

# KUMKANI MHLONTLO LOCAL MUNICIPALITY



## **In-Year Report of the Municipality**

Prepared in terms of the Local Government Municipal Finance Management Act  
(56/2003): Municipal Budget and Reporting Regulations, Government Gazette  
32141, 17 May 2009

## **Second Quarterly Budget Statement**

### **Quarter 2**

### **2025-2026 Financial Year**

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## Glossary

**Accrual Accounting** – An accounting method that measures the performance and position of the municipality by recognising events regardless of when cash transactions occur.

**Adjustment Budget** – Prescribed in section 28 of the MFMA

**Allocations** – Money received from other Municipalities, Provincial or National Government.

**Budget** – Financial Plan of the Municipality.

**Budget Related Policy** – Policy of a municipality affecting or affected by the budget, examples include credit control policy, rates policy, tariff policy and funding and reserves policy.

**Capital Expenditure** – Expenditure on items such as machinery, buildings, land, infrastructure (roads).

**Cash Flow Statement** – Provides aggregate data regarding all cash inflows the municipality receives from both its ongoing operations and external investment sources, as well as all cash outflows that pay for municipality's activities and investments during a month.

**DORA** – Division of Revenue Act. Annual legislation reflecting total allocations per municipality made by provincial and national governments.

**Equitable Share** – A general grant paid to municipalities predominantly targeted to help with free basic services.

**Fruitless and Wasteful Expenditure** – Expenditure made in vain, that would have been avoided had reasonable care been exercised.

**MBRR** – Local Government Municipal Budget and Reporting Regulations.

**MIG** – Municipal Infrastructure Grant

**MTREF** – Medium Term Revenue and Expenditure Framework.

**Operating Expenditure** – Day to day expenses of the Municipality such as salaries, repairs and maintenance and general expenses.

**Strategic Objectives** – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards achieving those objectives.

**Unauthorised Expenditure** – Spending without budget or in excess of the approved budget

**Vote** – A department

## **SECTION 1 – EXECUTIVE SUMMARY**

### **1.1 Introduction**

MFMA Section 52(d) states that the mayor must within 30 days of the end of each quarter, submit a report to council on the implementation of the budget and the financial state of affairs of the municipality.

Municipal budget regulations sub-heading 2.5 requires that this report must be in the Section 71 of the MFMA format, which requires that this report must be prepared in the following manner:

- Actual Revenue per revenue source.
- Actual expenditure per vote.
- Actual Capital Expenditure per vote.
- The amount of any allocations received,
- Actual Expenditure on allocations received,
- Actual Expenditure on those allocations,
- Where necessary, explanations on:
  - Any material variances from the municipality's projected revenue per source, and from the municipality's expenditure projections per vote.
  - Any material variances from the SDBIP, and
  - Remedial or corrective steps taken or to be taken by the municipality

2. The statement must include: -

- Projections of municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections.

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

This report has been prepared using the accrual method of accounting. The general idea is that economic events are recognised by matching revenues to expenses (the matching principle) at the time in which the transaction occurs rather than when payment is received or made.

This method allows the current cash inflows/outflows to be combined with future expected cash inflows/outflows to give a more accurate picture of the municipality's current financial position.

### Operating Revenue

In the statement of financial performance, revenue accrued is R 239.9 million out of the projected R 178.1 million giving a positive variance of 35%. Variance contributing factors are explained in the subheadings of the revenue items.

Total cash receipts on operating revenue excluding grants totals to R26.7million since July 2025 out of the expected R27.0 million. The substantial amount received was due to collections on government property rates and VAT refundable.

#### *Property Rates*

The amount accrued on rates amounts to R48,2 million out of the expected R21.1 million.

Total actual cash collected on rates since July 2025 is R15.7 million against the expected R23.5 million.

#### *Refuse Removal*

Amount accrued on refuse removal is R2.1million against the expected R940 thousand.

Total actual cash received on refuse removal since July 2025 is R252 thousand out of the expected collection of R940 thousand.

#### *Investment Revenue*

This relates to interests received on the call account deposits. Interest received since July 2025 amounts to R3.1million out of the expected R6.7 million.

#### *Other Revenue*

Rental of facilities and Equipment –R23 thousand has been received since July 2025 instead of the expected R24 thousand.

Fines- R278 thousand has been received so far against the expected R959 thousand.

Licenses and permits- R574 thousand has been received since July 2025 and the municipality expected to receive R683 thousand.

Agency Services- The amount collected since July 2025 amounts to R624 thousand, and the expected budget is R748 thousand.

### **Operating Expenditure**

On operating expenditure, R134.9 million was spent against the expected budget of R204.1 million giving rise to a negative variance of more than R69.2 million. This is because on non-cash items like depreciation and debt impairment that have not been accounted for.

#### *Employee Costs*

R46.9 million has been spent to date on employee related costs against the expected R66.8 million.

#### *Remuneration of Councillors*

Amount spent since July 2025 totals to R11.0 million against the budgeted R12.5 million.

#### *Other Expenditure (Operational Costs)*

This line item includes all the other operating expenses like accommodation, telephone, electricity etc. Expenditure is R71.9 million against the expected budget of R99.6 million.

### **Capital Expenditure**

On Capital Expenditure the municipality has spent a total of R75.1 million against the expected R64.9 million budgets to date. This will be explained more on table C5 where departmental expenditures are reflected.

### **Financial Position**

The municipality's current assets exceed the current liabilities. The municipality's ability to pay its short-term liabilities is tested by taking the total current assets and dividing them by current liabilities. This test is mainly used to give an idea of the municipality's ability to pay back its short-term liabilities using the current assets.

