220
Service charges - Waste management	571,186	566,226	565,990	562,257	561,436	565,801	551,222	556,322	562,295	559,014	548,783	381,541	6,552,073
Sale of Goods and Rendering of Services	47,015	30,624	43,192	- 31,553	231,502	216,371	72,107	43,493	121,126	103,658	31,649	32,197	941,381
Interest earned from Receivables	1,617,876	1,688,208	1,724,555	1,682,173	1,723,744	1,781,830	1,748,710	1,747,910	1,842,437	1,830,987	1,839,500	2,031,151	21,259,081
Interest from Current and Non Current Assets	-	21,995	-	-	-	-	-	-	-	-	-	-	21,995
Rent on Land	-	-	2,765	4,022	6,348	4,838	2,074	1,383	-	-	691	691	22,812
Rental from Fixed Assets	9,475	-	6,810	-	- 817	- 940	- 940	- 3,265	-	-	- 1,511	-	8,813
Operational Revenue	17,780	-	84,913	56,993	53,871	17,731	42,974	41,139	43,026	13,637	39,840	61,049	472,952
Non-Exchange Revenue													-
Property rates	1,134,794	1,128,547	1,128,547	1,128,547	1,122,301	1,134,794	1,122,301	1,108,199	1,134,794	1,134,794	1,167,301	1,133,746	13,578,665
Transfers and subsidies - Operational	27,374,887	3,311,000	599,500	251,606	16,979	22,226,000	68,320	372,000	16,884,745	84,030	64,008	32,396	71,285,471
Interest	548,643	556,326	564,689	572,446	580,830	589,286	598,741	603,471	611,194	606,512	615,203	644,155	7,091,497
Total Revenue (excluding capital transfers and contributions)	**33,721,992**	**10,095,904**	**7,452,711**	**6,927,360**	**7,236,248**	**29,135,740**	**7,067,103**	**6,374,701**	**24,189,298**	**7,034,546**	**5,824,942**	**7,478,924**	**152,539,470**

Operating Expenditure

The operating expenditure for the fourth quarter amounts to **R27.1 million,** whilst the year to date budget is **R186.5 million,** This results in a negative **14%** year to date variance when comparing the year to date actual which amounts to **R159.9 million** with the year to date budget **of R186.5 million.**

A breakdown of the total operating expenditure per month:

Description	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEBRUARY	MARCH	APRIL	MAY	JUNE	YearTD actual
Expenditure By Type													
Employee related costs	3,329,535	3,657,369	4,053,006	3,684,743	6,702,542	3,675,016	3,845,394	4,608,013	3,948,864	3,919,212	4,021,248	3,949,338	49,394,279
Remuneration of councillors	416,308	416,308	416,308	416,308	416,308	599,493	437,521	409,619	437,531	437,531	437,531	437,531	5,278,297
Bulk purchases - electricity	-	-	1,880,592	-	-	5,146,450	1,739,130	-	2,695,652	1,445,840	1,300,000	80,252	14,287,917
Inventory consumed	772,026	433,883	400,635	518,096	794,821	805,214	582,927	147,368	621,766	530,321	515,984	- 489,211	5,633,829
Debt impairment	1,421,298	1,421,298	1,421,298	1,421,298	1,421,298	1,421,298	1,421,298	11,294,038	11,294,038	- 5,106,919	1,779,052	2,655,390	31,864,684
Depreciation and amortisation	1,961,724	1,961,724	1,961,724	1,961,724	1,961,724	1,961,724	1,961,724	1,961,724	1,961,724	1,961,724	1,961,724	1,961,724	23,540,691
Interest	-	-	-	-	-	-	-	145,785	-	-	-	-	145,785
Contracted services	613,530	723,446	893,995	1,172,867	293,496	1,581,515	678,018	920,536	1,267,251	735,573	914,995	431,613	10,226,835
Operational costs	849,754	1,378,420	2,762,939	1,153,801	1,567,846	2,872,411	1,169,728	323,999	4,206,904	1,187,341	914,881	1,103,462	19,491,485
Total Expenditure	**9,364,175**	**9,992,448**	**13,790,496**	**10,328,837**	**13,158,035**	**18,063,121**	**11,835,741**	**19,811,083**	**26,433,730**	**5,110,622**	**11,845,415**	**10,130,099**	**159,863,802**

Capital Expenditure

Ref to the table below, as of the end of the fourth quarter, the year-to-date actual capital expenditure amounts to **R15 million**, while the overall year-to-date expenditure totals **R61.4 million.** These results in a negative variance of **25%** compared to the year-to-date target of **R82.5 million**.

The following table summarizes the capital projects' performance of the municipality. The information presented in Figure 1 corresponds to the grant register and illustrates the capital expenditure performance, excluding VAT, as well as the allocation of conditional capital grants.

According to the Division of Revenue Act (DoRA), the municipality's total allocation is **R80.1 million**, of which excludes **R2 million** which from the district municipality and the **R388 thousand** from internally generated funds, To date, the municipality has received a total of **R75.5 million,** comprising **R22.2 million** from the Municipal Infrastructure Grant (MIG), **R25 million** from the Water Services Infrastructure Grant (WSIG),**R26 million** from the RBIG and **R2.3 million** from the district municipality.

Figure 1

NC093 Magareng - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q4 Fourth Quarter

Vote Description R thousands	Ref 1	2023/24 Audited Outcome	Budget Year 2024/25 Original Budget	Adjusted Budget	Q4 Actuals	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Funded by:										
National Government		36,794	42,258	80,093	14,920	59,721	80,093	(20,372)	-25%	80,093
Provincial Government								–		
District Municipality		–	–	2,000	100	2,000	2,000	–		2,000
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		14,755	–	–	–	–	–	–		–
Transfers recognised - capital		**51,549**	**42,258**	**82,093**	**15,020**	**61,721**	**82,093**	**(20,372)**	**-25%**	**82,093**
Borrowing	6							–		
Internally generated funds		–	–	388	–	367	388	(21)	-6%	388
Total Capital Funding		**51,549**	**42,258**	**82,481**	**15,020**	**62,087**	**82,481**	**(20,394)**	**-25%**	**82,481**

Surplus/Deficit after capital transfers and contributions

NC093 Magareng - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q4 Fourth Quarter

Description R thousands	Ref	2023/24 Audited Outcome	Budget Year 2024/25 Original Budget	Adjusted Budget	Q4 Actuals	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Surplus/(Deficit)		**(51,356)**	**(3,453)**	**(24,425)**	**(6,748)**	**(7,324)**	**(24,425)**	**17,100**	**-70%**	**(24,425)**
Transfers and subsidies - capital (monetary allocations)		50,290	42,258	82,093	2,370	75,452	82,093	(6,641)	**-8%**	82,093
Transfers and subsidies - capital (in-kind)		4,894	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**3,829**	**38,805**	**57,668**	**(4,378)**	**68,128**	**57,668**	**10,460**	**0**	**57,668**
Income Tax								–		
Surplus/(Deficit) after income tax		**3,829**	**38,805**	**57,668**	**(4,378)**	**68,128**	**57,668**	**10,460**	**0**	**57,668**
Share of Surplus/Deficit attributable to Joint Venture								–		
Share of Surplus/Deficit attributable to Minorities								–		
Surplus/(Deficit) attributable to municipality		**3,829**	**38,805**	**57,668**	**(4,378)**	**68,128**	**57,668**	10,460	0	**57,668**
Share of Surplus/Deficit attributable to Associate								–		
Intercompany/Parent subsidiary transactions								–		
Surplus/ (Deficit) for the year		**3,829**	**38,805**	**57,668**	**(4,378)**	**68,128**	**57,668**	**10,460**	**0**	**57,668**

Taking the above into consideration, the net operating surplus as at the end of 30th of June 2025 amounts to **R68,1million.**

Debtors

Outstanding debtors are comprised of consumer and sundry debtors. The total outstanding debtors as at end of the financial year amounts to **R481.4 million** and this shows an increase of **R14.7 million** as compared to **R466.7 million** as at end of the previous quarter, which is due to current cash flow status and low revenue collection at cashier points, To resolve the above stated

matter the municipality should consider to disconnection and block institutions, businesses, and Government Departments without valid arrangements with the municipality, should be done with immediate effect. The largest outstanding amount owed to the municipality comes from households; this category owes R441.1 million, which incurs interest each month. The long outstanding consumer debts may negatively affect the sustainability of the municipality. The average collection rate is reported to beat **13%** for the fourth quarter. The effective implementation of debt collection and credit control is critically essential to ensure the sustainability of the municipality; this figure is due to old debts. The municipality needs to work harder on collecting old debts.

The biggest concern regarding debt collection in the municipality is its inability to collect service charges mainly in Ikhutseng where electricity is not supplied by the municipality.

Creditors

The municipality is currently striving to pay its creditors within 30 days of receipt of invoice as required by MFMA. However, the municipality has instances where the cash flow position was quite unfavorable, and it was then unable to service certain creditors as and when they became due. This resulted in the municipality incurring penalties and/or fruitless and wasteful expenditure due to late payment.

As of 30th of June 2025, the municipality had an outstanding creditor amounting to

R287.4 million and the bulk of this amount is made up by Bulk water: **R137 million** and bulk electricity: **R135 million**.

