

**Quarterly Budget Statement**  
**Quarter 3**  
**2025-2026 Financial Year**

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

**In-Year Report of the Municipality**



**KUMKANI MHLONTLO LOCAL MUNICIPALITY**

**TABLE OF CONTENTS**

Glossary

Executive Summary

Monthly Budget Statement Summary

Financial Performance (Standard Classification)

Financial Performance (revenue and expenditure by municipal vote)

Financial Performance (Revenue and Expenditure)

Capital Expenditure (by Municipal Vote)

Financial Position

Cash Flow

PART 2 – SUPPORTING DOCUMENTATION

Material Variances

Debtors' Analysis

Creditors Analysis

Investment Portfolio Analysis

Allocation of grant receipts and expenditure

Expenditure on councillors, employees and managers

Bank Reconciliation

Municipal Manager's Quality Certification

## 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

**MTRRF** – 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.

In the statement of financial performance, revenue accrued is R 310.5 million out of the projected R267.2 million giving a positive variance of 16%. Variance contributing factors are explained in the subheadings of the revenue items.

Total cash receipts on operating revenue excluding grants totals to R38.6 million since July 2025 out of the expected R40.6 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 R31.6 million.

Total actual cash collected on rates since July 2025 is R16.9 million against the expected R35.3 million.

#### *Refuse Removal*

Amount accrued on refuse removal is R3.2 million against the expected R1.4 million.

Total actual cash received on refuse removal since July 2025 is R444 thousand out of the expected collection of R1.4 million.

#### *Investment Revenue*

This relates to interests received on the call account deposits. Interest received since July 2025 amounts to R4.7 million out of the expected R9.9 million.

#### *Other Revenue*

Rental of facilities and Equipment –R38 thousand has been received since July 2025 instead of the expected R37 thousand.

Fines- R459 thousand has been received so far against the expected R1.4 million.

Licenses and permits- R817 thousand has been received since July 2025 and the municipality expected to receive R1.0 million.

Agency Services- The amount collected since July 2025 amounts to R935 thousand, and the expected budget is R1.1 million.

### **Operating Revenue**

On operating expenditure, R420.3 million was spent against the expected budget of R306.1 million giving rise to a negative variance of more than R114.2 million. This is because on non-cash items like depreciation and debt impairment that have not been accounted for.

**Employee Costs**

R87.7 million has been spent to date on employee related costs against the expected R100.2 million.

**Remuneration of Councillors**

Amount spent since July 2025 totals to R14.7 million against the budgeted R18.8 million.

**Other Expenditure (Operational Costs)**

This line item includes all the other operating expenses like accommodation, telephone, electricity etc. Expenditure is R530.7 million against the expected budget of R149.5 million.

**Capital Expenditure**

On Capital Expenditure the municipality has spent a total of R99.9 million against the expected R97.4 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.

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

**Table C1 - Monthly Budget Statement Summary**

Description	2024/25		Budget Year 2025/26				R thousands
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	
<b>Financial Performance</b>							
Property rates	43 028	42 177	49 052	-	48 244	31 633	53%
Service charges	4 086	1 879	2 462	351	3 165	1 409	125%
Investment revenue	8 965	13 326	6 914	676	4 677	9 995	-53%
<b>Operational Transfers and subsidies -</b>	253 970	287 766	258 766	60 310	244 413	215 824	0
Other own revenue	7 372	11 134	15 300	5 226	9 963	8 350	19%
<b>Total Revenue (excluding capital transfers and contributions)</b>	123 381	133 596	133 596	10 211	87 650	100 197	-13%
Employee costs	123 381	133 596	133 596	10 211	87 650	100 197	-13%
Remuneration of Councilors	24 071	25 005	25 005	-	14 663	18 754	-22%
Depreciation and amortisation	69	31 653	31 653	-	-	23 740	-100%
Inventory consumed and bulk purchases	8 322	12 233	11 927	1 056	6 776	9 175	-26%
<b>Transfers and subsidies</b>	2 740	6 403	7 103	700	1 291	4 802	-73%
Other expenditure	177 297	199 267	184 932	14 479	658 (530)	149 450	-455%
<b>Total Expenditure</b>	335 880	408 157	394 216	26 445	730 738 (420)	306 118	-237%
<b>Surplus/(Deficit) after capital transfers and contributions</b>	(18 458)	(51 875)	(61 721)	40 118	730 738 (420)	(38 906)	-1978%
Transfers and subsidies - capital (in-kind)	153	096	293	951	83	72	15%
Transfers and subsidies - capital (monetary allocations)	106	96	140	140	83	72	15%
<b>Surplus/(Deficit) for the year</b>	87 695	44 220	78 572	41 069	813 740	33 165	2354%
	87 695	44 220	78 572	41 069	813 740	33 165	2354%
	62 705	62 705	62 705	62 705	62 705	62 705	2354%