### **Cash Flows**

The municipality ended the month with a positive cash and cash equivalents balance.

## Table C1- Monthly Budget Statement Summary

The table below reflects on the summary of the total municipality's budget against year-to-date collections or expenditures.

EC156 Mhiontlo - Table C1 Monthly Budget Statement Summary - M06 December

Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	43 028	42 177	-	-	48 244	21 089	27 155	129%	42 177
Service charges	4 086	1 879	-	351	2 111	940	1 171	125%	1 879
Investment revenue	8 965	13 326	-	489	3 101	6 663	(3 562)	-53%	13 326
Transfers and subsidies - Operational	253 970	287 766	-	80 058	183 505	143 883	39 622	0	287 766
Other own revenue	7 372	11 134	-	244	2 976	5 567	(2 591)	-47%	11 134
	<b>317 421</b>	<b>356 282</b>	<b>-</b>	<b>81 143</b>	<b>239 936</b>	<b>178 141</b>	<b>61 795</b>	<b>35%</b>	<b>356 282</b>
<b>Total Revenue (excluding capital transfers and contributions)</b>									
Employee costs	123 381	133 596	-	(2 996)	46 929	66 798	(19 869)	-30%	133 596
Remuneration of Councillors	24 071	25 005	-	1 834	11 005	12 502	(1 497)	-12%	25 005
Depreciation and amortisation	69	31 653	-	-	-	15 827	(15 827)	-100%	31 653
Inventory consumed and bulk purchases	8 322	12 233	-	2 882	4 406	6 117	(1 711)	-28%	12 233
Transfers and subsidies	2 740	6 403	-	248	591	3 201	(2 610)	-82%	6 403
Other expenditure	177 297	199 267	-	10 683	71 931	99 633	(27 702)	-28%	199 267
<b>Total Expenditure</b>	<b>335 880</b>	<b>408 157</b>	<b>-</b>	<b>12 650</b>	<b>134 862</b>	<b>204 079</b>	<b>(69 216)</b>	<b>-34%</b>	<b>408 157</b>
<b>Surplus/(Deficit)</b>	<b>(18 458)</b>	<b>(51 875)</b>	<b>-</b>	<b>68 493</b>	<b>105 074</b>	<b>(25 937)</b>	<b>131 011</b>	<b>-505%</b>	<b>(51 875)</b>
Transfers and subsidies - capital (monetary allocations)	106	96 095	-	10 359	70 578	48 048	22 531	47%	96 095
	153								
	<b>87 695</b>	<b>44 220</b>	<b>-</b>	<b>78 852</b>	<b>175 652</b>	<b>22 110</b>	<b>153 542</b>	<b>694%</b>	<b>44 220</b>
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>									
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>87 695</b>	<b>44 220</b>	<b>-</b>	<b>78 852</b>	<b>175 652</b>	<b>22 110</b>	<b>153 542</b>	<b>694%</b>	<b>44 220</b>

## Table C2: Statement of Financial Performance by vote

This table reflects the operating budget in the standard classification which are the Government Finance Statistics Functions and Sub-Functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of organisational structures used by different institutions. The main functions are Governance and administration, Community and public safety, Economic and environmental services, and Trading Services. It is for this reason that the financial performance is reported in standard classification, Table C2 and by municipal vote, Table C3.

### EC156 Mhlontlo - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Revenue - Functional</b>										
<b><i>Governance and administration</i></b>		<b>163 534</b>	<b>165 277</b>	<b>-</b>	<b>34 068</b>	<b>129 610</b>	<b>82 639</b>	46 971	57%	<b>165 277</b>
Executive and council		30 024	30 097	-	10 373	23 338	15 049	8 290	55%	30 097
Finance and administration		133 510	135 180	-	23 695	106 271	67 590	38 681	57%	135 180
<b><i>Community and public safety</i></b>		<b>51 452</b>	<b>38 086</b>	<b>-</b>	<b>19 380</b>	<b>45 719</b>	<b>19 043</b>	26 676	140%	<b>38 086</b>
Community and social services		4 218	4 137	-	-	1 153	2 069	(916)	-44%	4 137
Public safety		47 234	33 949	-	19 380	44 566	16 974	27 591	163%	33 949
<b><i>Economic and environmental services</i></b>		<b>161 224</b>	<b>177 249</b>	<b>-</b>	<b>28 350</b>	<b>106 088</b>	<b>88 625</b>	17 463	20%	<b>177 249</b>
Planning and development		159 258	151 093	-	28 148	105 074	75 546	29 528	39%	151 093
Road transport		1 966	26 156	-	202	1 014	13 078	(12 065)	-92%	26 156
<b><i>Trading services</i></b>		<b>47 365</b>	<b>71 765</b>	<b>-</b>	<b>9 704</b>	<b>29 099</b>	<b>35 883</b>	(6 784)	-19%	<b>71 765</b>
Energy sources		8 525	19 400	-	2 171	10 664	9 700	964	10%	19 400
Waste management		38 841	52 365	-	7 532	18 435	26 183	(7 748)	-30%	52 365
<b><i>Other</i></b>	4	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>Total Revenue - Functional</b>	2	<b>423 575</b>	<b>452 378</b>	<b>-</b>	<b>91 502</b>	<b>310 515</b>	<b>226 189</b>	<b>84 326</b>	<b>37%</b>	<b>452 378</b>
<b>Expenditure - Functional</b>	-									
<b><i>Governance and administration</i></b>		<b>178 637</b>	<b>201 926</b>	<b>-</b>	<b>9 906</b>	<b>75 852</b>	<b>100 963</b>	(25 111)	-25%	<b>201 926</b>
Executive and council		62 455	61 893	-	6 059	35 411	30 946	4 465	14%	61 893
Finance and administration		116 145	139 790	-	3 847	40 410	69 895	(29 485)	-42%	139 790
Internal audit		37	243	-	-	31	122	(91)	-75%	243
<b><i>Community and public safety</i></b>		<b>37 665</b>	<b>51 663</b>	<b>-</b>	<b>1 838</b>	<b>17 474</b>	<b>25 832</b>	(8 357)	-32%	<b>51 663</b>
Community and social services		26	1 640	-	-	13	820	(807)	-98%	1 640
Sport and recreation		193	465	-	-	131	233	(102)	-44%	465
Public safety		37 446	49 558	-	1 838	17 331	24 779	(7 448)	-30%	49 558
<b><i>Economic and environmental services</i></b>		<b>99 030</b>	<b>123 650</b>	<b>-</b>	<b>755</b>	<b>31 719</b>	<b>61 825</b>	(30 106)	-49%	<b>123 650</b>
Planning and development		38 236	70 659	-	3 609	24 001	35 330	(11 329)	-32%	70 659
Road transport		60 795	52 990	-	(2 854)	7 718	26 495	(18 777)	-71%	52 990
<b><i>Trading services</i></b>		<b>20 547</b>	<b>30 918</b>	<b>-</b>	<b>150</b>	<b>9 817</b>	<b>15 459</b>	(5 642)	-36%	<b>30 918</b>
Waste management		20 547	30 918	-	150	9 817	15 459	(5 642)	-36%	30 918
<b><i>Other</i></b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>Total Expenditure - Functional</b>	3	<b>335 880</b>	<b>408 157</b>	<b>-</b>	<b>12 650</b>	<b>134 862</b>	<b>204 079</b>	<b>(69 216)</b>	<b>-34%</b>	<b>408 157</b>
<b>Surplus/ (Deficit) for the year</b>		<b>87 695</b>	<b>44 220</b>	<b>-</b>	<b>78 852</b>	<b>175 652</b>	<b>22 110</b>	<b>153 542</b>	<b>6,9444144</b>	<b>44 220</b>