TOP 10 CREDITORS

CREDITORS	BALANCE
VAALHARTS WATER	-R 137 072 439.54
BULK ELECTRICITY	-R 135 041 543.69
BUSINESS CONNEXION	-R 2 086 450.22
AUDITOR GENERAL	-R 1 929 143.49
SMEC	-R 1 771 270.93
COMPENSATION COMM	-R 1 659 067.31
THE EQUALIZER GROUP LTD PTY	-R 1 495 000.00
PENSION FUND	-R 916 975.00
SALGA	-R 625 763.16
MEGA WATER CHEM	-R 435 518.11
TOTAL	**-R 283 033 171.45**

Table C2 – Quarterly Financial Performance (Standard Classification)

NC093 Magareng - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q4 Fourth Quarter

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Q4 Actuals	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Revenue - Functional										
Governance and administration		**96,186**	**91,756**	**93,011**	**5,398**	**90,454**	**93,011**	(2,557)	-3%	**93,011**
Executive and council		65,798	66,243	66,691	–	66,243	66,691	(448)	-1%	66,691
Finance and administration		30,388	25,513	26,320	5,398	24,211	26,320	(2,109)	-8%	26,320
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**1,982**	**2,206**	**2,329**	**113**	**1,694**	**2,329**	(635)	-27%	**2,329**
Community and social services		1,290	1,321	1,299	–	1,220	1,299	(79)	-6%	1,299
Sport and recreation		43	–	146	(2)	1	146	(145)	-99%	146
Public safety		649	884	884	115	473	884	(411)	-47%	884
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**176**	**450**	**450**	**–**	**–**	**450**	(450)	-100%	**450**
Planning and development		–	–	–	–	–	–	–		–
Road transport		176	450	450	–	–	450	(450)	-100%	450
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**113,159**	**109,302**	**148,361**	**17,197**	**135,843**	**148,361**	**(12,517)**	-8%	**148,361**
Energy sources		19,481	21,682	21,682	4,656	19,137	21,682	(2,545)	-12%	21,682
Water management		48,508	35,805	72,172	5,430	63,330	72,172	(8,842)	-12%	72,172
Waste water management		34,601	40,008	42,700	4,259	41,678	42,700	(1,021)	-2%	42,700
Waste management		10,569	11,807	11,807	2,852	11,699	11,807	(109)	-1%	11,807
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Revenue - Functional	2	**211,503**	**203,713**	**244,151**	**22,708**	**227,992**	**244,151**	**(16,159)**	**-7%**	**244,151**
Expenditure - Functional										
Governance and administration		**62,665**	**65,048**	**76,505**	**12,861**	**69,156**	**76,505**	(7,350)	-10%	**76,612**
Executive and council		13,669	13,862	16,525	3,213	13,090	16,525	(3,435)	-21%	16,707
Finance and administration		48,995	51,185	59,980	9,648	56,066	59,980	(3,915)	-7%	59,905
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**13,046**	**14,527**	**14,957**	**2,909**	**12,286**	**14,957**	(2,672)	-18%	**15,197**
Community and social services		2,427	2,958	2,971	548	2,300	2,971	(670)	-23%	2,971
Sport and recreation		2,898	4,845	5,253	691	3,111	5,253	(2,142)	-41%	5,270
Public safety		3,459	3,463	3,463	868	3,602	3,463	140	4%	3,686
Housing		4,263	3,261	3,271	803	3,272	3,271	1	0%	3,271
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**9,889**	**8,322**	**9,039**	**1,835**	**7,922**	**9,039**	(1,117)	-12%	**9,039**
Planning and development		5,539	5,951	6,366	1,399	5,722	6,366	(644)	-10%	6,366
Road transport		4,351	2,371	2,673	436	2,200	2,673	(473)	-18%	2,673
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**122,074**	**77,011**	**85,981**	**9,481**	**70,501**	**85,981**	**(15,480)**	-18%	**85,634**
Energy sources		55,978	39,251	39,662	4,770	30,185	39,662	(9,477)	-24%	39,354
Water management		37,168	18,282	21,466	1,999	16,309	21,466	(5,157)	-24%	21,448
Waste water management		19,276	15,818	18,634	3,057	18,434	18,634	(200)	-1%	18,632
Waste management		9,652	3,660	6,218	(345)	5,572	6,218	(647)	-10%	6,200
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Expenditure - Functional	3	**207,674**	**164,908**	**186,482**	**27,086**	**159,864**	**186,482**	**(26,619)**	**-14%**	**186,482**
Surplus/ (Deficit) for the year		**3,829**	**38,805**	**57,668**	**(4,378)**	**68,128**	**57,668**	**10,460**	**0.1813754**	**57,668**

Table C3 – Quarterly Fin' Performance (Revenue and Expenditure by vote)

NC093 Magareng - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q4 Fourth Quarter

Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Q4 Actuals	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 01 - Executive & Council		65,798	66,243	66,691	–	66,243	66,691	(448)	-0.7%	66,691
Vote 02 - Office Of The Municipal Manager		–	–	–	–	–	–	–		–
Vote 03 - Corporate Services		175	–	–	12	65	–	65	#DIV/0!	–
Vote 04 - Financial Services		30,213	25,513	26,320	5,386	24,147	26,320	(2,174)	-8.3%	26,320
Vote 05 - Municipal Infrastructure		113,335	109,752	137,004	17,197	128,993	137,004	(8,010)	-5.8%	137,004
Vote 06 - Community Services		–	2,206	14,136	(2)	7,522	14,136	(6,614)	-46.8%	14,136
Vote 07 - Public Safety & Transport		1,982	–	–	115	1,022	–	1,022	#DIV/0!	–
Vote 08 - Sports, Arts, Parks, Culture		–	–	–	–	–	–	–		–
Vote 09 - Planning & Development		–	–	–	–	–	–	–		–
Vote 10 - Hunan Settlements		–	–	–	–	–	–	–		–
Vote 11 - Idp, Pms Department		–	–	–	–	–	–	–		–
Vote 12 - Spatial Development, Planning & Traditional Affairs		–	–	–	–	–	–	–		–
Vote 13 - Electricity Department		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**211,503**	**203,713**	**244,151**	**22,708**	**227,992**	**244,151**	**(16,159)**	**-6.6%**	**244,151**
Expenditure by Vote	1									
Vote 01 - Executive & Council		12,749	11,703	13,780	3,010	12,243	13,780	(1,537)	-11.2%	13,780
Vote 02 - Office Of The Municipal Manager		920	2,159	2,745	203	847	2,745	(1,898)	-69.1%	2,745
Vote 03 - Corporate Services		15,141	17,241	18,265	4,275	17,097	18,265	(1,168)	-6.4%	18,265
Vote 04 - Financial Services		33,854	33,945	41,716	5,372	38,969	41,716	(2,747)	-6.6%	41,716
Vote 05 - Municipal Infrastructure		129,300	82,382	90,656	11,299	74,566	90,656	(16,090)	-17.7%	90,656
Vote 06 - Community Services		–	10,679	13,094	1,411	9,913	13,094	(3,181)	-24.3%	13,094
Vote 07 - Public Safety & Transport		8,784	587	0	–	5	0	5	6440.8%	0
Vote 08 - Sports, Arts, Parks, Culture		–	–	–	–	–	–	–		–
Vote 09 - Planning & Development		6,926	6,213	6,227	1,516	6,225	6,227	(2)	0.0%	6,227
Vote 10 - Hunan Settlements		–	–	–	–	–	–	–		–
Vote 11 - Idp, Pms Department		–	–	–	–	–	–	–		–
Vote 12 - Spatial Development, Planning & Traditional Affairs		–	–	–	–	–	–	–		–
Vote 13 - Electricity Department		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**207,674**	**164,908**	**186,482**	**27,086**	**159,864**	**186,482**	**(26,619)**	**-14.3%**	**186,482**
Surplus/ (Deficit) for the year	2	**3,829**	**38,805**	**57,668**	**(4,378)**	**68,128**	**57,668**	**10,460**	**18.1%**	**57,668**

Table C2 and C3 measure the quarterly actual against the year-to-date performance targets which is realized by vote and standard classification. 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: Quarterly Financial performance by Revenue Source and Expenditure Type

NC093 Magareng - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q4 Fourth Quarter

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Q4 Actuals	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		14,600	18,637	18,637	4,152	17,494	18,637	(1,144)	-6%	18,637
Service charges - Water		3,264	3,663	5,196	993	4,752	5,196	(444)	-9%	5,196
Service charges - Waste Water Management		8,059	11,363	9,363	2,239	9,059	9,363	(304)	-3%	9,363
Service charges - Waste management		6,050	7,045	7,045	1,489	6,552	7,045	(493)	-7%	7,045
Sale of Goods and Rendering of Services		531	773	1,171	168	941	1,171	(230)	-20%	1,171
Agency services		–	–	–	–	–	–	–		–
Interest							–	–		
Interest earned from Receivables		19,311	24,389	24,389	5,702	21,259	24,389	(3,130)	-13%	24,389
Interest from Current and Non Current Assets		357	–	44	–	22	44	(22)	-50%	44
Dividends							–	–		
Rent on Land		9	2	36	1	23	36	(13)	-37%	36
Rental from Fixed Assets		6	3	149	(2)	9	149	(140)	-94%	149
Licence and permits		–	–	–	–	–	–	–		–
Operational Revenue		8,405	298	298	115	473	298	175	59%	298
Non-Exchange Revenue							–	–		
Property rates		12,916	14,608	14,608	3,436	13,579	14,608	(1,029)	-7%	14,608
Surcharges and Taxes							–	–		
Fines, penalties and forfeits		395	586	586	–	–	586	(586)	-100%	586
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		76,049	72,942	73,390	180	71,285	73,390	(2,104)	-3%	73,390
Interest		5,986	7,146	7,146	1,866	7,091	7,146	(55)	-1%	7,146
Fuel Levy								–		
Operational Revenue		208	–	–	–	–	–	–		–
Gains on disposal of Assets		175	–	–	–	–	–	–		–
Other Gains								–		
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		**156,319**	**161,455**	**162,058**	**20,338**	**152,539**	**162,058**	**(9,518)**	**-6%**	**162,058**
Expenditure By Type										
Employee related costs		47,180	54,352	54,964	11,890	49,394	54,964	(5,570)	-10%	54,964
Remuneration of councillors		5,257	5,587	5,365	1,313	5,278	5,365	(87)	-2%	5,365
Bulk purchases - electricity		26,694	25,000	22,490	2,826	14,288	22,490	(8,202)	-36%	22,490
Inventory consumed		10,606	13,333	13,018	557	5,634	13,018	(7,384)	-57%	13,018
Debt impairment		–	17,056	31,865	(672)	31,865	31,865	–		31,865
Depreciation and amortisation		18,423	23,541	23,541	5,885	23,541	23,541	0	0%	23,541
Interest		1,958	1,887	1,415	–	146	1,415	(1,270)	-90%	1,415
Contracted services		11,668	7,750	12,512	2,082	10,227	12,512	(2,285)	-18%	12,512
Transfers and subsidies		–	–	–	–	–	–	–		–
Irrecoverable debts written off		63,729	–	–	–	–	–	–		–
Operational costs		19,054	15,824	20,734	3,206	19,491	20,734	(1,242)	-6%	20,734
Losses on Disposal of Assets		3,105	–	–	–	–	–	–		–
Other Losses		–	579	579	–	–	579	(579)	-100%	579
Total Expenditure		**207,674**	**164,908**	**186,482**	**27,086**	**159,864**	**186,482**	**(26,619)**	**-14%**	**186,482**
Surplus/(Deficit)		**(51,356)**	**(3,453)**	**(24,425)**	**(6,748)**	**(7,324)**	**(24,425)**	**17,100**	**-70%**	**(24,425)**
Transfers and subsidies - capital (monetary allocations)		50,290	42,258	82,093	2,370	75,452	82,093	(6,641)	**-8%**	82,093
Transfers and subsidies - capital (in-kind)		4,894	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**3,829**	**38,805**	**57,668**	**(4,378)**	**68,128**	**57,668**	**10,460**	**0**	**57,668**
Income Tax								–		
Surplus/(Deficit) after income tax		**3,829**	**38,805**	**57,668**	**(4,378)**	**68,128**	**57,668**	**10,460**	**0**	**57,668**
Share of Surplus/Deficit attributable to Joint Venture								–		
Share of Surplus/Deficit attributable to Minorities								–		
Surplus/(Deficit) attributable to municipality		**3,829**	**38,805**	**57,668**	**(4,378)**	**68,128**	**57,668**	10,460	0	**57,668**
Share of Surplus/Deficit attributable to Associate								–		
Intercompany/Parent subsidiary transactions								–		
Surplus/ (Deficit) for the year		**3,829**	**38,805**	**57,668**	**(4,378)**	**68,128**	**57,668**	**10,460**	**0**	**57,668**

