THABO MOFUTSANYANA

DISTRICT MUNICIPALITY

SECTION 71

Old Parliament Building, 1 Mampoi Str, Phuthaditjhaba
Private Bag X810, Witsieshoek, 9870
058 718 1006/7

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FINANCE DEPARTMENT

MUNICIPAL FINANCE MANAGEMENT ACT - MONTHLY SECTION 71 REPORT

FOR THE FINANCIAL YEAR 2026/2027

STATEMENT OF FINANCIAL PERFORMANCE - FOR THE MONTH ENDED 31 AUGUST 2026

Notes

Revenue Differrence Between Financial Performance and the Bank Reconcilliation

* *Interest -Interest on the Statement of Financial Performance Includes the interest of all Municipal Bank Accounts whereas the bank reconciliation Focuses on the Main Bank only*
* *Grant -All Dora Allocated Grants are reported on the statement of financial performance except for the CETA Grant which is recorded In the Control Account*
* *Other Revenue -SARS refunds are not recorded on the Statement of Financial Performance but on the Cash Flow Statement*
* *Other Revenue -On the Statement of Financial Performance Depreciation is presented as an in and out on the income and Expenditute*

Expenditure Differences Between Financial Performamnce and Bank Reconciliation

* *Expenditure on the Financial statement excludes the 15% Vat,amounts are represented as they appare on the trial balance*
* *Salary related Costs-Salaries on the Statement of Financial performance are the amounts as extracted form the salaries people 300 systems*
  Whereas ,salaries on the bank receconciliation are as per bank Statement

Thabo Mofutsanyana District Municipality is a municipality that is depended on Grants 84% of the total Revenue is derived from grants

Sec 71 (g)

**(i)DoRA allocates to DC19 and and in addition to that a payment schedule is provided.Should the transfer of funds not be received according to the scheduled timeline, an explanation for the revenue variance should be provided.*

**The municipality provides explanations for all material expenditure variances in the Section 52 (d)report.*

**(ii) The Performance Management Department provides explanations for all material variances relating to service delivery and budget implementation in the quarterly performance report.*

**(iii) when necessary corrective steps would be implemented to ensure that the municipality's projected revenue and expenditure remain within the municipality's approved budget.*

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FINANCE DEPARTMENT

MUNICIPAL FINANCE MANAGEMENT ACT - MONTHLY SECTION 71 REPORT

FOR THE FINANCIAL YEAR 2026/2027

STATEMENT OF FINANCIAL PERFORMANCE - FOR THE MONTH ENDED 31 AUGUST 2026

Description	APPROVED BUDGET	REV/EXP YTD	% REV/EXP	Month 01 JUL	Month 02 AUG
OPERATING REVENUE				-	
Interest Earned - Investments	4 710 646	465 419	10	213 972	251 448
Grants received - Operating		-			
***Equitable share	141 686 000	59 036 000	42	59 036 000	
***Financial Management	2 500 000	2 500 000	100		2 500 000
***Extended Public Works Progr	1 879 000	470 000	25		470 000
***Rural Road assets Management	2 934 000	2 053 000	70		2 053 000
***Energy Effeciency & Demand	5 000 000	2 000 000	40		2 000 000
***FS COGTA grant		-			
***Transport Education Training Authority		-			
***Waste Management Grant		-			
***Construction Education and Training authority (Admin Fee)		-			
***SANBI Green Sebenza Grant		-			
****Agri Seta Grant	450 000	-	-		
****LGSETA Grant		-			
Other Revenue	26 019 026	1 191 188	5	897 698	293 490
Gain on disposal of assets	-	-			
	-	-		-	
Total Operating Revenue	185 178 672	67 715 607	37	60 147 669	7 567 937
OPERATING EXPENDITURE					
Employee Cost - Wages & Salaries	97 931 758	8 027 379	8	8 027 379	7 960 141
Employee Cost - Company Contr.	19 540 157	1 428 636	7	1 428 636	1 465 960
Remuneration Of Councillors	9 484 283	806 251	9	806 251	777 242
Depreciation	3 944 156	213 832	5	213 832	238 819
General Expenses - Other	47 778 319	3 498 516	7	3 498 516	2 443 516
Contracted Services	-	-			
Capital expenditure	6 500 000	43 610	1	43 610	-
Establishment of Disaster Center	-				
Grants and Subsidies Paid	-				
****Maluti-A-Phofung	-				
****Dihlabeng	-				
****Setsoto	-				
****Phumelela	-				
****Nketoana	-				
****Mantsopa	-				
Total Operating Expenditure	185 178 673	14 018 224	8	14 018 224	12 885 678
SURPLUS / (DEFICIT)	-0	53 697 383	29	46 129 445	- 5 317 741

Prepared by:	Review by:	Approved by:
Ms R S Mokoaleli	Mr.TL Lephoto	pp Mr. MD Mhlahlo
Budget Officer	Manager Financial Accounting	Chief Financial Officer
11 / 09/2026	11 / 09/2026	11 / 09/2026

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FINANCE DEPARTMENT

CASH FLOW STATEMENT - FOR THE MONTH ENDED 31August 2026

Detail	Month 1 July	Month 2 Aug	Month 3 Sept
Opening Cash Balance	20 951 424	59 759 941	
Add : Receipts			
- Revenue receipts (incl consumer debtors)			
- External loans received			
- Grants and subsidies	59 036 000	7 023 000	
- Public donations			
- Investments redeemed	40 000 000	11 000 000	
- Interest received	213 972	251 448	
- Receipts from long-term debtors			
- Insurance claims			
- Statutory Receipts (incl VAT)	604 115		
- Other	79 750	54 670	
Sub-Total (Receipts)	99 933 837	18 329 118	-
Less : Payments			
- Salaries, wages and allowances	10 165 870	10 419 723	
- Cash and creditor payments	10 959 450	2 495 728	
- Capital payments			
- Investments made	40 000 000	11 000 000	
- External loans repaid			
- Statutory Payments (incl VAT)			
- Consumer deposits repaid			
- Other payments			
Sub-Total (Payments)	61 125 320	23 915 451	-
Closing Balance	59 759 941	54 173 608	-