## Table C3: Monthly Financial Performance (Revenue and Expenditure by vote)

Operating budget of the institution is approved by council on municipal vote level. The municipal votes are Mayor's Office, Council, Municipal Manager, Budget and Treasury Office, Corporate Services, Local Economic Development, Community Services, and Infrastructure and Development.

Unauthorised expenditure occurs if the total budget in a vote is exceeded by expenditure. The executive and council vote is overspending.

The table below reflects on expenditures per vote. Close monitoring of expenditures is vital.

EC156 Mhlontlo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - EXECUTIVE AND COUNCIL (11: IE)	1	33 183	33 264	-	11 170	25 134	16 632	8 502	51,1%	33 264
Vote 2 - FINANCE AND ADMIN (12: IE)		133 553	135 215	-	23 695	106 290	67 608	38 683	57,2%	135 215
Vote 3 - PLANNING AND DEVELOPMENT (13: IE)		27 578	61 719	-	8 790	20 026	30 860	(10 833)	-35,1%	61 719
Vote 4 - COMMUNITY AND SOCIAL SERVICES (15: IE)		27	26	-	-	11	13	(2)	-17,6%	26
Vote 5 - PUBLIC SAFETY (17: IE)		51 409	66 472	-	19 380	45 700	33 236	12 464	37,5%	66 472
Vote 6 - SPORT AND RECREATION (18: IE)		-	-	-	-	-	-	-	-	-
Vote 7 - WASTE MANAGEMENT (20: IE)		38 814	23 917	-	7 532	18 424	11 959	6 465	54,1%	23 917
Vote 8 - ROAD TRANSPORT (22: IE)		139 011	131 763	-	20 934	94 930	65 882	29 048	44,1%	131 763
Vote 9 - ELECTRICITY (24: IE)		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>2</b>	<b>423 575</b>	<b>452 378</b>	<b>-</b>	<b>91 502</b>	<b>310 515</b>	<b>226 189</b>	<b>84 326</b>	<b>37,3%</b>	<b>452 378</b>
<b>Expenditure by Vote</b>										
Vote 1 - EXECUTIVE AND COUNCIL (11: IE)	1	73 831	76 278	-	6 650	40 226	38 139	2 087	5,5%	76 278
Vote 2 - FINANCE AND ADMIN (12: IE)		113 420	110 549	-	3 600	38 798	55 275	(16 477)	-29,8%	110 549
Vote 3 - PLANNING AND DEVELOPMENT (13: IE)		23 394	33 537	-	3 151	10 958	16 768	(5 810)	-34,6%	33 537
Vote 4 - COMMUNITY AND SOCIAL SERVICES (15: IE)		133	2 866	-	-	648	1 433	(785)	-54,8%	2 866
Vote 5 - PUBLIC SAFETY (17: IE)		35 338	40 493	-	1 800	16 049	20 247	(4 198)	-20,7%	40 493
Vote 6 - SPORT AND RECREATION (18: IE)		193	465	-	-	131	233	(102)	-43,8%	465
Vote 7 - WASTE MANAGEMENT (20: IE)		22 727	33 676	-	160	10 005	16 838	(6 833)	-40,6%	33 676
Vote 8 - ROAD TRANSPORT (22: IE)		65 824	81 421	-	(2 824)	10 769	40 711	(29 941)	-73,5%	81 421
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>334 860</b>	<b>379 286</b>	<b>-</b>	<b>12 536</b>	<b>127 583</b>	<b>189 643</b>	<b>(62 060)</b>	<b>-32,7%</b>	<b>379 286</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>88 714</b>	<b>73 091</b>	<b>-</b>	<b>78 966</b>	<b>182 932</b>	<b>36 546</b>	<b>146 386</b>	<b>400,6%</b>	<b>73 091</b>