TableC4providesbudgetperformancedetailsforrevenuebysourceandexpenditureby type. For revenue, the main deviations from budget projections are on, service charges, Water, Sanitation, Sale of goods and rendering, rental of facilities, and interest earned, external investments, interest on outstanding debtors, fines, penalties and forfeits, licenses and permits

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

NC093 Magareng - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q4 Fourth Quarter

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Q4 Actuals	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Multi-Year expenditure appropriation	2									
Vote 01 - Executive & Council		–	–	–	–	–	–	–		–
Vote 02 - Office Of The Municipal Manager		–	–	–	–	–	–	–		–
Vote 03 - Corporate Services		–	–	368	–	367	368	(1)	0%	368
Vote 04 - Financial Services		–	–	–	–	–	–	–		–
Vote 05 - Municipal Infrastructure		–	–	–	–	–	–	–		–
Vote 06 - Community Services		–	–	20	–	–	20	(20)	-100%	20
Vote 07 - Public Safety & Transport		–	–	–	–	–	–	–		–
Vote 08 - Sports, Arts, Parks, Culture		–	–	–	–	–	–	–		–
Vote 09 - Planning & Development		–	–	–	–	–	–	–		–
Vote 10 - Hunan Settlements		–	–	–	–	–	–	–		–
Vote 11 - Idp, Pms Department		–	–	–	–	–	–	–		–
Vote 12 - Spatial Development, Planning & Traditional Affairs		–	–	–	–	–	–	–		–
Vote 13 - Electricity Department		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	**–**	**–**	**388**	**–**	**367**	**388**	**(21)**	**-6%**	**388**
Single Year expenditure appropriation	2									
Vote 01 - Executive & Council		–	–	–	–	–	–	–		–
Vote 02 - Office Of The Municipal Manager		–	–	–	–	–	–	–		–
Vote 03 - Corporate Services		–	–	–	–	–	–	–		–
Vote 04 - Financial Services		–	–	–	–	–	–	–		–
Vote 05 - Municipal Infrastructure		51,549	42,258	82,093	15,020	61,721	82,093	(20,372)	-25%	82,093
Vote 06 - Community Services		–	–	–	–	–	–	–		–
Vote 07 - Public Safety & Transport		–	–	–	–	–	–	–		–
Vote 08 - Sports, Arts, Parks, Culture		–	–	–	–	–	–	–		–
Vote 09 - Planning & Development		–	–	–	–	–	–	–		–
Vote 10 - Hunan Settlements		–	–	–	–	–	–	–		–
Vote 11 - Idp, Pms Department		–	–	–	–	–	–	–		–
Vote 12 - Spatial Development, Planning & Traditional Affairs		–	–	–	–	–	–	–		–
Vote 13 - Electricity Department		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	51,549	42,258	82,093	15,020	61,721	82,093	**(20,372)**	**-25%**	82,093
Total Capital Expenditure		**51,549**	**42,258**	**82,481**	**15,020**	**62,087**	**82,481**	**(20,394)**	**-25%**	**82,481**
Capital Expenditure - Functional Classification										
Governance and administration		**–**	**–**	**368**	**–**	**367**	**368**	(1)	0%	**368**
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		–	–	368	–	367	368	(1)	0%	368
Internal audit								–		
Community and public safety		**–**	**–**	**20**	**–**	**–**	**20**	(20)	-100%	**20**
Community and social services		–	–	20	–	–	20	(20)	-100%	20
Sport and recreation		–	–	–	–	–	–	–		–
Public safety								–		
Housing								–		
Health								–		
Economic and environmental services		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
Planning and development								–		
Road transport		–	–	–	–	–	–	–		–
Environmental protection								–		
Trading services		**51,549**	**42,258**	**82,093**	**14,708**	**61,409**	**77,093**	(15,684)	-20%	**82,093**
Energy sources		–	–	–	–	–	–	–		–
Water management		34,482	22,258	57,093	9,253	41,330	57,093	(15,763)	-28%	57,093
Waste water management		17,067	20,000	25,000	5,455	20,079	20,000	79	0%	25,000
Waste management								–		
Other								–		
Total Capital Expenditure - Functional Classification	3	**51,549**	**42,258**	**82,481**	**14,708**	**61,776**	**77,481**	**(15,705)**	**-20%**	**82,481**
Funded by:										
National Government		36,794	42,258	80,093	14,920	59,721	80,093	(20,372)	-25%	80,093
Provincial Government								–		
District Municipality		–	–	2,000	100	2,000	2,000	–		2,000
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		14,755	–	–	–	–	–	–		–
Transfers recognised - capital		**51,549**	**42,258**	**82,093**	**15,020**	**61,721**	**82,093**	**(20,372)**	**-25%**	**82,093**
Borrowing	6							–		
Internally generated funds		–	–	388	–	367	388	(21)	-6%	388
Total Capital Funding		**51,549**	**42,258**	**82,481**	**15,020**	**62,087**	**82,481**	**(20,394)**	**-25%**	**82,481**

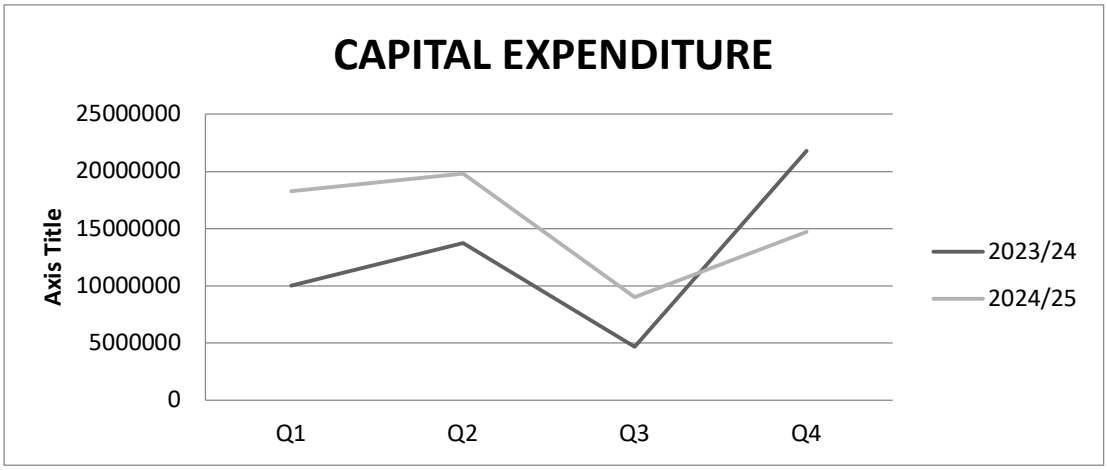
Table C5C: Quarterly Capital Expenditure by Vote

NC093 Magareng - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - A - Q4 Fourth Quarter

Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousand		Audited Outcome	Original Budget	Adjusted Budget	Q4 Actuals	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure - Municipal Vote										
Expenditure of multi-year capital appropriation	1									
Vote 01 - Executive & Council		–	–	–	–	–	–	–		–
Vote 02 - Office Of The Municipal Manager		–	–	–	–	–	–	–		–
Vote 03 - Corporate Services		–	–	368	–	367	368	(1)	0%	368
03.2 - Corporate Admin		–	–	368	–	367	368	(1)	0%	368
Vote 04 - Financial Services		–	–	–	–	–	–	–		–
Vote 05 - Municipal Infrastructure		–	–	–	–	–	–	–		–
05.6 - Electricity		–	–	–	–	–	–	–		–
Vote 06 - Community Services		–	–	20	–	–	20	(20)	-100%	20
06.2 - Cemetary		–	–	–	–	–	–	–		–
06.3 - Library		–	–	20	–	–	20	(20)	-100%	20
06.5 - Parks And Recreation		–	–	–	–	–	–	–		–
Vote 07 - Public Safety & Transport		–	–	–	–	–	–	–		–
Vote 08 - Sports, Arts, Parks, Culture		–	–	–	–	–	–	–		–
Vote 09 - Planning & Development		–	–	–	–	–	–	–		–
Vote 10 - Hunan Settlements		–	–	–	–	–	–	–		–
Vote 11 - Idp, Pms Department		–	–	–	–	–	–	–		–
Vote 12 - Spatial Development, Planning & Traditional Affa		–	–	–	–	–	–	–		–
Vote 13 - Electricity Department		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total multi-year capital expenditure		–	–	388	–	367	388	(21)	-6%	388
Capital expenditure - Municipal Vote										
Expenditue of single-year capital appropriation	1									
Vote 01 - Executive & Council		–	–	–	–	–	–	–		–
Vote 02 - Office Of The Municipal Manager		–	–	–	–	–	–	–		–
Vote 03 - Corporate Services		–	–	–	–	–	–	–		–
03.2 - Corporate Admin		–	–	–	–	–	–	–		–
Vote 04 - Financial Services		–	–	–	–	–	–	–		–
Vote 05 - Municipal Infrastructure		51,549	42,258	82,093	15,020	61,721	82,093	(20,372)	-25%	82,093
05.4 - Sanitation		17,067	20,000	25,000	5,455	20,079	25,000	(4,921)	-20%	25,000
05.5 - Water		34,482	22,258	57,093	9,565	41,641	57,093	(15,451)	-27%	57,093
05.6 - Electricity		–	–	–	–	–	–	–		–
Vote 06 - Community Services		–	–	–	–	–	–	–		–
06.5 - Parks And Recreation		–	–	–	–	–	–	–		–
Vote 07 - Public Safety & Transport		–	–	–	–	–	–	–		–
Vote 08 - Sports, Arts, Parks, Culture		–	–	–	–	–	–	–		–
Vote 09 - Planning & Development		–	–	–	–	–	–	–		–
Vote 10 - Hunan Settlements		–	–	–	–	–	–	–		–
Vote 11 - Idp, Pms Department		–	–	–	–	–	–	–		–
Vote 12 - Spatial Development, Planning & Traditional Affa		–	–	–	–	–	–	–		–
Vote 13 - Electricity Department		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total single-year capital expenditure		51,549	42,258	82,093	15,020	61,721	82,093	(20,372)	(0)	82,093
Total Capital Expenditure		51,549	42,258	82,481	15,020	62,087	82,481	(20,394)	(0)	82,481