EC156 Whionto - Table C1 Monthly Budget Statement Summary - M09 March

**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 Mhlonito - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M09 March

Description	Ref	R thousands		EC156 Mhlonito - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M09 March											
		Audited Outcome	Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	YearTD actual	YearTD budget	YTD variance	YTD variance %			
Revenue - Functional Governance and administration	1	163 534	165 277	30 790	162 572	38 614	31%	165 737	30 097	31 118	8 545	38%	30 097	30 097	38%
		133 510	135 180	23 011	131 454	30 069	30%	135 640	133 510	131 454	30 069	30%	135 640	133 510	30%
		51 452	38 086	14 700	60 831	28 565	113%	38 086	51 452	60 831	28 565	113%	38 086	51 452	113%
		4 218	4 137	1	3 103	(1 939)	-62%	4 137	4 218	3 103	(1 939)	-62%	4 137	4 218	-62%
		47 234	33 949	14 699	59 667	25 462	134%	33 949	47 234	59 667	25 462	134%	33 949	47 234	134%
		161 224	177 249	16 201	134 259	132 937	1%	188 249	161 224	134 259	132 937	1%	188 249	161 224	1%
		159 258	151 093	159 291	132 489	113 320	17%	154 093	159 258	151 093	132 489	17%	154 093	159 258	17%
		1 966	34 156	277	1 771	19 617	-91%	34 156	1 966	34 156	1 771	-91%	34 156	1 966	-91%
		47 365	71 765	5 824	35 801	53 824	-33%	72 348	47 365	71 765	53 801	-33%	72 348	47 365	-33%
		8 525	19 400	-	10 664	14 550	-27%	19 400	8 525	19 400	10 664	-27%	19 400	8 525	-27%
		38 841	52 365	5 824	25 137	39 274	-36%	52 948	38 841	52 365	25 137	-36%	52 948	38 841	-36%
		423 575	452 378	67 515	393 463	339 283	16%	464 420	423 575	452 378	393 463	16%	464 420	423 575	16%
Expenditure - Functional Governance and administration	-	178 637	201 926	14 150	121 439	151 445	-20%	212 360	61 893	52 996	6 577	14%	71 147	62 455	-20%
		62 455	61 893	2 112	68 413	104 842	-35%	140 970	62 455	61 893	6 577	14%	71 147	62 455	-35%
		116 145	139 790	12 037	68 413	104 842	-35%	140 970	116 145	139 790	12 037	-35%	140 970	116 145	-35%
		243	243	-	31	183	-83%	243	243	243	31	-83%	243	243	-83%
		37 665	51 663	3 210	28 788	38 748	-26%	53 243	37 665	51 663	3 210	-26%	53 243	37 665	-26%
		26	1 640	-	13	1 230	-99%	1 640	26	1 640	13	-99%	1 640	26	-99%
		193	465	14	186	349	-47%	465	193	465	14	-47%	465	193	-47%
		37 446	49 558	3 196	28 590	37 169	-23%	51 138	37 446	49 558	3 196	-23%	51 138	37 446	-23%
		99 030	123 650	7 211	(586 891)	92 737	-733%	107 067	99 030	123 650	(586 891)	-733%	107 067	99 030	-733%
		38 236	70 659	5 537	(602 124)	52 994	-1236%	54 077	38 236	70 659	(602 124)	-1236%	54 077	38 236	-1236%
		60 795	52 990	1 673	15 233	39 743	-62%	52 990	60 795	52 990	15 233	-62%	52 990	60 795	-62%
		20 547	30 918	1 875	16 387	23 188	-29%	29 045	20 547	30 918	1 875	-29%	29 045	20 547	-29%
335 880	408 157	394 216	(420 277)	306 118	(726 395)	401 716	335 880	408 157	(420 277)	(726 395)	-237%	401 716	335 880	-237%	
Total Expenditure - Functional	3	335 880	408 157	26 445	(420 277)	306 118	-237%	401 716	335 880	408 157	(420 277)	-237%	401 716	335 880	-237%
		87 695	44 220	78 572	813 740	33 165	780 575	23,535935	87 695	44 220	78 572	813 740	33 165	780 575	23,535935
		Surplus/ (Deficit) for the year													