## Table C4- Statement of Financial Performance

### EC156 Mhlontlo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Waste management		4 086	1 879		351	2 111	940	1 171	125%	1 879
Sale of Goods and Rendering of Services		146	114		8	69	57	12	20%	114
Agency services		1 130	1 496		110	624	748	(124)	-17%	1 496
Interest								-		
Interest earned from Receivables		588	886		-	154	443	(289)	-65%	886
Interest from Current and Non Current Assets		8 965	13 326		489	3 101	6 663	(3 562)	-53%	13 326
Rental from Fixed Assets		45	49		3	23	24	(1)	-5%	49
Licence and permits		233	265		5	220	132	88	67%	265
Special rating levies		(0)	-		-	-	-	-		-
Operational Revenue		(0)	-		-	-	-	-		-
<b>Non-Exchange Revenue</b>										
Property rates		43 028	42 177		-	48 244	21 089	27 155	129%	42 177
Fines, penalties and forfeits		392	1 919		30	278	959	(681)	-71%	1 919
Licence and permits		1 048	1 366		89	574	683	(110)	-16%	1 366
						183	143			
Transfers and subsidies - Operational		253 970	287 766		80 058	505	883	39 622	28%	287 766
Interest		3 545	4 837		-	1 034	2 419	(1 385)	-57%	4 837
Gains on disposal of Assets		245	202		-	-	101	(101)	-100%	202
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>317 421</b>	<b>356 282</b>	<b>-</b>	<b>81 143</b>	<b>239 936</b>	<b>178 141</b>	<b>61 795</b>	<b>35%</b>	<b>356 282</b>
<b>Expenditure By Type</b>										
Employee related costs		123 381	133 596		(2 996)	46 929	66 798	(19 869)	-30%	133 596
Remuneration of councillors		24 071	25 005		1 834	11 005	12 502	(1 497)	-12%	25 005
Inventory consumed		8 322	12 233		2 882	4 406	6 117	(1 711)	-28%	12 233
Debt impairment		-	16 904		-	-	8 452	(8 452)	-100%	16 904
Depreciation and amortisation		69	31 653		-	-	15 827	(15 827)	-100%	31 653
Contracted services		42 189	82 833		4 912	35 951	41 416	(5 465)	-13%	82 833
Transfers and subsidies		2 740	6 403		248	591	3 201	(2 610)	-82%	6 403
Irrecoverable debts written off		31 101	-		-	-	-	-		-
Operational costs		104 007	99 530		5 771	35 980	49 765	(13 785)	-28%	99 530
						134	204			
<b>Total Expenditure</b>		<b>335 880</b>	<b>408 157</b>	<b>-</b>	<b>12 650</b>	<b>862 079</b>	<b>105 (25) 937</b>	<b>(69 216)</b>	<b>-34%</b>	<b>408 157</b>
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (monetary allocations)		(18 458)	(51 875)		68 493	074	937)	131 011	(0)	(51 875)
Transfers and subsidies - capital (in-kind)		106 153	96 095		10 359	70 578	48 048	22 531	0	96 095
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>87 695</b>	<b>44 220</b>	<b>-</b>	<b>78 852</b>	<b>175 652</b>	<b>22 110</b>	<b>153 542</b>	<b>0</b>	<b>44 220</b>
Income Tax								-		
<b>Surplus/(Deficit) after income tax</b>		<b>87 695</b>	<b>44 220</b>	<b>-</b>	<b>78 852</b>	<b>175 652</b>	<b>22 110</b>	<b>153 542</b>	<b>0</b>	<b>44 220</b>
<b>Surplus/(Deficit) attributable to municipality</b>		<b>87 695</b>	<b>44 220</b>	<b>-</b>	<b>78 852</b>	<b>175 652</b>	<b>22 110</b>	<b>153 542</b>	<b>0</b>	<b>44 220</b>
Intercompany/Parent subsidiary transactions								-		
<b>Surplus/ (Deficit) for the year</b>		<b>87 695</b>	<b>44 220</b>	<b>-</b>	<b>78 852</b>	<b>175 652</b>	<b>22 110</b>	<b>153 542</b>	<b>0</b>	<b>44 220</b>

## Table C5: Capital Expenditure (Municipal Vote, standard classification, and funding)

Year to date budget is R64.9 million whilst expenditure is sitting at R75.1 million.

