KOUGA MUNICIPALITY (EC 108)
FINANCE & ECONOMIC DEVELOPMENT PORTFOLIO COMMITTEE MEETING
FINANCE & ECONOMIC DEVELOPMENT
OPEN
DATE:
ITEM NO:

MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY 2024 TO NOVEMBER 2024 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 30 NOVEMBER 2024 (2024/25 FINANCIAL YEAR)

1. **Introduction**

The purpose of this report is to comply with Section 71 of the Municipal Finance Management Act (MFMA), read together with Regulation 28 of the Municipal Budget and Reporting Regulations as promulgated in the Government Gazette No 32141 of 17 April 2009, which requires that specific financial particulars be reported on and in the formats prescribed.

2. **Background**

MFMA Accountability cycle begins with the preparation and approval of the IDP, MTREF and SDBIP, which is followed by in year reporting, Annual Financial Statements, Annual Audit (Audit Report) and Annual and Oversight Reports. The MFMA legislates what must be reported on, by when, and the Municipal Budget and Reporting Regulations prescribes the format of the reports.

In accordance with Section 71(1) of the MFMA, the Accounting Officer must by no later than 10 working days after the end of each month, submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.

In accordance with regulation 28 of the MBRR, the monthly budget statements of a municipality must be in the format specified in Schedule C and include all the required tables, charts, and explanatory information, considering any guidelines issued by the Minister in terms of section 168(1) of the Municipal Management Finance Act".

3. **Discussion**

The monthly budget statement report provides a balance and consolidated financial performance overview to assist the Executive Mayor in his oversight role.

The report complies with Schedule C of the Municipal Budget and Reporting Regulations (MBRR), the following detailed schedules are attached for the period, ending 30 November 2024:

"Annexure A" – Financial Overview

"Annexure A1" – Operating Revenue and Expenditure Performance

"Annexure A2" - Capital Budget Performance

"Annexure A3"- Projected Cash Flow Statement

"Annexure A4" – Municipal Monthly Budget Tables

"Annexure A5"- Analysis of Municipality's Statement of Financial Performance

i. Overview of Outstanding Consumer Debtors
ii. Overview of Creditors position
iii. Grants receipts and Expenditure
iv. Councillors & Employee benefits
v. Key performance Indicators

4. **Financial Implications**

Completed by BTO -	As stipulated in report. Refer to **"Annexure A"**
Project Description	
Ukey no.	
Budgeted Amount	
Amount spent and committed to date	
Amount Available	
Comment	
BTO Signature	

5. **Applicable Legislation**

- Section 71 and of the Local Government: Municipal Finance Management Act No. 56 of 2003.
- Local Government: Municipal Budget and Reporting Regulations, 17 April 2009.
- Local Government: Municipal Finance Management Act: Municipal Regulations on a Standard Chart of Accounts (mSCOA), 22 April 2014.

6. **Legal Implications**

The report relates to Section 71 and of the Municipal Finance Management Act (MFMA) and Regulation 28 of the Municipal Budget and Reporting Regulations (MBRR).

7. **Other Implications**

None.

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

[insert comment]

8.2 **Director: Planning & Development**

[insert comment]

8.3 **Director: Civil & Water Services**

[insert comment]

8.4 **Director: Electro and Mechanical Services**

[insert comment]

8.5 **Director: Community Services**

[insert comment]

8.6 **Deputy Municipal Manager**

[insert comment]

8.7 **Municipal Manager**

[insert comment]

9. **Delegated Authority**

To be noted by Council.

10. **Municipal Manager's Quality Certificate**

I, Charl Du Plessis, Municipal Manager of Kouga Local Municipality hereby certify that the monthly budget statements have been prepared in accordance with the Municipal Finance Management act and regulations made under the Act, and that monthly budget statements are consistent with the Integrated Development Plan of the municipality.
Print Name _Charl Du Plessis
Municipal Manager of Kouga Local Municipal

Signature 

Date…… 12 December 2024……

11. **Recommendations**

11.1 That the Executive Mayor notes Municipal Manager's report on the monthly budget statements, in accordance with Section 71(1) of the Municipal Finance Management Act.

11.2 That the Executive Mayor notes the submission of the monthly budget statements report to Provincial Treasury as stipulated in Section 71(1) of the MFMA.

Item prepared by the: Manager Budget and Treasury [Insert signature]

Item approved by the: Chief Financial Officer [Insert signature]

Item endorsed by the Municipal Manager: [Insert signature]

Item noted by Portfolio Chairperson: [Insert signature]

"ANNEXURE A"

1. **FINANCIAL OVERVIEW**

This report provides a balanced and consolidated financial performance overview to assist the Executive Mayor in his oversight role.

An analysis of the financial position and performance was undertaken to determine the relative financial strength and liquidity of the Municipality. This was complemented by analysing the cash flow position, the investment portfolio, ratios, the operating, and capital budget performance for the months of November 2024, to facilitate an informed assessment of the relative liquidity and financial position of the Municipality.