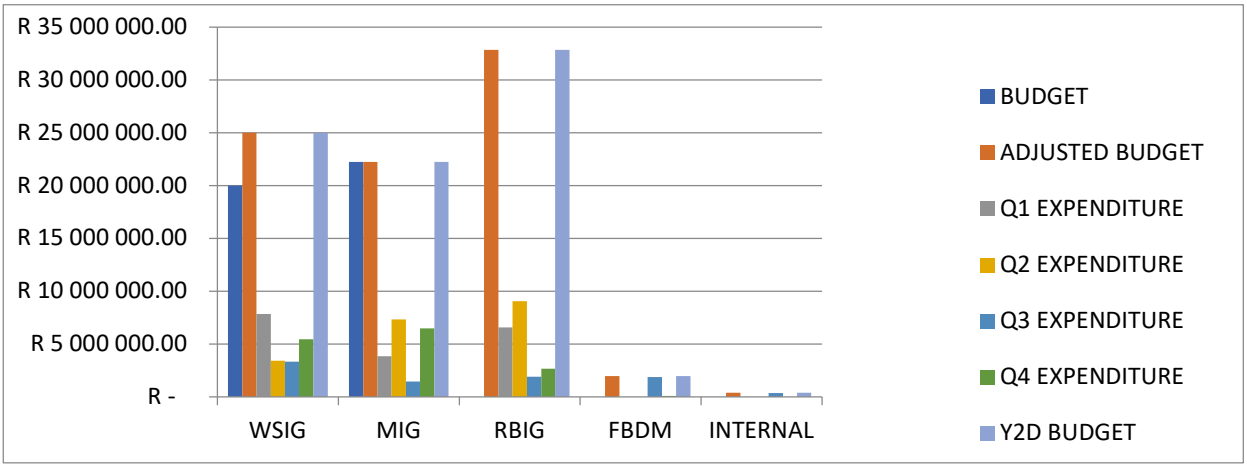
Table C5 Capex and C5C present capital expenditure performance for all votes, standard classification and the funding there of and measures the year-to-date performance targets against the actual capital expenditure figures. **R61.8 million** spending was incurred on the capital budget, year to date budget is **R82.5 million,** and this gave an under-performance variance of **R20.4 million** that translates to a negative variance of **25%.** It is imperative to note that out of the total capital expenditure **R367 thousand** is from internally generated funds.

FIGURE 2: QUARTELY CAPITAL EXPENDITURE PERFOMANCE



The above graph compares the quarterly capital expenditure performances for 2023/24 and 2024.

FIGURE 2: CAPITAL EXPENDITURE BY SOURCE OF FINANCE



The bar chart above clearly illustrates the different sources of funding for the capital budget, which totals **R82.5 million.** The Municipal Infrastructure Grant contributes R22.3 million, Water Services Infrastructure Grant provides **R25 million,** Regional Bulk Infrastructure Grant **R32.8 million**, FBDM **R2 million** and internally generated funds **R388 thousand** of the total budget allocation as specified in the Division of Revenue Act (DoRA) and the municipal budget. The graph above presents the expenditure from each source of finance in a clear and comprehensible manner.

Table C6: Quarterly Budget Statement Financial Position

NC093 Magareng - Table C6 Monthly Budget Statement - Financial Position - Q4 Fourth Quarter

Description	Ref	2023/24	Budget Year 2024/25			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		1,104	63,861	21,045	1,168	21,045
Trade and other receivables from exchange transactions		(20,998)	32,176	64,926	(10,558)	64,926
Receivables from non-exchange transactions		1,878	16,277	16,078	16,497	16,078
Current portion of non-current receivables						
Inventory		121	(994)	(994)	(95)	(994)
VAT		67,344	49,413	45,569	65,079	45,569
Other current assets		(1,953)	(1,814)	(1,862)	(1,961)	(1,862)
Total current assets		**47,495**	**158,919**	**144,762**	**70,130**	**144,762**
Non current assets						
Investments						
Investment property		24,867	23,831	23,831	24,867	23,831
Property, plant and equipment		455,660	371,544	394,903	480,578	394,903
Biological assets						
Living and non-living resources						
Heritage assets		371	371	371	371	371
Intangible assets		13	10	7	13	7
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions		0	0	0	0	0
Other non-current assets						
Total non current assets		**480,911**	**395,757**	**419,113**	**505,829**	**419,113**
TOTAL ASSETS		**528,406**	**554,676**	**563,875**	**575,959**	**563,875**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	0	0	–	0
Consumer deposits		1,330	1,309	1,309	1,380	1,309
Trade and other payables from exchange transactions		273,144	347,263	325,709	248,427	325,709
Trade and other payables from non-exchange transactions		805	3,236	11,417	80,596	11,417
Provision		8,962	7,404	7,404	8,893	7,404
VAT		24,960	24,362	28,007	29,007	28,007
Other current liabilities		–	–	–	–	–
Total current liabilities		**309,201**	**383,573**	**373,845**	**368,303**	**373,845**
Non current liabilities						
Financial liabilities		730	794	858	730	858
Provision		6,910	7,285	7,285	6,910	7,285
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		**7,640**	**8,079**	**8,143**	**7,640**	**8,143**
TOTAL LIABILITIES		**316,840**	**391,651**	**381,987**	**375,942**	**381,987**
NET ASSETS	2	**211,566**	**163,025**	**181,888**	**200,017**	**181,888**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		210,698	163,025	193,330	192,720	193,330
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**210,698**	**163,025**	**193,330**	**192,720**	**193,330**

Total Assets
Variances were noted between the budgeted values of assets and the actual recorded at the end of the review period. As at the end of June 2025, the municipality recorded total assets of **R575.9 million** which includes **R70.1 million** and **R505.8 million** for both current assets and non-current assets respectively. Current assets are those assets that are likely to be converted into cash within twelve months; while non-current assets are likely to be converted into cash over a longer-term.

Trade and other received from exchange transactions/ non-exchange transactions.
As at the end of June 2025, the municipality recorded consumer debtors (Exchange and non-exchange transactions) of **R5.9 million,** representing about 1% of the total assets. Looking at the annual budgeted trade and other receivables of **R48.5 million** which is adjusted to **R81 million,** consumer debtors appear to be understated as compared to the debtor's age analysis. This is due to the failure of customers paying their debt as well as the impact of debt impairment which will be fully recognized at the end of the financial year. This is also an indication of the rate at which consumer debtors are escalating. It will be important that council fast-track implementation of its credit control and debt collection strategies (revenue enhancement) to collect the outstanding debtors. The municipality will need to estimate the projected annual debtors and the provision for debt impairment to accurately budget for the consumer debtors projected at the end of the financial year.

Property Plant and Equipment (PPE)
As of 30th of June 2025, the municipality recorded **R480.6 million** for Property Plant and Equipment, which represents **83%** of the total assets. These assets comprise of roads and storm water, water and infrastructure, electricity infrastructure, community assets, and other plants and equipment which the municipality has acquired mainly for service delivery and for its own use. Service delivery of the municipal is majored by its ability to provide these services to communities. This shows that recorded PPE is **R480.6 million** which is more than the projected amount of **R349.9 million** for the financial year ending 2024/25.

Total Liabilities
Variances were noted between the budgeted values of liabilities and the actual recorded at the end of June 2025.As at the end June 2025, the municipality recorded total liabilities of **R375.9 million** which entails of **R368.3 million** and **R7.6 million** for both current liabilities and non-current liabilities respectively. Current liabilities are those liabilities that are payable by the municipality within the twelve months, while non-current liabilities are those liabilities that are payable over a period beyond twelve months.

The current ratio of the municipal's financial position equals to **0.2,** which is current assets divided by current liabilities **(70130/ 368 303).** According to the acceptable norms, a current ratio which is less than 1 shows that the municipality is unable to pay its shorts term debts (current liabilities) using its cash on hand (Current assets). This also shows that institution is not liquid enough and it is financial unstable. The municipality needs to improve on its abilities to raise current assets so that it can be in a better position to pay off debts when they become due.

A detailed breakdown on the individual items is attached on the above table C6– monthly budget statement.