EC156 Mhlontlo - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Multi-Year expenditure appropriation</b>	2									
<b>Total Capital Multi-year expenditure</b>	4,7	-	-	-	-	-	-	-		-
<b>Single Year expenditure appropriation</b>	2									
Vote 11 - (11: CAPEX)		-	191	-	-	-	96	(96)	-100%	191
Vote 15 - FINANCE AND ADMIN (32: CAPEX)		5 109	-	-	-	425	-	425	#DIV/0!	-
Vote 16 - PLANNING AND DEVELOPMENT (33: CAPEX)		131	-	-	-	-	-	-		-
Vote 17 - LIBRARY SUPPORT (34: CAPEX)		-	-	-	-	-	-	-		-
Vote 18 - PUBLIC SAFETY (37: CAPEX)		200	-	-	-	-	-	-		-
Vote 19 - WASTE MANAGEMENT (40: CAPEX)		2 022	-	-	-	-	-	-		-
Vote 20 - ROAD TRANSPORT (42: CAPEX)		45 563	-	-	-	-	-	-		-
Vote 21 - RATES AND GENERAL SERVICES (61: CAPEX)		64 974	129 634	-	12 692	74 711	64 817	9 894	15%	156 671
<b>Total Capital single-year expenditure</b>	4	117 999	129 825	-	12 692	75 137	64 913	10 224	16%	156 862
<b>Total Capital Expenditure</b>		117 999	129 825	-	12 692	75 137	64 913	10 224	16%	156 862
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		5 109	11 476	-	2 850	4 517	5 738	(1 221)	-21%	13 476
Executive and council		-	1 974	-	-	-	987	(987)	-100%	1 974
Finance and administration		5 109	9 502	-	2 850	4 517	4 751	(234)	-5%	11 502
Internal audit		-	-	-	-	-	-	-		-
<b>Community and public safety</b>		1 856	15 955	-	-	291	7 978	(7 687)	-96%	15 955
Community and social services		1 656	9 712	-	-	-	4 856	(4 856)	-100%	9 712
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		200	6 243	-	-	291	3 122	(2 831)	-91%	6 243
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<b>Economic and environmental services</b>		90 674	83 285	-	6 935	60 037	41 642	18 394	44%	108 322
Planning and development		22 833	14 069	-	2 705	10 058	7 035	3 024	43%	14 069
Road transport		67 841	69 216	-	4 231	49 979	34 608	15 371	44%	94 253
Environmental protection		-	-	-	-	-	-	-		-
<b>Trading services</b>		20 360	19 109	-	2 907	10 292	9 554	737	8%	19 109
Energy sources		18 338	16 870	-	1 888	9 273	8 435	838	10%	16 870
Water management		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		2 022	2 239	-	1 019	1 019	1 120	(101)	-9%	2 239
<b>Other</b>		-	-	-	-	-	-	-		-
<b>Total Capital Expenditure - Functional Classification</b>	3	117 999	129 825	-	12 692	75 137	64 913	10 224	16%	156 862
<b>Funded by:</b>										

National Government		101 550	88 544		8 546	63 357	44 272	19 084	43%	113 581
Provincial Government		2 575	8 000		–	5 340	4 000	1 340	34%	8 000
District Municipality								–		
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)								–		
<b>Transfers recognised - capital</b>		<b>104 125</b>	<b>96 544</b>	<b>–</b>	<b>8 546</b>	<b>68 697</b>	<b>48 272</b>	<b>20 425</b>	<b>42%</b>	<b>121 581</b>
Borrowing	6							–		
Internally generated funds		13 874	33 281		4 146	6 440	16 641	(10 201)	-61%	35 281
<b>Total Capital Funding</b>		<b>117 999</b>	<b>129 825</b>	<b>–</b>	<b>12 692</b>	<b>75 137</b>	<b>64 913</b>	<b>10 224</b>	<b>16%</b>	<b>156 862</b>

## Table C6: Statement of Financial Position

### EC156 Mhlontlo - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		73 792	67 707		127 882	38 037
Trade and other receivables from exchange transactions		2 616	4 189		4 705	4 189
Receivables from non-exchange transactions		(127)	16 975		36 129	16 975
Current portion of non-current receivables						
Inventory		-	(0)		491	(0)
VAT		11 793	(21 515)		4 000	(21 515)
Other current assets		7 814	38 442		21 962	38 442
<b>Total current assets</b>		<b>95 889</b>	<b>105 799</b>	<b>-</b>	<b>195 168</b>	<b>76 129</b>
<b>Non current assets</b>						
Investments						
Investment property		17 239	5 983		17 239	5 983
Property, plant and equipment		638 816	587 743		648 196	614 780
Biological assets						
Living and non-living resources						
Heritage assets						
Intangible assets		24	44		24	44
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions						
Other non-current assets						
<b>Total non current assets</b>		<b>656 079</b>	<b>593 769</b>	<b>-</b>	<b>665 459</b>	<b>620 806</b>
<b>TOTAL ASSETS</b>		<b>751 968</b>	<b>699 568</b>	<b>-</b>	<b>860 627</b>	<b>696 936</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft						
Financial liabilities						
Consumer deposits						
Trade and other payables from exchange transactions		29 144	14 882		16 142	14 882
Trade and other payables from non-exchange transactions		9 405	5 120		8 859	5 120
Provision		30 253	40 778		35 026	40 778
VAT		8 096	5 219		10 142	5 219
Other current liabilities		4 337	3 713		1 700	3 713
<b>Total current liabilities</b>		<b>81 235</b>	<b>69 713</b>	<b>-</b>	<b>71 869</b>	<b>69 713</b>
<b>Non current liabilities</b>						
Financial liabilities						
Provision						
Long term portion of trade payables						
Other non-current liabilities						
<b>Total non current liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>81 235</b>	<b>69 713</b>	<b>-</b>	<b>71 869</b>	<b>69 713</b>
<b>NET ASSETS</b>	2	<b>670 733</b>	<b>629 856</b>	<b>-</b>	<b>788 759</b>	<b>627 223</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		583 038	629 856		612 515	627 223
Reserves and funds						
Other						
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>583 038</b>	<b>629 856</b>	<b>-</b>	<b>612 515</b>	<b>627 223</b>

## Table C7: Cash flow

The table below reflects no problems in the cash flows of the institution.