The financial performance highlights are as follows:

- Operating revenue amounted to R 560,012 million, whilst operating expenditure amounted to R 533,537 million, resulting in an operating surplus of R 26,474 million.
- Capital expenditure constituted 14,52% of the 2024/25 Approved Adjusted Capital Budget.
- Overdue consumer debts increased by R 56,161 million (14,40%) since June 2024.
- An amount of R 53,442 million is owing to creditors, 100.80% which is current creditors. Currently all outstanding creditors are not reflected on the creditors age analysis.

The municipality's investment portfolio has increased by R 18,363,574 (12.78%) since June 2024, from R 143,659,131 to R 162,022,705.

Below is an analysis of the Investment Portfolio as at 30 November 2024.

	Balance as at 30 June 2024	Invested	Interest	Withdrawals	Adjustments	Balance as at 30 November 2024
Standard Bank	26,516,585	-	852,195	-		27,368,780
ABSA	22,795,366	10,907,000	1,151,645	10,000,000	590	24,853,421
Nedbank	22,593,059	10,897,000	887,975	20,000,000		14,378,034
RMB	22,735,812	10,897,000	649,742	28,000,000		6,282,554
INVESTEC	22,771,482	10,897,000	882,666	20,000,000		14,551,147
Total	**117,412,304**	**43,598,000**	**4,424,222**	**78,000,000**	**590**	**87,433,936**
INVESTMENT	**Balance as at 30 June 2024**	**Invested**	**Interest**	**Withdrawals**	**Adjustments**	**Balance as at 30 November 2024**
General Account	78,621,419	9,117,000	3,814,173	50,195,139	590	41,356,863
Conditional Grants	18,234,929	34,481,000	-	21,840,458	-	30,875,472
Housing Funds	20,555,956		610,050	5,964,403	-	15,201,602
Total	**117,412,304**	**43,598,000**	**4,424,222**	**78,000,000**	**590**	**87,433,936**
	Balance as at 30 June 2024	**Invested**	**Interest**	**Withdrawals**	**Adjustments**	**Balance as at 30 November 2024**
Cheque Accounts FNB 52540020791	10,314,768	13,118,769				23,433,537
Cheque Accounts FNB 52540033304	8,553,427	1,438,307				9,991,734
Cheque Accounts FNB 62682103591	3,833			(675)		3,158
Cheque Accounts FNB 63022194441	7,374,799	2,087,951				9,462,750
Cheque Accounts ABSA 4114176482	-	6,010,071				6,010,071
Cheque Accounts ABSA 4114114771	-	25,620,681				25,620,681
Cheque Accounts ABSA 4114176474	-	21,610				21,610
Cheque Accounts ABSA 4114176490		45,228				45,228
	26,246,827	**48,342,616**	**-**	**(675)**	**-**	**74,588,768**
Total	**143,659,131**	**91,940,616**	**4,424,222**	**77,999,325**	**590**	**162,022,705**

The following analysis indicates the extent to which the investments are committed:

Cash backed Reserves.

Bank Balances and Cash	R 74,588,768
Short-term Investment Deposits	R 87,433,936
	R 162,022,705

Application of Cash

Unspent Conditional Grants	R 46,608,699
Operational commitments	R 19,543,483
Outstanding Creditors Liability	R 53,441,659
	R 119,593,841

Cash Reserves exceed commitments: **R 42,428,864**

The cash backed reserves exceed commitments at this stage by an amount of R 42,428,864.

It should be noted that the excess of reserves over commitments as at 30 November 2024, is mainly due to an amount of R 80,277 million in respect of the Equitable Share allocation received on 3 July 2024, but not yet fully spent. These funds are already committed towards spending in the 2024/25 operating budget.

The following key financial ratios are monitored on an on-going basis:

Ratio	Actuals as at 30 June 2023	Actuals as at 30 June 2024	MFMA Circular 71 Norms	Actuals as at 30	Approved Adjusted	Actuals as at 30

				November 2023	Budget 2024/25	November 2024
Current Ratio	0.78:1	1.24:1	1.5:1 to 2:1	1.31:1	0.96:1	1.23:1
Liquidity Ratio	0.42:1	0.71:1		0.74:1	0.26:1	0.53:1
Cost Coverage (Excluding unspent conditional grants)	0.98 Months	1.09 Months	1 Month to 3 Months	0.90 Months	0.53 Months	1.10 Months
Debtors Collection Rate	86.71%	91.01%	95%	80.24%	95%	86.55%
Capital Expenditure	94.66%	55.48%	95%	24,69%	95%	14,52%

"ANNEXURE A1"

1. OVERVIEW OF OPERATING REVENUE AND EXPENDITURE PERFORMANCE FOR THE PERIOD JULY 2024 TO November 2024.

1.1. Summary Statement of Financial Performance

Description	Budget Year 2024/25					
R thousands	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance
Revenue						
Total Revenue (excluding capital transfers and contributions)	1 392 621	1 396 119	80 407	560 012	581 716	(21 705)
Total Expenditure	1 505 474	1 535 251	113 062	533 537	639 651	(106 114)
Surplus/(Deficit)	(112 853)	(139 132)	(32 655)	26 474	(57 935)	84 409

The statement of financial performance reflects an operating surplus of R 26,474 million at this stage. It must be noted that the surplus is largely influenced by the debt impairment and irrecoverable debts written off, not yet recognized.