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

Year to date budget is R97.4 million whilst expenditure is sitting at R99.9 million.

EC156 Whontio - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 March

Vote Description	Ref	R thousands										
		Budget 2024/25	Budget 2025/26	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>Multi-Year expenditure appropriation</b>	2											
<b>Single Year expenditure appropriation</b>	2											
Vote 11 - (11: CAPEX)		191	191	-	-	-	-	-	143	(143)	-100%	191
Vote 15 - FINANCE AND ADMIN (32: CAPEX)		5 109	-	5 109	-	-	-	-	-	-	-	-
Vote 16 - PLANNING AND DEVELOPMENT (33: CAPEX)		131	-	131	-	-	-	-	-	-	-	-
Vote 18 - PUBLIC SAFETY (37: CAPEX)		200	-	200	-	-	-	-	-	-	-	-
Vote 19 - WASTE MANAGEMENT (40: CAPEX)		2 022	-	2 022	-	-	-	-	-	-	-	-
Vote 20 - ROAD TRANSPORT (42: CAPEX)		45 563	-	45 563	-	-	-	-	-	-	-	-
Vote 21 - RATES AND GENERAL SERVICES (61: CAPEX)		64 974	129 634	64 974	129 634	177 808	12 160	99 981	97 225	2 756	3%	185 771
<b>Total Capital single-year expenditure</b>	4	117 999	129 825	117 999	129 825	177 999	12 160	99 981	97 369	2 613	3%	185 962
<b>Total Capital Expenditure</b>		117 999	129 825	117 999	129 825	177 999	12 160	99 981	97 369	2 613	3%	185 962
<b>Classification - Functional</b>												
<b>Governance and administration</b>		5 109	11 476	14 476	69	4 966	8 607	(3 641)	1 974	-100%	-42%	15 476
Executive and council		-	1 974	1 974	-	-	-	(1 480)	1 974	-100%	-	1 974
Finance and administration		5 109	9 502	12 502	69	4 966	7 127	(2 161)	1 974	-30%	-	13 502
<b>Community and public safety</b>		1 856	15 955	8 325	565	856	11 967	(11 110)	8 455	-93%	-	8 455
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and social services		1 656	9 712	6 712	-	-	7 284	(7 284)	6 712	-100%	-	6 712
Sport and recreation		200	6 243	1 613	565	856	4 683	(3 826)	1 743	-82%	-	1 743
Public safety		90 674	83 285	136 489	6 307	78 648	62 464	16 185	140 322	26%	-	140 322
<b>Economic and environmental services</b>		22 833	14 069	12 769	-	10 600	10 552	48	14 069	0%	-	14 069
Planning and development		67 841	69 216	123 720	6 307	68 048	51 912	16 136	126 253	31%	-	126 253
Road transport		20 360	19 109	18 709	5 219	15 511	14 332	1 179	21 709	8%	-	21 709
<b>Trading services</b>		18 338	16 870	16 870	5 219	14 492	12 652	1 840	16 870	15%	-	16 870
Energy sources		2 022	2 239	1 839	-	1 019	1 679	(661)	4 839	-39%	-	4 839
<b>Classification - Functional</b>												
<b>Total Capital Expenditure - Functional</b>	3	117 999	129 825	177 999	12 160	99 981	97 369	2 613	185 962	3%	-	185 962
<b>Funded by:</b>												
National Government		101 550	88 544	143 048	6 014	79 354	66 408	12 946	145 581	19%	-	145 581
Provincial Government		2 575	8 000	8 000	-	5 340	6 000	(660)	8 000	-11%	-	8 000
Transfers recognised - capital		104 125	96 544	151 048	6 014	84 694	72 408	12 286	153 581	17%	-	153 581
<b>Internally generated funds</b>		13 874	33 281	26 951	6 146	15 287	24 961	(9 674)	32 381	-39%	-	32 381
<b>Total Capital Funding</b>		117 999	129 825	177 999	12 160	99 981	97 369	2 613	185 962	3%	-	185 962