EC156 Mhlontlo - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
Receipts										
Property rates		16 899	26 006		218	15 515	13 003	2 512	19%	26 006
Service charges		686	1 318		-	-	659	(659)	-100%	585
Other revenue		3 673	21 027		792	6 910	10 514	(3 603)	-34%	21 027
Transfers and Subsidies - Operational		254 569	285 970		166 789	298 154	142 985	155 169	109%	277 970
Transfers and Subsidies - Capital		76 670	96 095		36 181	75 492	48 048	27 445	57%	104 095
Interest		8 492	-		-	-	-	-		-
Dividends										
Payments										
Suppliers and employees		(337 819)	(346 606)		(30 393)	(171 779)	(173 303)	1 523	-1%	(348 506)
Interest										
Transfers and Subsidies										
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>23 169</b>	<b>83 810</b>	<b>-</b>	<b>173 588</b>	<b>224 292</b>	<b>41 905</b>	<b>(182 387)</b>	<b>-435%</b>	<b>81 177</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
Receipts										
Payments										
Capital assets		(174 251)	(149 299)		(11 499)	(65 940)	(74 649)	8 709	-12%	(180 392)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(174 251)</b>	<b>(149 299)</b>	<b>-</b>	<b>(11 499)</b>	<b>(65 940)</b>	<b>(74 649)</b>	<b>(8 709)</b>	<b>12%</b>	<b>(180 392)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
Receipts										
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(151 081)</b>	<b>(65 489)</b>	<b>-</b>	<b>162 089</b>	<b>158 352</b>	<b>(32 744)</b>			<b>(99 214)</b>
Cash/cash equivalents at beginning:		112 231	124 982		-	71 593	62 491	9 102		124 982
Cash/cash equivalents at month/year end:		(38 850)	59 493		162 089	229 945	29 747			25 768

## PART 2: SUPPORTING DOCUMENTATION

### Table SC3: Aged Debtors

The municipality is being owed a total amount of R173, 6 million of which the biggest portion is on government department with R78, 5 million being owed by this group of debtors.

The second biggest is household's debtors that are sitting at R48.7 million. The business debtors owing just over R39,5 million.

EC156 Mhlontlo - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2025/26									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.to Council Policy	
		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				
R thousands														
<b>Debtors Age Analysis By Income Source</b>														
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	5	-	3	23	2	-	-	-	-	151	141	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	625	930	498	368	731	950	221	-	323	270	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	19	361	356	416	341	348	405	-	246	510	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1810	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1820	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>5644</b>	<b>1291</b>	<b>3854</b>	<b>23784</b>	<b>3073</b>	<b>1297</b>	<b>134627</b>	<b>-</b>	<b>173569</b>	<b>162781</b>	<b>-</b>	<b>-</b>	
<b>2024/25 - totals only</b>														
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	2200	23	16	703	817	252	196	518	-	78505	75783	-	-	
Commercial	2300	3087	577	446	959	680	420	361	-	39530	35421	-	-	
Households	2400	2555	697	706	008	140	681	747	-	55534	51577	-	-	
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total By Customer Group</b>	<b>2600</b>	<b>5644</b>	<b>1291</b>	<b>3854</b>	<b>23784</b>	<b>3073</b>	<b>1297</b>	<b>134627</b>	<b>-</b>	<b>173569</b>	<b>162781</b>	<b>-</b>	<b>-</b>	

## Table SC4: Aged Creditors

EC156 Mhlontlo - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
R thousands												
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100	(693)	(486)	103	433	(37)	(696)	(89)	280	(1 185)		
Bulk Water	0200	-	-	-	-	-	-	-	-	-		
PAYE deductions	0300	-	-	-	-	-	-	-	-	-		
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-		
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-		
Loan repayments	0600	-	-	-	-	-	-	-	-	-		
Trade Creditors	0700	-	(2 130)	2 087	(579)	124	-	1 310	21	833		
Auditor General	0800	-	-	-	-	-	-	-	(25)	(25)		
Other	0900	-	-	-	-	-	-	-	-	-		
Medical Aid deductions	0950	-	-	-	-	-	-	-	-	-		
<b>Total By Customer Type</b>	<b>1000</b>	<b>(693)</b>	<b>(2 616)</b>	<b>2 189</b>	<b>(146)</b>	<b>87</b>	<b>(696)</b>	<b>1 221</b>	<b>276</b>	<b>(378)</b>	<b>-</b>	

## Table SC5: Investment Portfolio Analysis

All the call deposits are highly liquid short-term investments and are held for the purpose of meeting short-term commitments rather than the purpose of earning a return (interest).

The table below reflects on account balances as at the end of the 31 December 2025. Total cash available was R108.7 million.

EC156 Mhlontlo - Supporting Table SC5 Monthly Budget Statement -  
Investment portfolio - M06 December