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FINANCE DEPARTMENT

CREDITORS AGE ANALYSIS - FOR THE MONTH ENDED 31 August 2026

Detail	Current	0 - 30 Days	31 - 60 Days	61 - 90 Days	Over 120 Days
Bulk Electricity	0	0	0	0	0
Bulk Water	0	0	0	0	0
PAYE deductions	1 956 663	0	0	0	0
VAT (output less input)	0	0	0	0	0
Pensions deductions	0	0	0	0	0
Loan repayments	0	0	0	0	0
Trade Creditors	18 000	0	7 729 345	54 547	5 248 069
Auditor General	0	0	0	0	0
Retention Creditors	0	0	0	0	0
Other	149 868	0	0	0	
Total	2 124 531	0	7 729 345	54 547	5 248 069

Workmen compensation (COIDA)		0	0	0	4 807 704
Trade & Other Creditors	18 000	0	7 729 345	54 547	440 363
Retention Creditors	0	0	0	0	
PAYE deduction	1 956 663	0	0	0	0
Skills Development levy	86 999	0	0	0	0
Unemployment Insurance	62 869	0	0	0	0
Unspent conditional grants	0	0	0	0	0
Top 7 Creditor	0	0	0	0	0
Top 8 Creditor	0	0	0	0	0
Top 9 Creditor	0	0	0	0	0
.0.0	0	0	0	0	0
Total	2 124 531	0	7 729 345	54 547	5 248 067

SUMMARY STATMENT OF FINANCIAL PERFORMANCE PER DEPARTMENT

DETAILS	Executive & Council	Finance & Admin	Planning And Development	Community & Social Services	Total
RSL - Turnover					-
RSL - Remuneration					-
Interest Earned - Investments		251 448			251 448
Dividends Received					-
Income For Agency Services					-
Grants received - Operating		2 500 000	4 523 000.00		7 023 000
Grants received - Capital					-
Other Revenue		54 670			293 490
Gain on disposal of assets					-
Total Operating Revenue	-	2 806 118	4 523 000	-	7 567 937

OPERATING EXPENDITURE

Employee Cost - Wages & Salaries	2189044.14	2160003.56	1 609 598	2 001 495	7 960 141
Employee Cost - Company Contr.	306 713	443 514	310 573	405 160	1 465 960
Remuneration Of Councillors	777 242				777 242
Collection Costs					-
Depreciation	50 430	72 932	68 615	46 842	238 819
Repairs and Maintenance		33 345			33 345
Interest - External Borrowings					-
External Borrowings					-
Contracted Services					-
Capital Expenditure					-
Grants and Subsidies Paid					-
General Expenses - Other	1 279 516	549 758	529 820	51 078	2 410 172
Loss on disposal of assets					
Contributions from Provisions					
Total Direct Operating Expenditure	4 602 945	3 259 552	2 518 605	2 504 575	12 885 678
SURPLUS / (DEFICIT)	-4 602 945	-453 434	2 004 395	-2 504 575	-5 317 741

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FINANCIAL RATIOS AS AT THE MONTH ENDED 31 AUGUST 2026

	Jul-26	Aug-25	Total
Total revenue as a percentage of total budget			
Total revenue	60 147 669.44	7 567 937.47	67 715 606.91
Total budgeted revenue	185 178 672.25	185 178 672.25	185 178 672.25
	32.48%	4.09%	36.57%
Total operating expenditure as a percentage of total budget			
Total operating expenditure	14 018 224.41	12 885 678.32	26 903 902.73
Total budgeted operating expenditure	185 178 672.62	185 178 672.62	185 178 672.62
	7.57%	6.96%	14.53%
Total capital budget as a percentage of total budget			
Total capital expenditure	43 610.00	-	43 610.00
Total budgeted capital expenditure	6 500 000.00	6 500 000.00	6 500 000.00
	0.7%	0.00%	0.67%
Repairs and maintenance as a percentace of budgeted PPE			
Repairs and maintenance	236 089.65	33 345	269 434.39
Property, Plant and Equipment	6 500 000.00	6 500 000.00	
	4%	1%	#DIV/0!
Cash/cost coverage ratio			
Cash and cashequivalents	21 125 320.00	23 915 451.00	23 915 451.00
Trade payables	15 812 529.14	15 156 492.00	15 156 492.00
Accrued leave pay	8 807 062.00	8 807 062.00	8 807 062.00
Accrued bonus			
UIF Over deducted from employees			
Councillors salaries under payments			
Unspent conditional grants	148 733.31	148 733.31	148 733.31
Current portion of Employee benefit obligation	-	-	-
Total current liabilities	24 768 324.45	24 112 287.31	24 112 287.31
	117.24%	100.82%	100.82%
Unauthorised, Irregular, Fruitless and Wasteful expenditure as a percentage of total budget			
Unauthorised expenditure			-
Irregular expenditure			-
Fruitless and wasteful expenditure			-
Total UIF&W	-	-	-
Total buddget	185 178 672.25	185 178 672.25	185 178 672.25
	0%	0%	