**Table C7: Cash flow**

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

EC156 Mhionto - Table C7 Monthly Budget Statement - Cash Flow - M09 March

Description	Ref	R thousands		CASH FLOW FROM OPERATING ACTIVITIES																					
		Audited Outcome	Budget	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	#DIV/0!	%													
		2024/25	Budget Year 2025/26	26 006	29 922	312	16 655	19 504	(2 849)	-15%	1 727	-100%	18 784	-6%	256 970	96%	140 293	103%	5 720	#DIV/0!	-	8 055	-3%	(326)	
Receipts				16 899	29 922	312	16 655	19 504	(2 849)	-15%	1 727	-100%	18 784	-6%	256 970	96%	140 293	103%	5 720	#DIV/0!	-	8 055	-3%	(326)	
Property rates				686	1 318	1	1	989	(988)	-100%	1 727	-100%	18 784	-6%	256 970	96%	140 293	103%	5 720	#DIV/0!	-	8 055	-3%	(326)	
Service charges				3 673	21 027	5 322	14 899	15 770	(871)	-6%	18 784	-6%	256 970	96%	140 293	96%	140 293	103%	5 720	#DIV/0!	-	8 055	-3%	(326)	
Transfers and Subsidies - Operational				254 569	285 970	119 684	419 324	214 477	204 847	96%	18 784	-6%	256 970	96%	140 293	96%	140 293	103%	5 720	#DIV/0!	-	8 055	-3%	(326)	
Transfers and Subsidies - Capital				76 670	96 095	29 452	146 057	72 071	73 986	103%	140 293	103%	140 293	103%	140 293	103%	140 293	103%	5 720	#DIV/0!	-	8 055	-3%	(326)	
Interest				8 492	-	14	14	-	14	-	5 720	-	140 293	103%	140 293	103%	140 293	103%	5 720	#DIV/0!	-	8 055	-3%	(326)	
Dividends				-	5 720	14	14	-	14	-	5 720	-	140 293	103%	140 293	103%	140 293	103%	5 720	#DIV/0!	-	8 055	-3%	(326)	
Payments				(346)	(312 417)	(30 674)	(899)	(251)	(282)	-49%	(326)	-49%	127 283	-49%	127 283	-49%	127 283	-49%	127 283	-49%	127 283	-49%	127 283	-49%	127 283
Suppliers and employees				(346)	(312 417)	(30 674)	(899)	(251)	(282)	-49%	(326)	-49%	127 283	-49%	127 283	-49%	127 283	-49%	127 283	-49%	127 283	-49%	127 283	-49%	127 283
CASH FLOW FROM OPERATING ACTIVITIES				23 169	83 810	124 112	345 052	62 858	(282)	-49%	127 283	-49%	127 283	-49%	127 283	-49%	127 283	-49%	127 283	-49%	127 283	-49%	127 283	-49%	127 283
Receipts																									
Payments																									
Proceeds on disposal of PPE				-	-	1 492	3 334	-	3 334	#DIV/0!	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital assets				(149)	(299)	(12 194)	(89 363)	(974)	(111)	-20%	(204)	-20%	119	-20%	119	-20%	119	-20%	119	-20%	119	-20%	119	-20%	119
NET CASH FROM/(USED) INVESTING ACTIVITIES				(174 251)	(149)	(204 119)	(89 363)	(974)	(111)	-20%	(204)	-20%	119	-20%	119	-20%	119	-20%	119	-20%	119	-20%	119	-20%	119
Receipts																									
Payments																									
CASH FLOWS FROM FINANCING ACTIVITIES																									
NET CASH FROM/(USED) FINANCING ACTIVITIES																									
Cash/cash equivalents at beginning: end:				(151 081)	(65 489)	(63 120)	259 023	(49 116)	(22 295)		(76 836)		124 982		124 982		124 982		124 982		124 982		124 982		124 982
CASH HELD				(151 081)	(65 489)	(63 120)	259 023	(49 116)	(22 295)		(76 836)		124 982		124 982		124 982		124 982		124 982		124 982		124 982
Cash/cash equivalents at month/year				112 231	124 982	-	71 442	93 737	(22 295)		124 982		124 982		124 982		124 982		124 982		124 982		124 982		124 982
Cash/cash equivalents at month/year				112 231	124 982	-	71 442	93 737	(22 295)		124 982		124 982		124 982		124 982		124 982		124 982		124 982		124 982
NET INCREASE/ (DECREASE) IN				(38 850)	59 493	61 862	113 410	330 464	44 620		48 146		48 146		48 146		48 146		48 146		48 146		48 146		48 146