Investments by maturity Name of institution & investment ID R thousands	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
		Yrs/Months												
Municipality 20- FNB:Equitable Share 1		12 (M)	3	Y	2	5,15	0	0	##### #####	16 523	203	108 697	(95 781)	29 642
23- FNB:Electrification Prog		12 (M)	3	Y	1	6,5	0	0	##### #####	79	1	-	-	80
24- FNB:Gcunu Lots Project		12 (M)	3	Y	2	5,5	0	0	##### #####	556	8	(0)	(8)	556
25- FNB:LED		12 (M)	3	Y	2	3,65	0	0	##### #####	1 197	16	-	(16)	1 197
30- FNB:Municipal IDP		12 (M)	3	Y	2	4,55	0	0	##### #####	515	7	-	(7)	515
31- FNB:Revolving Fund		12 (M)	3	Y	2	5,15	0	0	##### #####	71 403	890	34 000	(35 314)	70 979
32- FNB:MIG		12 (M)	3	Y	2	5,5	0	0	##### #####	695	24	12 962	(9 153)	4 527
33- FNB:Bulk Housing Mhlontlo		12 (M)	3	Y	2	5,15	0	0	##### #####	11	0	-	(0)	11
34- FNB:MSIG		12 (M)	3	Y	2	5,15	0	0	##### #####	7 293	50	693	(7 897)	138
35- FNB:FMG		12 (M)	3	Y	2	3,25	0	0	##### #####	2 364	23	-	(1 323)	1 064
36- FNB:Investment Fund		12 (M)	3	Y	1	2,5	0	0	##### #####	-	-	-	-	-
37- FNB:Public Sector Cheque		12 (M)	3	Y	1	2,5	0	0	##### #####	8	-	-	-	8
														-
														-

Municipality sub-total								100 644	1 221	156 352	(149 498)	108 718
Entities												-
Entities sub-total								-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST	2							100 644	1 221	156 352	(149 498)	108 718

## Table SC6: Grants Receipts

The grants that were expected since July 2025 were received. The table below reflects on individual grants received.

EC156 Mhlontlo - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06  
December

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
National Government:		245 422	246 368	-	80 032	182 213	123 184	59 029	47,9%	246 368
Equitable Share		241 156	239 367		79 789	179 525	119 684	59 841	50,0%	239 367
Expanded Public Works Programme Integrated Grant		1 966	1 982		202	1 014	991	23	2,3%	1 982
Local Government Financial Management Grant		2 300	2 300		41	1 674	1 150	524	45,6%	2 300
Municipal Infrastructure Grant		-	2 719		-	-	1 359	(1 359)	-100,0%	2 719
Other transfers and grants [insert description]										
Provincial Government:		5 131	39 602	-	-	1 134	19 801	(18 667)	-94,3%	39 602
Specify (Add grant description)		5 131	39 602		-	1 134	19 801	(18 667)	-94,3%	39 602
District Municipality:		-	-	-	-	-	-	-		-
Specify (Add grant description)		-	-		-	-	-	-		-
Other grant providers:		3 417	1 796	-	27	158	898	(740)	-82,4%	1 796
Peoples Housing Process (Housing)		1 442	-		-	-	-	-		-
Transport, Education and Training SETA		1 975	1 796		27	158	898	(740)	-82,4%	1 796
<b>Total Operating Transfers and Grants</b>	5	253 970	287 766	-	80 058	183 505	143 883	39 622	27,5%	287 766
<b>Capital Transfers and Grants</b>										
National Government:		106 153	96 095	-	10 359	70 578	48 048	22 531	46,9%	96 095
Integrated National Electrification Programme Grant		8 525	19 400		2 171	10 664	9 700	964	9,9%	19 400
Municipal Disaster Response Grant		45 998	25 037		1 277	10 911	12 519	(1 608)	-12,8%	25 037
Municipal Infrastructure Grant		51 631	51 658		6 911	49 003	25 829	23 174	89,7%	51 658
Provincial Government:		-	-	-	-	-	-	-		-
<b>Total Capital Transfers and Grants</b>	5	106 153	96 095	-	10 359	70 578	48 048	22 531	46,9%	96 095
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	360 123	383 861	-	90 418	254 083	191 931	62 153	32,4%	383 861

## Table SC7: Grants expenditure

The table below reflects on grants' expenditures since July 2025. Also, these amounts are inclusive of VAT.

Finance management grant's expenditure amounts to R1,7 million. This amount was used on interns' salaries and training. Library grant expenditure amounts to R1.0 million and was used in paying the librarians' events and salaries. MIG capital expenditure amounts to R49.0 million. Electrification project expenditure amounts to R10.7 million. EPWP expenditure amounts to R1.0 million. EPWP(DEDEAT) expenditure amounts to R0.00 thousand MDRG (Recovery) expenditure amounts to R7.3 million.

EC156 Mhlontlo - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

Description	Ref	2024/25	Budget							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>EXPENDITURE</b>										
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		307 954	358 959	-	9 617	116 076	179 479	(63 403)	-35,3%	358 959
Equitable Share		302 900	323 876		9 374	105 865	161 938	(56 073)	-34,6%	323 876
Expanded Public Works Programme										
Integrated Grant		-	1 982		35	276	991	(715)	-72,2%	1 982
Local Government Financial Management Grant		1 198	2 082		74	1 299	1 041	258	24,8%	2 082
Municipal Infrastructure Grant		2 893	2 719		-	1 280	1 359	(79)	-5,8%	2 719
Specify (Add grant description)		963	28 300		133	7 356	14 150	(6 794)	-48,0%	28 300
Upgrading of Informal Settlement		-	-		-	-	-	-		-
Provincial Government:		638	27 648	-	39	7 239	13 824	(6 585)	-47,6%	27 648
Specify (Add grant description)		638	27 648		39	7 239	13 824	(6 585)	-47,6%	27 648
District Municipality:		325	652	-	95	117	326	(209)	-64,1%	652
Specify (Add grant description)		325	652		95	117	326	(209)	-64,1%	652
Other grant providers:		325	652	-	95	117	326	(209)	-64,1%	652
Specify (Add grant description)		325	652		95	117	326	(209)	-64,1%	652
Upgrading of Informal Settlement		-	-		-	-	-	-		-
<b>Total operating expenditure of Transfers and Grants:</b>		<b>309 243</b>	<b>387 911</b>	<b>-</b>	<b>9 845</b>	<b>123 550</b>	<b>193 956</b>	<b>(70 406)</b>	<b>-36,3%</b>	<b>387 911</b>
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		110 213	96 544	-	8 546	68 697	48 272	20 425	42,3%	121 581
Integrated National Electrification Programme Grant		18 338	16 870		1 888	9 273	8 435	838	9,9%	16 870
Municipal Disaster Recovery Grant		13 397	23 153		1 310	13 364	11 577	1 787	15,4%	48 190
Municipal Disaster Response Grant		34 667	-		-	0	-	0	#DIV/0!	-
Municipal Infrastructure Grant		41 236	48 521		5 348	40 720	24 261	16 459	67,8%	48 521
Specify (Add grant description)		2 575	8 000		-	5 340	4 000	1 340	33,5%	8 000
Other capital transfers [insert description]										
Provincial Government:		2 575	8 000	-	-	5 340	4 000	1 340	33,5%	8 000
Specify (Add grant description)		2 575	8 000		-	5 340	4 000	1 340	33,5%	8 000