Table C7: Quarterly Budgeted Statement Cash Flow

NC093 Magareng - Table C7 Monthly Budget Statement - Cash Flow - Q4 Fourth Quarter

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Q4 Actuals	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		6,993	7,742	7,742	775	5,068	7,742	(2,674)	-35%	7,742
Service charges		45,907	21,576	21,328	4,764	19,988	21,328	(1,340)	-6%	21,328
Other revenue		2,379	7,128	7,526	3,231	16,066	7,526	8,540	113%	19,279
Transfers and Subsidies - Operational		65,921	72,942	73,390	180	71,285	73,390	(2,104)	-3%	73,390
Transfers and Subsidies - Capital		53,439	42,258	82,093	2,370	75,452	82,093	(6,641)	-8%	82,093
Interest		357	–	437	109	537	437	100	23%	437
Dividends								–		
Payments										
Suppliers and employees		(106,149)	(121,846)	(129,083)	(21,873)	(104,313)	(129,083)	(24,770)	19%	(34,811)
Interest		–	(1,887)	(1,415)	–	(146)	(1,415)	(1,270)	90%	(1,415)
Transfers and Subsidies								–		
NET CASH FROM/(USED) OPERATING ACTIVITIES		**68,849**	**27,912**	**62,017**	**(10,444)**	**83,937**	**62,017**	**(21,921)**	**-35%**	**168,042**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		175	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments								–		
Payments										
Capital assets		(51,549)	(42,258)	(82,481)	(14,708)	(61,776)	(82,481)	(20,705)	25%	(82,481)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(51,374)**	**(42,258)**	**(82,481)**	**(14,708)**	**(61,776)**	**(82,481)**	**(20,705)**	**25%**	**(82,481)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								–		
Borrowing long term/refinancing								–		
Increase (decrease) in consumer deposits		(14)	5	5	3	50	5	45	822%	5
Payments										
Repayment of borrowing		–	319	319	–	–	319	319	100%	319
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(14)**	**325**	**325**	**3**	**50**	**325**	**275**	**85%**	**325**
NET INCREASE/ (DECREASE) IN CASH HELD		**17,461**	**(14,021)**	**(20,140)**	**(25,149)**	**22,212**	**(20,140)**			**85,886**
Cash/cash equivalents at beginning:		734	69	69	(1,750)	1,104	69			1,104
Cash/cash equivalents at month/year end:		18,194	(13,952)	(20,070)	(26,899)	23,316	(20,070)			86,990

Table C7 provides details of the quarterly cash in and outflow. For the period ending 30th of June 2025 the net cash from operating activities is **R10.5 million** whilst cash used for investing activities is **R14.7 million** and the net cash from financing activities is **R3 thousand.** The cash and cash equivalent held at end of the financial year amounted to **R26.9 million** and the net effect of the above cash flows is net cash held movement of **R25.1million.**

PART 2: SUPPORTING TABLES

Table SC3: Debtors Analysis

The outstanding debtors as at30th June 2025 amounts to **R481.4 million** which shows an increase of **R14.7 million** in debtors' book when compared to the previous quarter of the current financial year, outstanding debtors that amounts to **R466.7million.** The largest outstanding amount owed to the municipality comes from households; this category owes **R441.1 million,** which incurs interest each month. The long outstanding consumer debts may negatively affect the sustainability of the municipality. The average collection rate is reported to beat **13%**for the quarter under review. The effective implementation of the debt collection and credit control is critically essential to ensure the sustainability of the municipality; this figure is due to old debts. The Municipality needs to work harder on collecting old debts.

NC093 Magareng - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q4 Fourth Quarter

Description	NT Code	Budget Year 2024/25											
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	400	364	353	403	425	375	2,518	70,124	74,961	73,844		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	308	403	358	183	155	188	702	27,130	29,428	28,359		
Receivables from Non-exchange Transactions - Property Rates	1400	1,114	952	878	845	873	767	4,505	54,959	64,893	61,949		
Receivables from Exchange Transactions - Waste Water Management	1500	849	840	860	847	848	846	5,093	66,628	76,810	74,262		
Receivables from Exchange Transactions - Waste Management	1600	634	622	617	603	600	597	3,573	45,954	53,199	51,327		
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–		
Interest on Arrear Debtor Accounts	1810	2,665	2,491	2,472	2,446	2,465	2,381	13,756	149,057	177,734	170,106		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–		
Other	1900	57	44	44	43	43	46	240	3,849	4,364	4,220		
Total By Income Source	**2000**	**6,026**	**5,716**	**5,582**	**5,371**	**5,408**	**5,200**	**30,386**	**417,700**	**481,390**	**464,066**	**–**	**–**
Q3 Totals		**5,895**	**5,707**	**5,426**	**5,251**	**5,562**	**5,165**	**28,676**	**404,980**	466,662	**449,634**		
Debtors Age Analysis By Customer Group													
Organs of State	2200	382	365	292	338	265	287	1,186	6,779	9,894	8,855		
Commercial	2300	469	514	544	302	291	276	1,595	23,874	27,864	26,337		
Households	2400	5,144	4,807	4,715	4,701	4,822	4,603	27,408	384,926	441,127	426,461		
Other	2500	31	30	30	30	30	34	197	2,122	2,505	2,413		
Total By Customer Group	**2600**	**6,026**	**5,716**	**5,582**	**5,371**	**5,408**	**5,200**	**30,386**	**417,700**	**481,390**	**464,066**	**–**	**–**

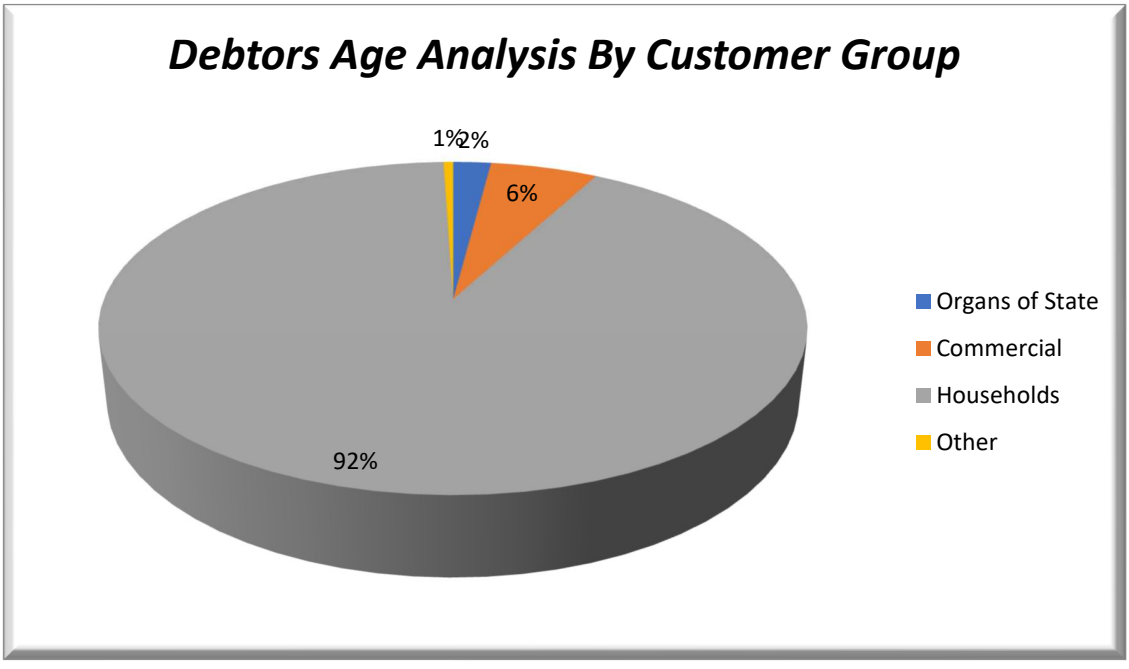
Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at the end of June amount to **R481.4 million.** The debtors' book is made up of the following: Indicated in the table above, is the total outstanding debt per Income Source. The highest percentage weighting of debt owed is attributable to:

- Rates13.5%
- Electricity6.1%
- Water 15.6%
- Waste water management 16%
- Waste management 11.1%
- Interest on Debtors 36.9%
- Other 1%

Weighting per Customer Group

- Government debt constitutes 2%, Businesses 6%, Households 92% and other 1% of the total outstanding debt.

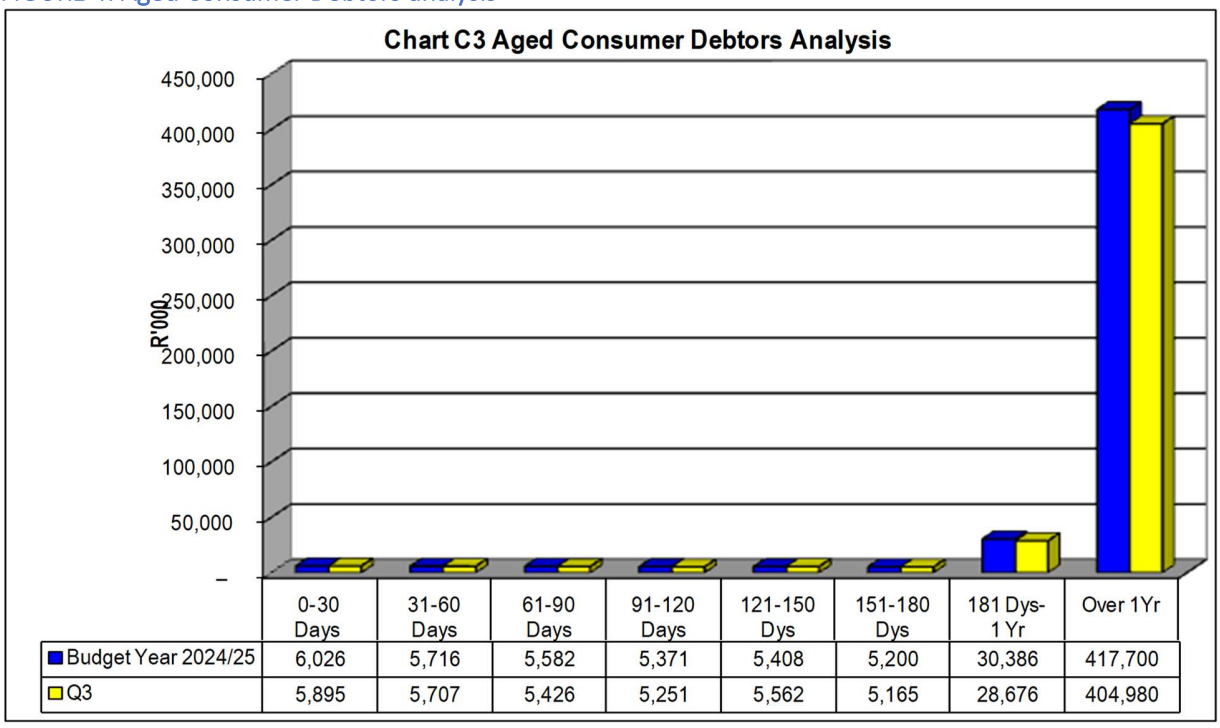
FIGURE 3: Aged Consumer Debtors analysis



From the above graph it can be depicted that the highest debt is attributed to the Household.