1.2. Revenue

Main revenue sources for 2024/25

Description	Budget Year 2024/25		
	Adjusted Budget	YearTD actual	
R thousands			%
Revenue	-	-	-
Exchange Revenue	**667 935**	**301 689**	**45,17%**
Service charges - Electricity	381 991	176 975	46,33%

Service charges - Water	82 323	45 024	54,69%
Service charges - Waste Water Management	64 086	27 996	43,69%
Service charges - Waste management	71 123	27 043	38,02%
Sale of Goods and Rendering of Services	9 533	2 540	26,65%
Agency services	4 554	–	0,00%
Interest earned from Receivables	32 335	12 482	38,60%
Interest earned from Current and Non-Current Assets	13 998	5 723	40,88%
Rental from Fixed Assets	3 187	1 386	43,50%
Licence and permits	2 851	911	31,96%
Operational Revenue	1 955	1 607	82,19%
Non-Exchange Revenue	**728 184**	**258 323**	**35,47%**
Property rates	297 076	156 035	52,52%
Fines, penalties and forfeits	143 343	282	0,20%
Licence and permits	11 772	4 796	40,74%
Transfer and subsidies - Operational	205 651	83 794	40,75%
Interest	5 510	2 659	48,26%
Operational Revenue	64 831	10 758	16,59%
Total Revenue (excluding capital transfers and contributions)	**1 396 119**	**560 012**	**40.11%**

Reasons for major over-/under-recovery per revenue source

In terms of the National Treasury norms, a variance of 10% between the budgeted and actual amounts is considered material. Below is an explanation for variances above 10% of the budgeted amount and actual amounts.

- **Sale of Goods and Rendering of Services**
  The sale of goods and services relates to various sources of rendering of services such as application fees for land usage, building plan fees, cemeteries' fees and removal of restrictions fees etc. These revenue sources are influenced by community demands.

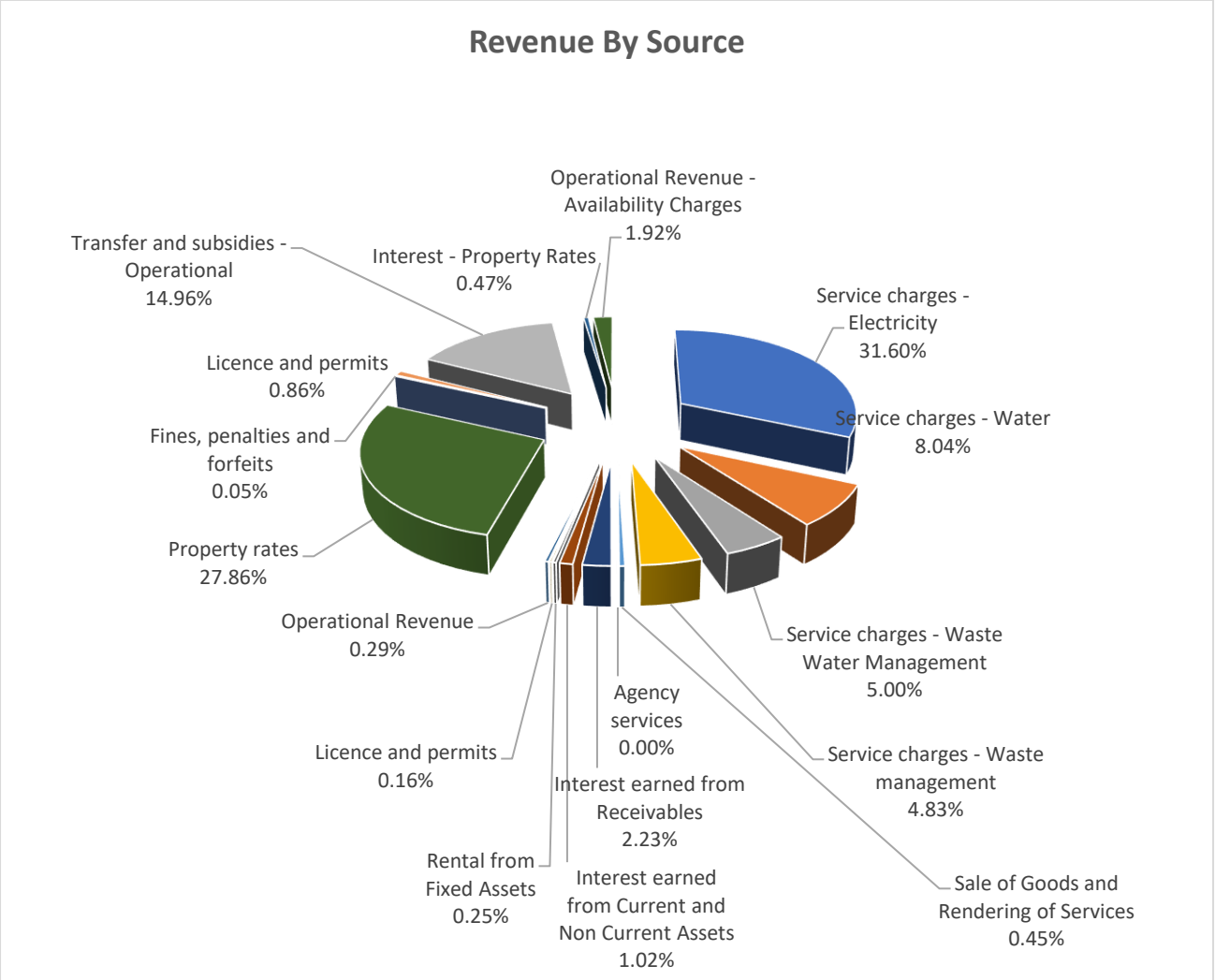
- **Agency Services**
  Agency services relate to the Department of Transport, commission received by the municipality as an acting agency for the collection of motor registration licences, drivers' licences and other vehicle permits. The commission is then influenced by the revenue collected on behalf of the Department of Transport.