**PART 2: SUPPORTING DOCUMENTATION**

**Table SC3: Aged Debtors**

The municipality is being owed a total amount of R175.3 million of which the biggest portion is on government department with R79.5 million being owed by this group of debtors.

The second biggest is household's debtors that are sitting at R56.6 million. The business debtors owing just over R39,2 million.

**EC156 Mhlonito - Supporting Table SC3 Monthly Budget Statement - aged debtors - M09 March**

Description	NT	Budget Year 2025/26										Total	90 days over	Total	Actual	Bad Debts	-Bad Debts	to Council	Policy				
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 DYS-1 Yr	Over 1Yr	Total	Actual									Bad Debts	-Bad Debts	to Council	Policy
Debtors Age Analysis By Income Source	Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Receivables from Non-exchange Transactions - Property Rates	1400	4	1	1	9	751	466	635	140	151	885	144	860	-	-	-	-	-	-	-		
	Receivables from Exchange Transactions - Waste Water	1500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Management Receivables from Exchange Transactions - Waste Management	1600	447	431	427	19	340	347	379	21	23	390	22	085	-	-	-	-	-	-	-		
	Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Other	1900	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total By Income Source</b>	<b>2000</b>	<b>4</b>	<b>1</b>	<b>1</b>	<b>28</b>	<b>1</b>	<b>3</b>	<b>162</b>	<b>175</b>	<b>166</b>	<b>175</b>	<b>166</b>	<b>945</b>	-	-	-	-	-	-	-	-	
	<b>Debtors Age Analysis By Customer Group</b>																						
	Trade and Other Receivables from Exchange Transactions - Water	2200	334	333	333	2	15	2	75	777	78	496	78	496	78	-	-	-	-	-	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	2300	261	589	556	2	409	422	980	34	39	496	35	812	-	-	-	-	-	-	-	-		
Commercial Households	2400	170	876	880	24	667	689	256	51	56	563	52	637	-	-	-	-	-	-	-	-		
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Total By Customer Group</b>	<b>2600</b>	<b>4</b>	<b>1</b>	<b>1</b>	<b>28</b>	<b>1</b>	<b>3</b>	<b>162</b>	<b>175</b>	<b>166</b>	<b>175</b>	<b>166</b>	<b>945</b>	-	-	-	-	-	-	-	-		

### Table SC4: Aged Creditors

EC156 Mhiontlo - Supporting Table SC4 Monthly Budget Statement - aged creditors - M09 March