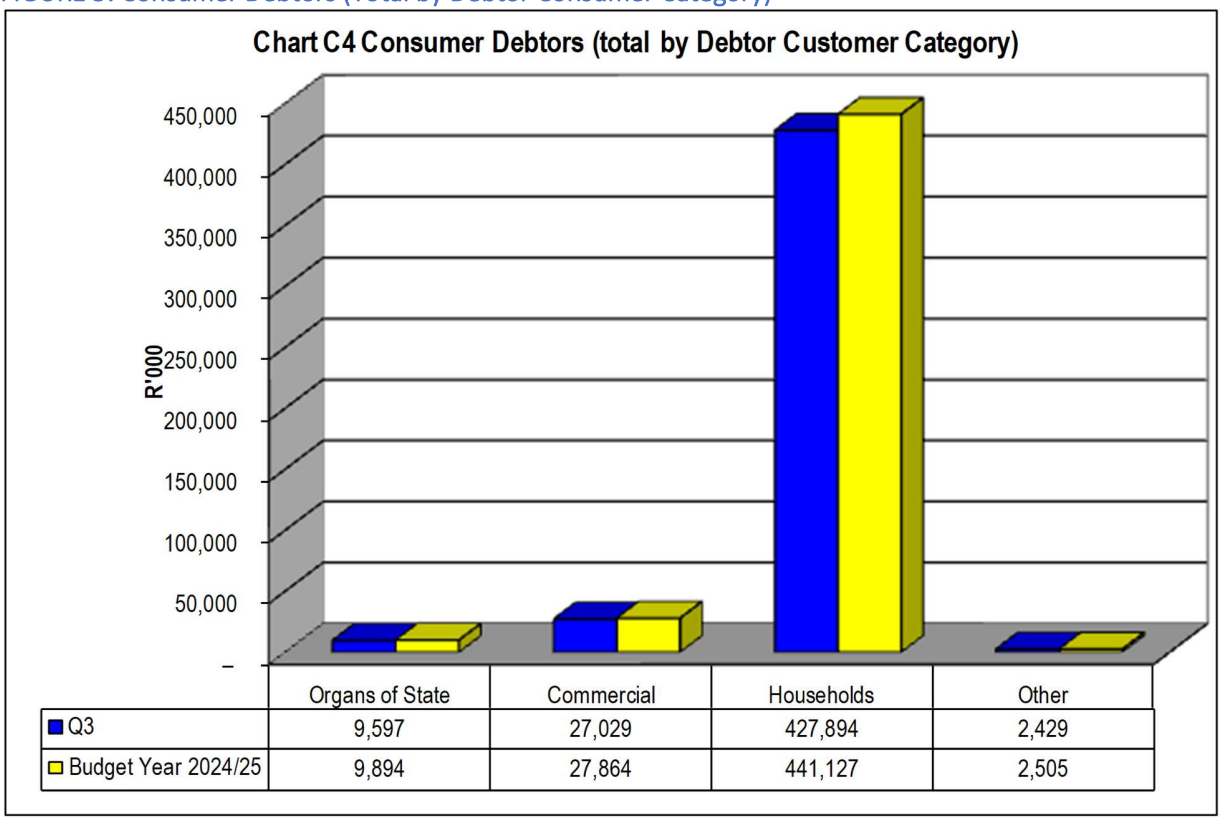
The debtors' age analysis is graphically presented below.

FIGURE 4: Aged Consumer Debtors 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
Budget Year 2024/25	6,026	5,716	5,582	5,371	5,408	5,200	30,386	417,700
Q3	5,895	5,707	5,426	5,251	5,562	5,165	28,676	404,980

FIGURE 5: Consumer Debtors (Total by Debtor Consumer Category)



	Organs of State	Commercial	Households	Other
Q3	9,597	27,029	427,894	2,429
Budget Year 2024/25	9,894	27,864	441,127	2,505

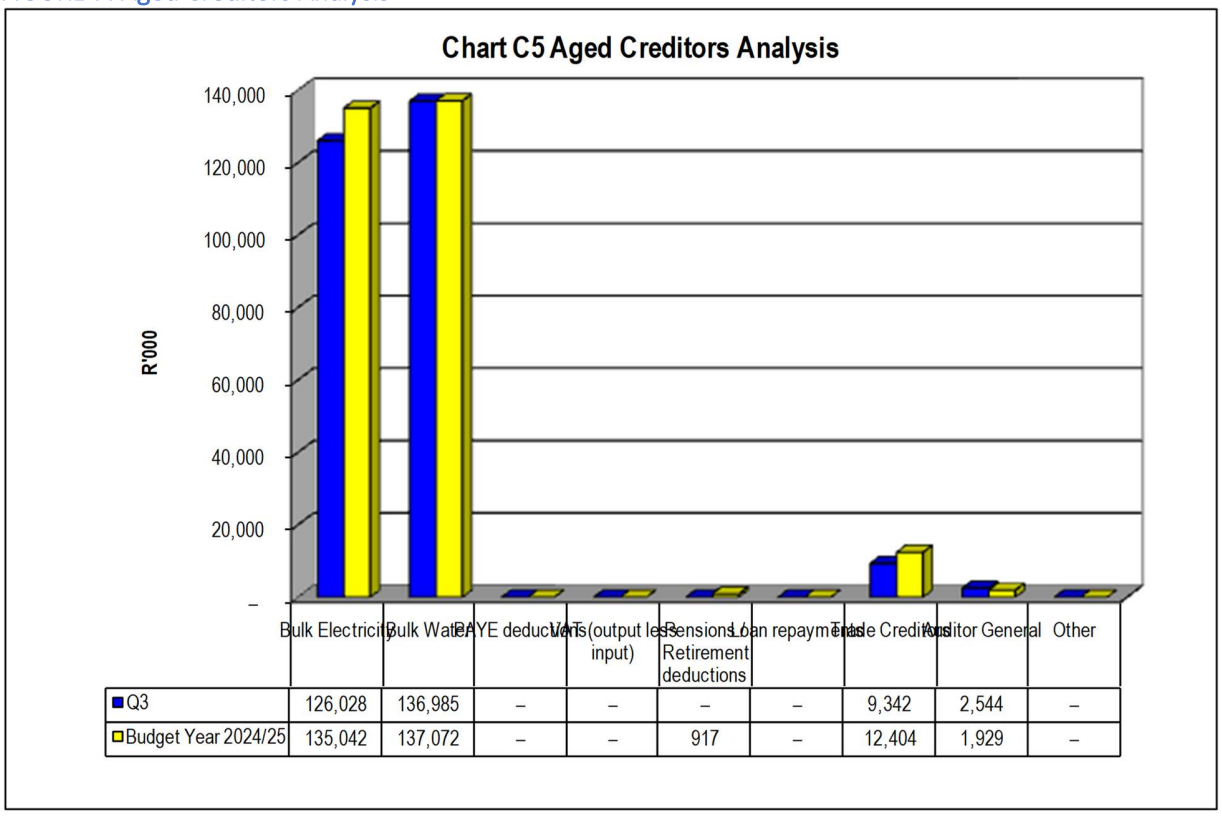
Table SC4: Creditors Analysis

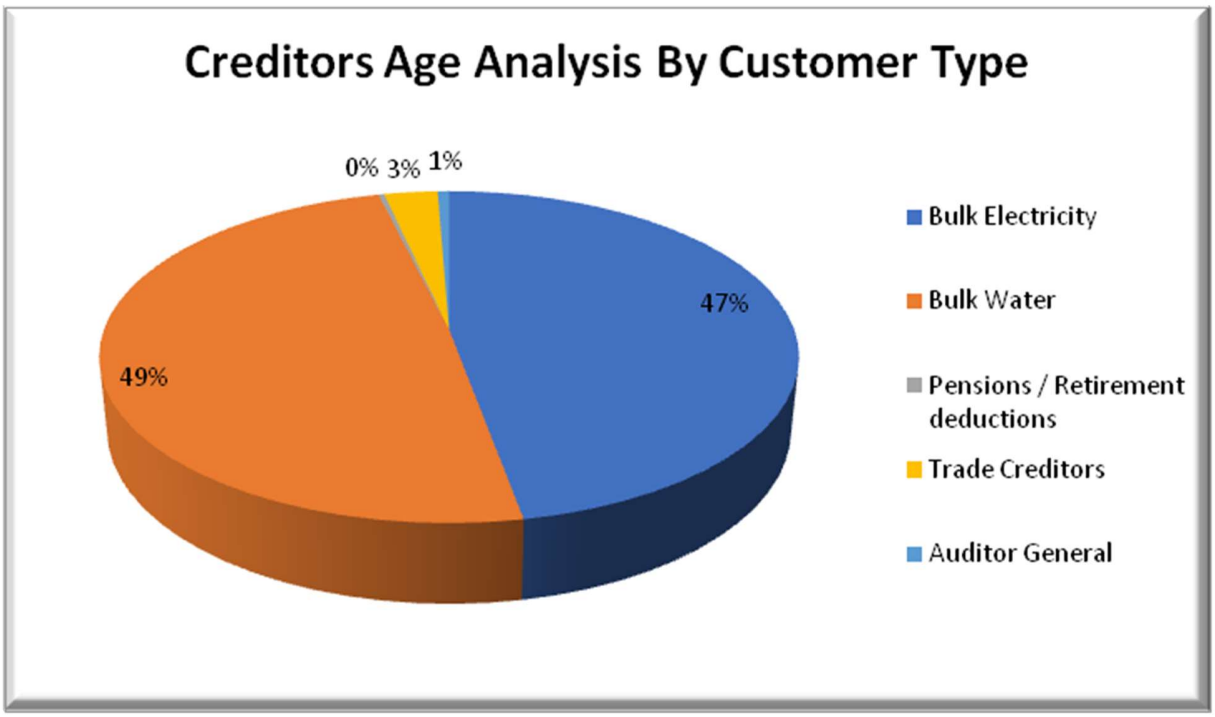
It is imperative to note that Table SC4 provides a crucial age analysis of the municipality's creditors. It is mandatory, as per section 65 of the MFMA that all creditors get paid within 30 days of receiving an invoice. The municipality's creditors as of June 30th, 2025, amount to **R 287.4 million**, including Eskom with **R135 million** and Vaalharts Water with **R137.1 million,** among others. However, despite this obligation, the municipality is currently unable to pay its creditors within the required 30 days due to low revenue collection.

NC093 Magareng - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q4 Fourth Quarter

Description R thousands	NT Code	Budget Year 2024/25									Q3(2024/2025
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	10,128	10,644	10,650	10,943	8,830	43,199	40,646	–	**135,042**	126,028
Bulk Water	0200	2,530	4,290	4,023	2,911	4,284	12,406	14,231	92,398	**137,072**	136,985
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	917	–	**917**	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	865	1,850	2,257	1,980	1,815	1,160	868	1,609	**12,404**	9,342
Auditor General	0800	219	254	273	247	251	116	247	323	**1,929**	2,544
Other	0900	–	–	–	–	–	–	–	–	–	–
Medical Aid deductions		–	–	–	–	–	–	–	–	–	–
Total By Customer Type	**1000**	**13,742**	**17,039**	**17,204**	**16,080**	**15,181**	**56,882**	**56,908**	**94,329**	**287,364**	274,898

FIGURE 7: Aged Creditors Analysis





The above graph analysis the 2024/2025 monthly aged creditors.