District Municipality:	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants	112 788	104 544	-	8 546	74 037	52 272	21 765	41,6%	129 581
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	422 031	492 455	-	18 390	197 587	246 228	(48 641)	-19,8%	517 492

EC156 Mhlontlo - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		17 250	17 920		1 272	7 672	8 960	(1 288)	-14%	17 920
Cellphone Allowance		2 445	2 583		192	1 154	1 292	(138)	-11%	2 583
Housing Allowances								-		
Other benefits and allowances		4 376	4 502		370	2 180	2 251	(71)	-3%	4 502
<b>Sub Total - Councillors</b>		<b>24 071</b>	<b>25 005</b>	<b>-</b>	<b>1 834</b>	<b>11 005</b>	<b>12 502</b>	<b>(1 497)</b>	<b>-12%</b>	<b>25 005</b>
% increase	4		3,9%							3,9%
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		3 874	4 468		-	992	2 234	(1 242)	-56%	4 468
Pension and UIF Contributions		192	13		-	83	6	77	1195%	13
Medical Aid Contributions		178	175		-	76	87	(12)	-14%	175
Overtime								-		
Performance Bonus		-	136		-	-	68	(68)	-100%	136
Motor Vehicle Allowance		552	413		-	154	207	(52)	-25%	413
Cellphone Allowance		52	15		-	16	8	8	112%	15
Housing Allowances		150	404		-	6	202	(196)	-97%	404
<b>Sub Total - Senior Managers of Municipality</b>		<b>4 998</b>	<b>5 625</b>	<b>-</b>	<b>-</b>	<b>1 327</b>	<b>2 812</b>	<b>(1 485)</b>	<b>-53%</b>	<b>5 625</b>
% increase	4		12,5%							12,5%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		76 943	81 909		(3 064)	28 329	40 955	(12 626)	-31%	81 909
Pension and UIF Contributions		10 338	10 471		55	4 530	5 235	(705)	-13%	10 471
Medical Aid Contributions		6 707	6 966		-	2 944	3 483	(539)	-15%	6 966
Overtime		3 000	8 931		-	1 283	4 466	(3 183)	-71%	8 931
Performance Bonus		4 837	4 506		-	1 880	2 253	(373)	-17%	4 506
Motor Vehicle Allowance		10 267	10 285		13	4 554	5 143	(588)	-11%	10 285
Cellphone Allowance		496	460		-	201	230	(28)	-12%	460
Housing Allowances		3 401	2 990		-	1 381	1 495	(114)	-8%	2 990
Other benefits and allowances		664	427		-	293	213	80	37%	427
Payments in lieu of leave		1 384	-		-	-	-	-		-
Long service awards		364	-		-	-	-	-		-
Acting and post related allowance		616	400		-	310	200	110	55%	400
In kind benefits								-		
<b>Sub Total - Other Municipal Staff</b>		<b>119 017</b>	<b>127 345</b>	<b>-</b>	<b>(2 996)</b>	<b>45 705</b>	<b>63 672</b>	<b>(17 967)</b>	<b>-28%</b>	<b>127 345</b>
% increase	4		7,0%							7,0%
<b>Total Parent Municipality</b>		<b>148 086</b>	<b>157 974</b>	<b>-</b>	<b>(1 162)</b>	<b>58 038</b>	<b>78 987</b>	<b>(20 950)</b>	<b>-27%</b>	<b>157 974</b>
			6,7%							6,7%
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>										
<b>Board Members of Entities</b>										
<b>Sub Total - Executive members Board</b>	2	-	-	-	-	-	-	-		-
% increase	4									
<b>Senior Managers of Entities</b>										
<b>Sub Total - Senior Managers of Entities</b>	4	-	-	-	-	-	-	-		-
% increase	4									

# QUALITY CERTIFICATE

I, XOLA JIKELA (Full Names), the Municipal Manager of **Kumkani Mhlontlo Local Municipality** hereby certify that the **Section 71 Report** for the month ended 31 December 2025 has been prepared in accordance with the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003) and regulations made under the Act.

XOLA JIKELA  
Mr X Jikela

ACTING MUNICIPAL MANAGER

14/01/2024

DATE

# RECEIPT BY THE MAYOR

I, Mhuleko G. Jara (Full Names), the Mayor of **Kumkani Mhlontlo Local Municipality**, hereby accept the **Section 71 report** of the municipality for the month ended 31 December 2025 as presented by the Municipal Manager in terms of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003) and regulations made under the Act.

Mhuleko G. Jara  
Cllr. M. Jara

MAYOR

15/01/2026

DATE