- **Operational revenue (Exchange Revenue)**
  The other revenue relates to various sources of operating revenue such as staff recoveries, insurance refunds and skills development levy refunds.
  The operational revenue is largely influenced by Augmentation fees amounting to R 0,753 million, recognized during this reporting period, against no budget provision.

- **Property Rates**
  As at 30 November 2024, the municipality has recognized 52,52% of property rates revenue, compared to the budget. This is influenced by annual property rates raised in July 2024.

- **Fines, Penalties and Forfeits**
  The fines, penalties and forfeits budget mostly relate to speeding camera fines and the high budget is mainly due to the accounting for traffic fines issued in line with the Generally Recognised Accounting Practice (GRAP) requirements. The actual traffic fines issued revenue recognition is done on yearly basis at this stage.

- **Operational revenue (Non-Exchange Revenue)**
  Operational revenue: non-exchange revenue relates to the availability charges for electricity, water and wastewater management. The variance is largely due to the water availability charges amounting to R 9,429 million included in the service charges for water revenue. This amount should have been included under the Non-Exchange Revenue; operational revenue - availability charges.



1.3. Expenditure

Main expenditure types for 2024/25

Description	Budget Year 2024/25		
	Adjusted Budget	YearTD actual	
R thousands			%
Revenue			
Expenditure By Type			
Employee Related Cost	481 056	170 500	35,44%
Remuneration of councillors	15 594	6 603	42,34%
Bulk purchases - electricity	386 299	201 713	52,22%
Inventory consumed	107 862	35 420	32,88%
Debt impairment	158 246	–	0,00%
Depreciation and amortisation	117 798	49 083	41,67%
Interest	36 254	2 014	5,56%
Contracted services	127 158	31 825	25,03%
Transfers and subsidies	400	–	0,00%
Irrecoverable debts written off	9 359	–	0,00%
Operational Cost	95 376	36 380	38,14%
Total Expenditure	**1 535 251**	**533 537**	**34,75%**

Reasons for major over-/under expenditure per type

In terms of the National Treasury norms, a variance of 10% between the budgeted and actual amounts is considered material. Below is an explanation for variances above 10% of the budgeted amount and actual amounts.

- **Bulk purchases – electricity**
  The bulk purchases – electricity reflects a 52,22 % expenditure, compared to the approved budget. This is slightly higher than anticipated and compared to the previous year, which was 44,84% for the same reporting period.

- **Inventory consumed.**
  Inventory consumed includes the following expenditure items:

Item Description	Adjusted Budget 2024/25	Actuals as at 30 November 2024	%
Inventory Consumed: Consumables	4 403 160	921 459	20,93%
Inventory Consumed: Materials and Supplies	35 106 876	11 101 134	31,62%
Inventory Consumed: Fuel & Oil	26 271 072	6 271 194	23,87%
Inventory Consumed: Bulk Water Purchases	41 930 751	17 126 248	40,84%
Total	**107 711 859**	**35 420 035**	**32,88%**

- **Debt impairment**
  At this stage, the municipality recognises the debt impairment at the end of the financial year, rather than monthly.