Table SC5: Investment Portfolio Analysis

NC093 Magareng - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q4 Fourth Quarter

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
Municipality														
Magareng Local Municipality														-
Municipality sub-total										-	-	-	-	-
Entities														
ABSA (9380541602)		3 Month	7 Day	YES	FIXED				25 June 2025	320	83	(10 500)	11 000	903
														-
														-
														-
														-
														-
														-
Entities sub-total										320	83	(10 500)	11 000	903
TOTAL INVESTMENTS AND INTEREST	2									320	83	(10 500)	11 000	903

Investment portfolio Supporting Table SC5 displays the council's investments portfolio and indicates that the municipality had an opening balance of **R320 thousand,** municipality top up the investment by **R11 million** and earned interest of **R83 thousand**. From the total investment, amount of **R10.5 million** was withdrawn from investment account, as at the end of 30 June 2025 the municipality had a closing amount of **R903 thousand.**

Table SC6- Allocation and grant receipts

NC093 Magareng - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q4 Fourth Quarter

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Q4	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		**68,798**	**69,243**	**69,243**	**–**	**69,243**	**69,243**	**–**	**0.0%**	**69,243**
Equitable Share		59,941	65,001	65,001	–	65,001	65,001	–	0.0%	65,001
Expanded Public Works Programme Integrated Grant		712	1,242	1,242	–	1,242	1,242	–	0.0%	1,242
Local Government Financial Management Grant		3,000	3,000	3,000	–	3,000	3,000	–	0.0%	3,000
Municipal Disaster Relief Grant		5,145	–	–	–	–	–	–		–
Other transfers and grants [insert description]								–		
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Capacity Building and Other Grants		–	–	–	–	–	–	–		–
Other transfers and grants [insert description]								–		
District Municipality:		**6,071**	**2,500**	**2,948**	**168**	**779**	**2,948**	(2,169)	-73.6%	**2,948**
FBDM O&M		6,071	2,500	2,948	168	779	2,948	(2,169)	-73.6%	2,948
Other grant providers:		**1,180**	**1,199**	**1,199**	**12**	**1,264**	**1,199**	65	5.4%	**1,199**
Education Training and Development Practices SETA		–	–	–	12	65	–	65		–
National Library South Africa		1,180	–	–	–	600	–	600		–
Northern Cape Arts and Cultural		–	1,199	1,199	–	600	1,199	(600)	-50.0%	1,199
Post Retirement Benefit		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants	5	**76,049**	**72,942**	**73,390**	**180**	**71,285**	**73,390**	**(2,104)**	**-2.9%**	**73,390**
Capital Transfers and Grants										
National Government:		50,290	42,258	80,093	2,370	73,267	80,093	(6,826)	**-8.5%**	80,093
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–		–
Municipal Disaster Relief Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		18,764	22,258	22,258	–	22,238	22,258	(20)	-0.1%	22,258
Regional Bulk Infrastructure Grant		12,011	–	32,835	2,370	26,029	32,835	(6,806)	-20.7%	32,835
Water Services Infrastructure Grant		19,515	20,000	25,000	–	25,000	25,000	–	0.0%	25,000
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
[insert description]								–		
District Municipality:		**4,894**	**–**	**2,000**	**–**	**2,185**	**2,000**	185	9.3%	**2,000**
Specify (Add grant description)		4,894	–	2,000	–	2,185	2,000	185	9.3%	2,000
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
[insert description]								–		
Total Capital Transfers and Grants	5	**55,184**	**42,258**	**82,093**	**2,370**	**75,452**	**82,093**	**(6,641)**	**-8.1%**	**82,093**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	131,233	115,200	155,482	2,550	146,738	155,482	(8,745)	-5.6%	155,482

In Supporting Tables SC6, you can find all the details of the received grants. During the fourth quarter, the municipality received a total of **R2.6 million,** taking into consideration both operational (R180 thousand) and capital grants (R2.4 million), and to date, the municipality has received a total of **R146.7 million** for operational grants and **R71.3 million** for Capital transfers and grants which total **R75.5 million** to date. All the gazetted grants were received in the reporting period according to the National Treasury's grants payment schedule and the conditions thereof.

Table SC7: Transfers and Grant Expenditure

NC093 Magareng - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q4 Fourth Quarter

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Q4	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		**39 403**	**69 243**	**69 243**	**8 101**	**68 955**	**69 243**	**(288)**	**-0.4%**	**39 642**
Equitable Share		34 989	65 001	65 001	7 237	65 001	65 001	–		35 400
Expanded Public Works Programme Integrated Grant		1 730	1 242	1 242	342	1 250	1 242	8	0.6%	1 242
Local Government Financial Management Grant		2 684	3 000	3 000	523	2 705	3 000	(295)	-9.8%	3 000
Municipal Disaster Relief Grant		–	–	–	–	–	–	–		–
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Capacity Building and Other Grants		–	–	–	–	–	–	–		–
District Municipality:		**890**	**2 500**	**2 498**	**508**	**3 956**	**2 498**	1 459	58.4%	**2 498**
FBDM(Operational)		890	2 500	2 498	508	3 956	2 498	1 459	58.4%	2 498
Other grant providers:		**1 253**	**1 228**	**1 199**	**272**	**1 169**	**1 199**	(30)	-2.5%	**1 199**
Education Training and Development Practices SETA		–	–	–	–	–	–	–		–
National Library South Africa		1 253	–	–	–	–	–	–		–
Northern Cape Arts and Cultural		–	1 228	1 199	272	1 169	1 199	(30)	-2.5%	1 199
Total operating expenditure of Transfers and Grants:		**41 545**	**72 971**	**72 940**	**8 882**	**74 081**	**72 940**	**1 141**	**1.6%**	**43 339**
Capital expenditure of Transfers and Grants										
National Government:		36 794	42 258	80 093	14 920	59 721	80 093	(20 372)	**-25.4%**	80 093
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–		–
Municipal Disaster Relief Grant		827	–	–	–	–	–	–		–
Municipal Infrastructure Grant		18 900	22 258	22 258	6 488	17 636	22 258	(4 622)	-20.8%	22 258
Regional Bulk Infrastructure Grant		–	–	32 835	2 977	22 005	32 835	(10 830)	-33.0%	32 835
Water Services Infrastructure Grant		17 067	20 000	25 000	5 455	20 079	25 000	(4 921)	-19.7%	25 000
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
								–		
District Municipality:		**–**	**–**	**2 000**	**100**	**2 000**	**2 000**	–		**2 000**
FBDM(Capita)		**–**	**–**	**2 000**	**100**	**2 000**	**2 000**	–		**2 000**
Other grant providers:		**14 755**	**–**	**–**	**–**	**–**	**–**	–		**–**
Pocket Money Households (Cash)		**14 755**	**–**	**–**	**–**	**–**	**–**	–		**–**
Total capital expenditure of Transfers and Grants		**51 549**	**42 258**	**82 093**	**15 020**	**61 721**	**82 093**	**(20 372)**	**-24.8%**	**82 093**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**93 094**	**115 229**	**155 032**	**23 902**	**135 801**	**155 032**	**(19 231)**	**-12.4%**	**125 432**

A total of **R23.9 million** has been spent on grants during the fourth quarter of the financial year, while the year-to-date actual stands at **R135.8 million** and the year to date budget amounts to R155 million. This has resulted in an under-spending variance of **R19.2 million,** which translates to a negative variance of **12.4%.** Out of the total spending for the 4th quarter, **R8.9 million** has been spent on operational grants, while **R15 million** has been spent on capital grants, it is with noting the figures disclosed on the schedules is excluding VAT and retention.

The above table depicts the gazette and budgeted amounts for all the grants and the performance there of as at end of the fourth quarter.

Financial Management grant

- The FMG grant is an essential funding source for the BTO program projects supported by the National Treasury. By the end of the first quarter, the municipality had received R3 million which is in accordance with the DoRA. This grant is mainly used for the finance interns, and it covers the intern's stipend, MFMA program costs (Travel cost and the service provider appointed), tools of trade and BTO officials selected to participate in the programme. To date, 90% of the funds (excluding VAT) and 100% (including VAT) have been spent.

Expanded Public Work Programme

- EPWP grant is used to fund the expanded public works programs, and this is a National Department of Public Works initiative to curb the high unemployment rate.
- This grant mainly covers the salaries, and the tools needed.
- It is important to note that the municipality has received the total allocation of this grant as per DoRA which amounts to **R1.2 million;** the municipality has already spent **R1.2 million**, which is equal to 101% (VAT exclusive and inclusive) of the total allocation.

Frances Baard District Municipality Grant

- FBDM grant is used to assist the municipality with Operations and Maintenance, this grant is funded by the district municipality.
- During the quarter under review, the municipality was allocated **R2.5 million** for O&M and **R447 680** thousand for EPWP.To date, the municipality incurred expenditures amounting to **R2,5 million** and **R448 thousand** (excluding VAT), which represents **100%** of the total budgeted allocation.
- Please note that FBDM (O&M) transfers are made on submission of invoices to the District Municipality.

Library Grant

- The municipality has received the total allocation of this grant and has spent **R1.2 million** which equates to **98%** of the total allocation for both VAT Excl and Incl.
- It should be noted that this grant is for the library employees, for their salaries, library programmes, building maintenance and tools of trade.

Municipal Infrastructure Grant

- The MIG expenditure as at 31 June 2025 is at **79%** (Vat exclusive) and the total allocation of **R22.3 million** was received.
- The expenditure on this grant for the quarter under review amounts to **R6.5 million** and the year to date amounts to **R17.6 million (**vat exclusive).
- Total expenditure of **R22.2 million** was spend vat inclusive and retention which is 100% of the total allocation.
- This grant is mainly used for capital project - upgrading of Internal Water Reticulation Network in Chris Hani, Richblock& Las Vegas- the expenditure is for the contractor and consultant.

Water Services Infrastructure Grant

- The WSIG expenditure as at 30th June 2025 is at **80%**(Vat excl) and the whole allocation of **R25 million** was received according to DoRA and the funder.
- The accumulated expenditure for the quarter amounts to **R5.5 million** and the actual year to date amounts to **R20.1 million.**
- This grant is used for capital project - Repairs to Warrenton WWTP and Surrounding Pump stations – the expenditure incurred is for the contractor and the consultant.
- Total expenditure of **R24.4 million** was spend vat inclusive and retention which is 98% of the total allocation.