Description	R thousands	Code	Budget Year 2025/26										Total	Prior year totals for chart (same period)
			0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	Total		
Bulk Electricity		0100	(605)	(159)	43	(760)	38	103	(707)	602	(1 445)	-	-	
Bulk Water		0200	-	-	-	-	-	-	-	-	-	-	-	
PAYE deductions		0300	-	-	-	-	-	-	-	-	-	-	-	
VAT (output less input)		0400	-	-	-	-	-	-	-	-	-	-	-	
Pensions / Retirement deductions		0500	-	-	-	-	-	-	-	-	-	-	-	
Loan repayments		0600	-	-	-	-	-	-	-	-	-	-	-	
Trade Creditors		0700	1 169	545	(6)	-	47	22	774	21	2 572	-	-	
Auditor General		0800	-	-	-	-	-	-	-	(25)	(25)	-	-	
Other		0900	37	787	-	-	-	-	-	-	824	-	-	
Medical Aid deductions		0950	-	-	-	-	-	-	-	-	-	-	-	
<b>Total By Customer Type</b>		<b>1000</b>	<b>602</b>	<b>1 172</b>	<b>38</b>	<b>(760)</b>	<b>85</b>	<b>125</b>	<b>67</b>	<b>598</b>	<b>1 926</b>	<b>-</b>	<b>-</b>	

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 March 2026.  
 Total cash available was R141.5 million.

EC156 Mhlonito - Supporting Table SC5 Monthly Budget Statement - Investment portfolio - M09 March

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	Comm (Rand)	Comm (Rand)	Commission	Expiry of investment	Opening balance	Interest to be realised	Partial/Withdrawal (4)	Investment Top Up	Closing Balance	Municipality	
																	Yrs/Months	thousand R
20-	FNB:Equit		12 (M)	3	Y	2	5,15	0	0	0	20260	29	642	227	59 842	(68)	936	20
23-	FNB:Elect		12 (M)	3	Y	1	6,5	0	0	0	20260	80	23	8 730	(6 002)	2 831	936	20
24-	FNB:Gcu		12 (M)	3	Y	2	5,5	0	0	0	20260	556	7	(0)	(7)	556	2 831	20
25-	FNB:LED		12 (M)	3	Y	2	3,65	0	0	0	20260	1 197	15	-	(15)	1 197	936	20
30-	FNB:Muni		12 (M)	3	Y	2	4,55	0	0	0	20260	515	17	1 486	(17)	2 001	936	20
31-	FNB:Rev		12 (M)	3	Y	2	5,15	0	0	0	20260	70	836	7 032	(17)	2 001	936	20
32-	FNB:MIG		12 (M)	3	Y	2	5,5	0	0	0	20260	979	54	9 612	(3 213)	981	936	20
33-	FNB:Bulk		12 (M)	3	Y	2	5,5	0	0	0	20260	4 527	54	9 612	(3 213)	981	936	20
34-	FNB:MSI		12 (M)	3	Y	2	5,15	0	0	0	20260	11	0	-	(0)	11	936	20
35-	G		12 (M)	3	Y	2	5,15	0	0	0	20260	138	230	49 526	(9 496)	40	936	20
36-	FNB:FVG		12 (M)	3	Y	2	3,25	0	0	0	20260	1 064	14	-	(14)	1 064	936	20
37-	Fund		12 (M)	3	Y	1	2,5	0	0	0	20260	-	-	-	-	-	936	20
38-	FNB:Publ		12 (M)	3	Y	1	2,5	0	0	0	20260	8	-	-	-	8	936	20
total	Municipality sub-											108	1 423	136 228	(104)	141	496	141