- **Finance charges**
  Finance charges currently recognised relate to the finance lease for vehicles and is based on the finance lease amortisation schedule. The spending percentage at this stage is largely influenced by the budget provision finance

costs amounting to R 19,922 million, which relate to the R 200 million loan anticipated for the road's infrastructure initiative.

- **Contracted Services**
  Contracted services mostly relate to outsourced work, in relation to the maintenance of municipal infrastructure assets and includes consultation fees. Please refer to the next page for the breakdown of contracted services costs.

- **Transfers and subsidies**
  Transfers and subsidies relate to grant-in-aid given by the municipality to various non-profit organisations, in line with the Council approved grant-in-aid policy.

- **Irrecoverable debts written off.**
  Debts are written off upon Council approval.

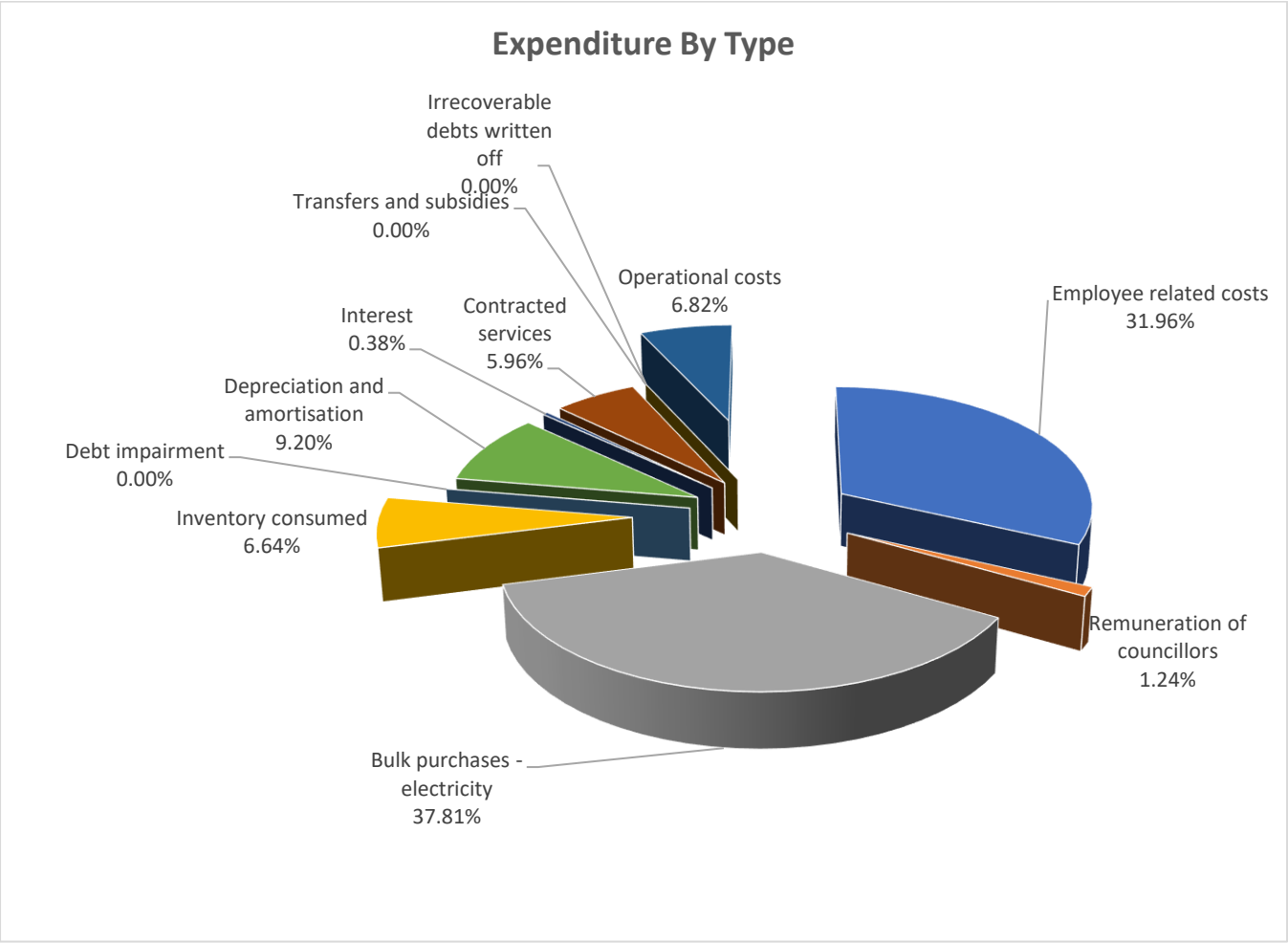
Contracted services are broken down as follows:

Item Description	Adjusted Budget 2024/25	Actuals as at 30 November 2024	%
Aloe Cup	80,000	-	0.00%
Air quality Management	400,000	-	0.00%
Amanzi Challenge National Tournament	300,000	300,000	100.00%
Animal Care	508,000	-	0.00%
Audit of Municipal Land & Properties	1,694,000	194,791	11.50%
Burial Services	31,500	14,500	46.03%
Calamari Festival	200,000	200,000	100.00%
Catering Services	1,167,904	199,482	17.08%
Clean up Operation	200,004	41,445	20.72%
Clearing and Grass Cutting Services	1,540,000	304,594	19.78%
Conducting of feasibility studies (EIA)	2,000,000	61,894	3.09%
Connection/Dis-connection:Electricity	580,000	-	0.00%
Consultants and Professional Services	8,502,000	1,440,749	16.95%
Destination Marketing and Promotion	670,000	80,840	12.07%
Drivers Licence Cards	1,000,000	122,134	12.21%
Dune Stabilisation	1,829,000	92,123	5.04%
Electricity Generation Project	470,000	72,567	15.44%
Environmental protection	700,000	-	0.00%
Employee Wellness	249,204	22,650	9.09%
ED STRATEGY - roll-out	100,000	-	0.00%
Event Promoters	99,996	-	0.00%
Family Challenge	1,800,000	158,309	8.79%
Heritage Restoration	200,000	-	0.00%
Internal Auditors	250,000	29,000	11.60%
KLTO	905,000	129,121	14.27%
Jbay Precint Plan Implementation	500,000	-	0.00%
Laboratory Services:Water	2,359,000	283,616	12.02%
Legal Advice and Litigation	1,000,000	711,863	71.19%
Legal Cost:Collection	1,100,000	561,378	51.03%
Maintenance of Buildings and Facilities	8,046,636	1,949,311	24.23%
Maintenance of Electrical Infrastructure	1,000,000	56,741	5.67%
Maintenance of Equipment	858,800	159,100	18.53%
Maintenance of Vehicles	39,379,408	8,172,473	20.75%
Mscoa Alignment	283,136	-	0.00%
Media Monitoring	200,004	43,475	21.74%
Occupational Health and Safety	1,100,004	295,329	26.85%
Other Contracted Services	2,897,900	1,906,357	65.78%
Personnel and Labour	16,975,550	4,478,293	26.38%
Precinct Plans Project Hankey and St Francis Bay C	100,000	-	0.00%
Private Plots_Alien Vegetation Control	300,000	122,820	40.94%
Qualification Verification	350,004	1,435	0.41%
Restricted Water Flow	400,000	-	0.00%
Revision of SDF	650,000	-	0.00%
Security Services	3,850,000	3,155,074	81.95%
SA Longboard Championship	300,000	-	0.00%
SDC Golf Championship Sponsorship	275,000	-	0.00%
Special Rating Area	2,159,735	521,385	24.14%
Summer Festival	500,000	400,000	80.00%
Tourism &Travel Trade Show	482,000	344,785	71.53%
Township Events	300,000	37,882	12.63%
Transport Services	225,704	16,413	7.27%
Valuer	13,438,721	5,143,220	38.27%
WSL Music Festival	200,000	-	0.00%
WTM Africa, Indaba, Meetings Africa, Educationals,	550,000	-	0.00%
Winterfest	1,700,000	-	0.00%
Yellow Wood Annual Jazz Festival	200,000	-	0.00%
	127,158,210	**31,825,148**	**25.03%**

- **Other Expenditure**

The other expenditure is broken down as follows:

Item Description	Adjusted Budget 2024/25	Actuals as at 30 November 2024	%
Achievements and Awards	2,300,000	818,985	35.61%
Advertising, Publicity and Marketing	4,469,200	1,022,276	22.87%
Bank Charges	600,000	479,123	79.85%
Bargaining Council	4,619,580	-	0.00%
Cellular Contract (Subscription and Calls)	3,313,020	1,255,204	37.89%
Claims paid to Third Parties	200,000	94,899	47.45%
External Audit Fees	4,500,000	2,741,932	60.93%
External Computer Service:Internet Charge	5,400,000	2,795,872	51.78%
Hire Charges	7,763,067	2,556,737	32.93%
Insurance Claims	1,200,000	311,382	25.95%
Insurance Underwriting:Premiums	3,644,283	2,815,432	77.26%
Leases:Furniture and Office Equipment	4,068,744	892,375	21.93%
Leases:Other Assets	3,963,740	2,510,023	63.32%
Motor Vehicle Licence and Registrations	1,644,488	481,487	29.28%
Other	1,324,176	193,574	14.62%
Postage/Stamps/Franking Machines	2,674,500	660,949	24.71%
Registration Fees:Professional and Regulatory Bodies	551,112	39,724	7.21%
Registration Fees:Seminars, Conferences, Workshops	2,284,482	448,904	19.65%
Remuneration to Ward Committees	2,862,000	835,200	29.18%
Riparian Levies	7,911,471	3,618,232	45.73%
Signage	1,126,212	119,048	10.57%
Skills Development Fund Levy	4,202,076	1,705,702	40.59%
Software Licences	8,825,000	5,360,567	60.74%
Storage of Files (Archiving)	399,996	32,663	8.17%
Supplier Development Programme	100,000	-	0.00%
Third Party Vendors	3,550,000	1,170,507	32.97%
Travel and Subsistence	4,791,369	1,113,834	23.25%
Uniform and Protective Clothing	3,973,484	984,418	24.77%
Vehicle Tracking	804,742	331,103	41.14%
Workmen's Compensation Fund	2,288,376	989,414	43.24%
	95,376,118	**36,379,566**	**38.14%**