Regional Bulk Infrastructure Grant

- As at the 30th of June 2025 the total capital expenditure of the above-mentioned grant amounts to **R22 million** VAT excl and **R26 million** was received on this grant. The allocation according to DoRA and the funders is **R32.8 million.**
- The accumulated expenditure for the quarter amounts to **R2.9 million** and the actual year to date amounts to **R22 million**.
- This grant is used for capital project - Upgrade of the Warrenton Water Treatment Works for Magareng Municipality – the expenditure incurred is for the contractor and the consultant.
- It should be noted that this grant is on invoice claimed based, the municipality did not receive the whole allocation.
- Total expenditure of **R25.3 million** was spend vat inclusive and retention which is 97% of the total allocation

It can then be noted that a total of **R146.7 million** has been received to date for both operational and capital grants, total expenditure of **R135.8 million** vat exclusive has been committed or spent to date which translates into **87%** spent on grants and subsidies exclusive of Vat.

Table SC8: Councilors and Staff Benefits

NC093 Magareng - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q4 Fourth Quarter

Summary of Employee and Councillor remuneration R thousands	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Q4	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		3,574	3,843	3,778	882	3,615	3,778	(164)	-4%	3,778
Pension and UIF Contributions		477	555	505	132	517	505	12	2%	505
Medical Aid Contributions		83	128	97	25	82	97	(15)	-15%	97
Motor Vehicle Allowance		585	551	475	146	584	475	109	23%	
Cellphone Allowance		538	509	509	127	480	509	(29)	-6%	509
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances								–		475
Sub Total - Councillors		**5,257**	**5,587**	**5,365**	**1,313**	**5,278**	**5,365**	**(87)**	**-2%**	**5,365**
% increase	4		**6.3%**	**2.0%**						**2.0%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		1,274	2,956	3,736	522	1,959	3,736	(1,776)	-48%	3,736
Pension and UIF Contributions		119	333	307	34	133	307	(174)	-57%	307
Medical Aid Contributions		50	126	146	24	71	146	(75)	-51%	146
Overtime								–		
Performance Bonus		59	245	260		112	260	(147)	-57%	260
Motor Vehicle Allowance		666	1,590	1,655	159	576	1,655	(1,079)	-65%	1,655
Cellphone Allowance		9	27	45	–	17	45	(29)	-63%	45
Housing Allowances		–	164	246	–	–	246	(246)	-100%	246
Other benefits and allowances		0	1	1	0	0	1	(0)	-64%	1
Payments in lieu of leave					–			–		
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2			–	–			–		
Entertainment					–			–		
Scarcity		99	195	250	20	83	250	(167)	-67%	250
Acting and post related allowance		–	–	106	26	106	106	0	0%	106
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		**2,276**	**5,635**	**6,750**	**785**	**3,057**	**6,750**	**(3,692)**	**-55%**	**6,750**
% increase	4		**147.6%**	**196.5%**						**196.5%**
Other Municipal Staff										
Basic Salaries and Wages		31,280	35,480	34,564	8,484	33,025	33,977	(953)	-3%	34,564
Pension and UIF Contributions		6,349	6,787	6,737	1,674	6,547	6,737	(190)	-3%	6,737
Medical Aid Contributions		2,269	2,627	2,488	644	2,547	2,488	59	2%	2,488
Overtime		707	321	821	13	688	821	(133)	-16%	821
Performance Bonus		2,861	2,846	2,828	123	2,863	2,828	34	1%	2,828
Motor Vehicle Allowance		25	56	–		–	–	–		–
Cellphone Allowance		56	109	154	23	126	154	(28)	-19%	154
Housing Allowances		70	83	69	20	79	69	9	14%	69
Other benefits and allowances		377	208	422	111	428	422	6	1%	422
Payments in lieu of leave								–		
Long service awards		–	–	–		–	–	–		–
Post-retirement benefit obligations	2	–	–	–		–	–	–		–
Entertainment								–		
Scarcity								–		
Acting and post related allowance		254	100	30	12	36	30	6	21%	30
In kind benefits		657	100	100	–	–	100	(100)	-100%	100
Sub Total - Other Municipal Staff		**44,904**	**48,716**	**48,214**	**11,105**	**46,337**	**47,627**	**(1,290)**	**-3%**	**48,214**
% increase	4		**8.5%**	**7.4%**						**7.4%**
TOTAL SALARY, ALLOWANCES & BENEFITS		**52,437**	**59,939**	**60,329**	**13,202**	**54,673**	**59,742**	**(5,069)**	**-8%**	**60,329**
% increase	4		**14.3%**	**15.0%**						**15.0%**
TOTAL MANAGERS AND STAFF		**47,180**	**54,352**	**54,964**	**11,890**	**49,394**	**54,377**	**(4,983)**	**-9%**	**54,964**

The table above illustrates expenditure on councillor's remuneration and employees.
Section 66 of the MFMA requires that the accounting officer of a municipality must, in a format and for the periods as may be prescribed, report to the council on all expenditure incurred by the

municipality on staff salaries, wages, allowances and benefits and in a manner that discloses such expenditure per type of expenditure, namely-

I. Salaries and wages
II. Contribution for pension and medical aid
III. Travel, motor car, accommodation, subsistence and other allowances.
IV. Housing benefits
V. Overtime
VI. Any other benefit or allowance related to staff.

During the quarter under review, the municipality incurred expenditures totaling **R13.2 million,** bringing the year-to-date actual to **R54.7 million.** This expenditure is slightly within the budget projection, as the year-to-date budget amounts to **R59.7 million.** Comparing the actual year-to-date expenditure to the budget reveals a negative variance of **8%.** However, this variance is considered immaterial since it is below the 10% threshold.

PROGRESS ON THE BUDGET FUNDING PLAN

Pillar 1 - Positive Cash Flows

The municipality is required to maintain positive cash balances.

Opening cash balance as per bank statement =- **R254 380.62**
Closing cash balance as per bank statement = **R456 259.30**

Pillar 2 - Reduction in non-core expenditure

There are no unauthorised debit orders for the month of June; the municipality reverses these debit orders monthly.

The municipality was not charged penalties and interest for PAYE by SARS for late payment made for June2025.

Pillar 3 - Trade Payables

Trade creditors for the previous quarter amounted to **R274.9million,** which increased to **R287.4 million** by **R12.5 million** in the reporting quarter.

Pillar 4 - Cash and Short-term liquidity

The municipality's short-term liabilities exceed short-term assets. The total current liabilities for the period ending June amount to **R368.3 million** and the total current assets is **R70.1 million,** which shows that the municipality is not able to meet its obligations with its available cash resources.

Pillar 5 - Collection Rate

- The collection rates for the months of July and August were notably low, at 3% and -4% respectively. However, there has been an improvement in the month of September, with

the collection rate standing at 15%.

- Municipality has incurred 14% collection for October, 22% collection rates for the month of November 2024 which has decreased to 13% in the month of December 2024.

- For the month of January, the collection rate was 14%, which slightly increased to 20% for the month of February and there is a significant improvement for the month of March with a 43% collection.

- For the months of April and May the collection rate was 12%, which slightly increased to **16%** for the month of June.

- It is worth noting that the average collection rate for the fourth quarter amounted to **13%,** which is a decrease compared to the third quarter, which had a collection rate of **25%.**

Pillar 6 - Distribution losses

Electricity

- Total electricity losses as at Quarter 4 (April – June) 2025 are an average of 37% or R 2.5million. The norm in terms of MFMA Circular 71 is 7% – 10%.

Total purchases		2,629,522.05
Total sold		1,661,420.74
Lossess		968,101.31
Cost per unit		2.63
Lossess in Rand		2,547,556.09
Loss %		**37%**

Water

- Total water losses as at Quarter 4 (April –June) are an average of 97% or R 130 thousand which also puts a risk on the realization of the budget and the debt relief program approved by the National Treasury. The norm in terms of MFMA Circular 123 is 15% - 30%.

Total purchases		208,761.00
Total sales		7,013.83
Losses		201,747.17
Cost per unit		0.65
Losses in Rand		130,681.11
Losses %		97%

Pillar 7 - Ring fencing of conditional grants

Description	Budget Year 2024/25								
	Original Budget	Adjustement	Special Adustment	Funds Received to date	Spents to date	Spent to date Vat Inc & Rentations	Unspent Balance Vat Inc	% Spent to date VAT EXCL	% Spent to date
Grants and Subsidies									
Capital									
Municipal Infrastructure Grant	22,258,000.00	38,701,297.00	22,258,000.00	22,238,000.00	17,636,121.28	22,197,411.19	60,588.81	79%	100%
Water Services Infrastructure Grant	20,000,000.00	20,000,000.00	25,000,000.00	25,000,000.00	20,079,226.93	24,420,764.52	579,235.48	80%	98%
Regional Bulk Infrastructure Grant	-	32,834,809.00	32,834,809.00	26,029,218.18	22,005,248.45	25,306,035.72	7,528,773.28	67%	77%
FBDM (Capital)	-	2,000,000.00	2,000,000.00	2,185,000.00	2,000,000.00	2,335,000.00	- 335,000.00	100%	117%
Sub-Total	**42,258,000.00**	**93,536,106.00**	**82,092,809.00**	**75,452,218.18**	**61,720,596.66**	**74,259,211.43**	**639,824.28**	**75%**	**90%**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	**115,200,000.00**	**166,925,786.00**	**155,482,489.00**	**146,737,689.29**	**135,801,160.07**	**148,640,978.96**	**- 498,739.12**	**87%**	**96%**

The above table is the ring fencing of the conditional capital grants, as per the Dora allocation the municipality's allocation is **R42.3 million** which is adjusted to **R82.1 million**, from the total allocation the municipality received **R75.5 million** and **R61.7 million** (VAT Excl) was spent to date.

PROGRESS ON THE FINANCIAL RECOVERY PLAN

Progress reports on the implementation of the Financial Recovery Plan will be submitted separately by the Office of the Municipal Manager to the Northern Cape Provincial Treasury and to the National Treasury.

Quality Certificate

I...Tumelo Thage. **The Acting Municipal Manager** of **Magareng Local Municipality (NC093)**, hereby certify that–

☐ The monthly budget statements.

☒ Quarterly report on the implementation of the budget and financial state affairs of the municipality

☐ Mid-year budget and performance assessment

The report for **April-June 2025** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Mr. T Thage
Acting Municipal Manager

31/07/2025
Date