# Table SC6: Grants Receipts

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

EC156 Whionto - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M09 March

Description	Ref	2024/25		Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget							
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>		245 422	246 368	246 368	60 283	243 040	184 776	58 264	31,5%	246 368
<b>National Government:</b>										
Equitable Share		241 156	239 367	239 367	59 842	239 367	179 525	59 842	33,3%	239 367
Expanded Public Works Programme		1 966	1 982	1 982	277	1 771	1 487	284	19,1%	1 982
Integrated Grant		2 300	2 300	2 300	164	1 902	1 725	177	10,3%	2 300
Local Government Financial Management Grant		2 300	2 719	2 719	-	2 039	(2 039)	(2 039)	-100,0%	2 719
Municipal Infrastructure Grant		5 131	39 602	10 602	-	1 134	29 701	(28 567)	-96,2%	10 602
Specify (Add grant description)		5 131	39 602	10 602	-	1 134	29 701	(28 567)	-96,2%	10 602
<b>Provincial Government:</b>										
Specify (Add grant description)		3 417	1 796	1 796	27	239	1 347	(1 108)	-82,2%	1 796
<b>District Municipality:</b>										
Specify (Add grant description)		1 442	-	-	27	239	1 347	(1 108)	-82,2%	1 796
<b>Other grant providers:</b>										
Peoples Housing Process (Housing)		1 442	-	-	27	239	1 347	(1 108)	-82,2%	1 796
Transport, Education and Training SETA		1 975	1 796	1 796	27	239	1 347	(1 108)	-82,2%	1 796
<b>Total Operating Transfers and Grants</b>	5	253 970	287 766	258 766	60 310	244 413	215 824	28 589	13,2%	258 766
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>										
Integrated National Electrification Programme Grant		8 525	19 400	19 400	-	10 664	14 550	(3 886)	-26,7%	19 400
Municipal Disaster Response Grant		45 998	61 235	61 235	496	20 177	18 778	1 399	7,5%	57 037
Municipal Infrastructure Grant		51 631	51 658	51 658	455	52 161	38 744	13 418	34,6%	51 658
<b>Provincial Government:</b>										
Specify (Add grant description)		8 000	8 000	8 000	-	-	-	-	-	8 000
<b>District Municipality:</b>										
Other grant providers:		-	-	-	-	-	-	-	-	-
Human Settlement Re-development Programme		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	106 153	96 095	140 293	951	83 002	72 071	10 931	15,2%	136 095
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	360 123	383 861	399 059	61 261	327 415	287 896	39 520	13,7%	394 861

## 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 R1,9 million. This amount was used on interns' salaries and training. Library grant expenditure amounts to R1.4 million and was used in paying the librarians' events and salaries. MIG capital expenditure amounts to R52.2 million. Electrification project expenditure amounts to R16.7 million. EPWP expenditure amounts to R1.8 million. EPWP(DEDAT) expenditure amounts to R0.00 thousand MDRG (Recovery) expenditure amounts to R20.2 million.

EC156 Whionto - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M09 March

Description	Ref	R thousands					
		2024/25 Year Budget	2025/26 Year Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
		Outcome	Budget	Budget	actual	YTD variance	YTD variance
							%
<b>EXPENDITURE</b>							
<b>Operating expenditure of Transfers and Grants</b>							
<b>National Government:</b>							
Equitable Share		302 900	323 876	322 644	22 506	181 173	907
Expanded Public Works Programme		-	1 982	1 982	52	450	(1 037)
Integrated Grant		1 198	2 082	2 082	74	1 566	(5)
Local Government Financial Management Grant		2 893	2 719	2 719	264	2 311	272
Municipal Infrastructure Grant		963	28 300	11 067	1 865	(631)	(652)
Provincial Government:		638	27 648	10 415	1 860	(631)	(631)
Specity (Add grant description)		638	27 648	10 415	1 860	(631)	(631)
District Municipality:		325	652	652	4	121	(368)
Specity (Add grant description)		325	652	652	4	121	(368)
Other grant providers:		325	652	652	4	121	(368)
Specity (Add grant description)		325	652	652	4	121	(368)
Total operating expenditure of Transfers and Grants:		309 243	387 911	352 213	26 629	(1 076)	(1 367)
Capital expenditure of Transfers and Grants		110 213	96 544	151 048	6 014	84 694	72 408
<b>National Government:</b>							
Integrated National Electrification Programme Grant		18 338	16 870	16 870	5 219	14 492	12 652
Municipal Disaster Recovery Grant		13 397	23 153	73 793	432	21 388	17 365
Municipal Disaster Response Grant		34 667	-	3 864	-	0	-
Municipal Infrastructure Grant		41 236	48 521	48 521	363	43 474	36 391
Specity (Add grant description)		2 575	8 000	8 000	-	5 340	6 000
Provincial Government:		2 575	8 000	8 000	-	5 340	6 000
Specity (Add grant description)		2 575	8 000	8 000	-	5 340	6 000
Total capital expenditure of Transfers and Grants		112 788	104 544	159 048	6 014	90 035	78 408
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		422 031	492 455	511 262	32 643	(986)	(1 356)
						342	342
						792)	792)
						369	369
						134)	134)
						-367,2%	-367,2%
						677 832	677 832