1.4. Repairs and Maintenance

Below is an analysis of actual repairs and maintenance expenditure, compared to the 2024/25 Approved Adjusted Budget.

Item Description	Budget Year 2024/25		
	Adjusted Budget 2024/25	Actuals as at 30 November 2024	%
Repairs and Maintenance by Expenditure Items			
Employee related costs	156 271 644	35 607 257	22,79%
Other materials	24 525 864	6 268 689	25,56%
Contracted Services	46 598 844	9 659 304	20,73%
Other expenditure	6 247 655	2 349 502	37,61%
Total	**233 644 007**	**53 884 752**	**23,06%**

It is to be noted that actual repairs and maintenance expenditure constituted 23,06% of the 2024/25 Approved Adjusted Budget.

1.5. Trading Services Performance

1.5.1. Electricity

Description	Budget Year 2024/25		
	Adjusted Budget	YearTD Actual	%
R thousands			
Revenue			
Exchange Revenue	**384,204**	**178,220**	**46.39%**
Service charges - Electricity	381,991	176,975	46.33%
Interest earned from Receivables	2,214	1,244	56.21%
Non-Exchange Revenue	**21,177**	**10,202**	48.18%
Transfers and subsidies - Operational	5,585	4,654	83.33%
Service charges - Electricity	15,593	5,549	35.58%
Total Revenue	**405,382**	**188,422**	**46.48%**
Expenditure By Type			
Employee related costs	24,268	7,819	32.22%
Bulk purchases - electricity	386,299	201,713	52.22%
Inventory consumed	8,678	3,151	36.31%
Debt impairment	11,528	–	0.00%
Depreciation and amortisation	8,909	4,269	47.92%
Contracted services	12,492	2,335	18.69%
Irrecoverable debts written off	3,064	–	0.00%
Operational costs	5,197	1,962	37.75%
Total Expenditure	**460,434**	**221,249**	**48.05%**
Surplus/(Deficit)	**(55,053)**	**(32,827)**	

1.5.1.1 Revenue

- The electricity service charges revenue reflects 46,33% of budget as at 30 November 2024, and this is in line with the projected budget ratio of 41,67% as at 30 November 2024.

1.5.1.2 Expenditure

- the bulk electricity reflects 52,22% of budget expenditure as at 30 November 2024.

1.5.1.3 Net surplus/deficit of electricity ratio

- Electricity reflects a deficit of R 32,827 million as at 30 November 2024 and the deficit amount equates to 17.42%, compared to the revenue. The adjusted budget deficit for the 2024/25 amount to R 55,053 million and equates to 13,58%, compared to total revenue.

1.5.2 Water

	Budget Year 2024/25		
	Adjusted Budget	YearTD Actual	%
R thousands			
Revenue			
Exchange Revenue	**97,860**	**50,437**	**51.54%**
Service charges - water	82,323	45,024	54.69%
Interest earned from Receivables	15,537	5,413	34.84%
Non-Exhange Revenue	**66,111**	**21,237**	**32.12%**
Transfers and subsidies - Operational	21,232	17,694	83.33%
Service charges - Water (Non-Exchange)	44,879	3,543	7.89%
Total Revenue	**163,972**	**71,674**	**43.71%**
Expenditure By Type			
Employee related costs	28,200	12,521	44.40%
Inventory consumed	51,549	20,576	39.92%
Debt impairment	5,652	–	0.00%
Depreciation and amortisation	17,074	6,658	38.99%
Contracted services	3,580	598	16.71%
Irrecoverable debts written off	1,502	–	0.00%
Operational costs	2,261	576	25.46%
Total Expenditure	**109,818**	**40,929**	**37.27%**
Surplus/(Deficit)	**54,154**	**30,745**	

1.5.2.1 Revenue

- The water service charges revenue reflects 54,69% of budget as at 30 November 2024, which is higher than anticipated due to the misallocation of water availability charges, amounting to R 9,429 million to water service charges revenue.

- **1.5.2.2 Expenditure**
- Inventory consumed includes a budget amount of R 41,931 million for the bulk water purchases and the expenditure amount of R 17,126 million (40,84% of budget).