EC156 Mhionto - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M09 March

Summary of Employee and Councillor Remuneration	Ref	R thousands										
		2024/25 Budget Year	2025/26 Budget Year	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
Councillors (Political Office Bearers plus Other)	1	A	17 250	17 920	17 920	17 920	10 216	13 440	(3 224)	-24%	17 920	
		B	2 445	2 583	2 583	2 583	1 538	1 937	(400)	-21%	2 583	
		C	4 376	4 502	4 502	4 502	2 910	3 377	(467)	-14%	4 502	
		Basic Salaries and Wages										
		Cellphone Allowance										
		Other benefits and allowances										
		Sub Total - Councillors										
		24 071										
		25 005										
		25 005										
3.9%												
Senior Managers of the Municipality	3	A	3 874	4 468	4 468	4 468	2 004	3 351	(1 347)	-40%	4 468	
		B	192	13	13	13	152	10	143	1479%	13	
		C	178	175	175	175	139	131	8	6%	175	
		Medical Aid Contributions										
		Performance Bonus										
		Motor Vehicle Allowance										
		Cellphone Allowance										
		Housing Allowance										
		Sub Total - Senior Managers of Municipality										
		150										
Other Municipal Staff	4	A	76 943	81 909	81 909	81 909	53 095	61 432	(8 336)	-14%	81 909	
		B	6 707	6 966	6 966	6 966	5 450	5 225	225	4%	6 966	
		C	10 338	10 471	10 471	10 471	8 088	7 853	235	3%	10 471	
		Pension and UIF Contributions										
		Medical Aid Contributions										
		Overtime										
		Performance Bonus										
		Motor Vehicle Allowance										
		Cellphone Allowance										
		Housing Allowance										
Other benefits and allowances												
Payments in lieu of leave												
Long service awards												
Acting and post related allowance												
In kind benefits												
Sub Total - Other Municipal Staff												
119 017												
127 345												
127 345												
7.0%												
7.0%												
10 194												
102												
118												
481												
118												
(16 307)												
-14%												
157 974												
157 974												
6.7%												
6.7%												
Unpaid salary, allowances & benefits in arrears:												
Board Members of Entities % increase												
4												
Senior Managers of Entities % increase												
4												

Other Staff of Entities	% increase	4																	
TOTAL SALARY, ALLOWANCES & BENEFITS			148 086	157 974	157 974	10 194	102	118	481	(16 307)	-14%	157 974	6.7%						
% increase	4			6.7%	6.7%														
TOTAL MANAGERS AND STAFF			124 015	132 970	132 970	10 194	87 511	99 727	(12 217)	-12%	132 970								

MAYOR

Clir. M. Jara



under the Act.

Government: Municipal Finance Management Act 2003 (Act 56 of 2003) and regulations made month ended 31 March 2026 as presented by the Municipal Manager in terms of the Local Mhiontlo Local Municipality, hereby accept the **Section 71 report** of the municipality for the

1, Mbulolo JARA (Full Names), the Mayor of Kumkani

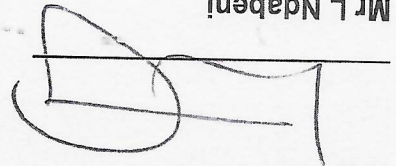
DATE

20/04/2026

# RECEIPT BY THE MAYOR

MUNICIPAL MANAGER

Mr L Ndabeni



Act.

Municipal Finance Management Act 2003 (Act 56 of 2003) and regulations made under the month ended 31 March 2026 has been prepared in accordance with the Local Government: Kumkani Mhiontlo Local Municipality hereby certify that the **Section 71 Report** for the

1, LUNGILE NDABENI (Full Names), the Municipal Manager of

DATE

14/03/2026

# QUALITY CERTIFICATE