1.5.2.3 Net surplus/deficit of water ratio

- The water reflects a surplus of R 30,745 million as at 30 November 2024 and equates to 42,90% of total revenue.

1.5.3 Wastewater Management

Description	Budget Year 2024/25		
	Adjusted Budget	YearTD Actual	%
R thousands			
Revenue			
Exchange Revenue	**69,759**	**30,156**	**43.23%**
Service charges - Waste Water Management	64,086	27,996	43.69%
Interest earned from Receivables	5,673	2,159	38.06%
Non-Exchange Revenue	**18,573**	**13,510**	**72.74%**
Transfers and subsidies - Operational	14,213	11,844	83.33%
Service charges - Waste Water Management	4,360	1,666	38.22%
Total Revenue	**88,332**	**43,666**	**49.43%**
Expenditure By Type			
Employee related costs	25,833	11,541	44.67%
Inventory consumed	15,161	2,293	15.13%
Debt impairment	2,928	–	0.00%
Depreciation and amortisation	32,226	13,375	41.50%
Contracted services	5,120	591	11.54%
Irrecoverable debts written off	778	–	0.00%
Operational costs	6,733	3,184	47.29%
Total Expenditure	**88,779**	**30,984**	**34.90%**
Surplus/(Deficit)	**(447)**	**12,681**	

1.5.3.1 Revenue

- The wastewater service charges revenue reflects 43,69% of budget as at 30 November 2024, and this is in line with the projected budget ratio of 41,67% as at 30 November 2024.

- At this stage, the municipality recognises the debt impairment at the end of the financial year, rather than monthly.

1.5.3.3 Net surplus/deficit of wastewater management ratio

- The wastewater management revenue reflects a surplus of R 12,681 million as at 30 November 2024 and equates to 29,04% of total revenue. Council approved a surplus adjusted budget of R 0,447 million for the 2024/25 financial year.

1.5.4. Waste Management

Description	Budget Year 2023/24		
	Adjusted Budget	YearTD Actual	YTD Variance
R thousands			%
Revenue			
Exchange Revenue	**79,691**	**30,559**	
Service charges - Waste	71,123	27,043	38.02%
Sale of Goods and Rendering of Services	9	–	0.00%
Interest earned from Receivables	8,560	3,516	41.07%
Non-Exchange Revenue	**25,741**	**21,409**	**83.17%**
Transfers and subsidies - Operational	25,741	21,409	83.17%
Total Revenue	**105,432**	**51,968**	**49.29%**
Expenditure By Type			
Employee related costs	38,597	17,603	45.61%
Inventory consumed	8,719	3,020	34.64%
Debt impairment	3,147	–	0.00%
Depreciation and amortisation	3,195	1,105	34.57%
Contracted services	15,390	3,100	20.14%
Irrecoverable debts written off	837	–	0.00%
Operational costs	4,114	1,317	32.02%
Total Expenditure	**73,999**	**26,145**	**35.33%**
Surplus/(Deficit)	**31,432**	**25,823**	

1.5.4.1 Revenue

- The waste service charges revenue reflects 38,02% of budget as at 30 November 2024, and this is in line with the budget ratio of 41,67% as at 30 November 2024.

- It must be noted that the waste management is the combination of waste services and environmental management services.

1.5.4.2 Expenditure

- At this stage, the municipality recognises the debt impairment at the end of the financial year, rather than monthly.

1.5.4.3 Net surplus/deficit of waste management ratio

- The waste management revenue reflects a surplus of R 25,823 million as at 30 November 2024 and equates to 49.69% of total revenue. Council approved a surplus adjusted budget of R 31,432 million for the 2024/25 financial year.

1.6 Cost Containment Measures

The main purpose of the Municipal Cost Containment Regulations, 2019 is to ensure that the resources of the municipality are used effectively, efficiently, and economically by the implementation of cost containment measures. Cost containment measures policy was approved by Council on 30 June 2023.

Description	Budget Year 2024/25			
	Adjusted Budget	YearTD Actual	YearTD Budget	YTD Variance
R Thousands				
1. Temporary Appointments, Contractual Appointments, Unemployed Graduates and Experiential Learners	16,451	4,478	6,854	(2,376)
2. Travel claims	4,745	1,086	1,977	(891)
4. Overtime	20,000	8,427	8,333	93
5. Catering Costs	1,118	167	466	(299)
6. Events, Advertising and sponsorships	5,164	1,422	2,152	(729)
7. Attendance of Conferences, Seminars & Workshops	2,254	427	939	(512)
8. Municipal Workshops, Retreats, Strategic Sessions and Internal training	668	84	278	(194)
9. Projects /Programme Launches	–	–	–	–
10. Essential User Scheme	**1,217**	**1,217**	**1,217**	**–**
Total	**51,616**	**17,308**	**22,216**	**(4,909)**

A comparison of the year-to-date actuals to the adjusted budget reflects savings, amounting to R 4,909 million as at 30 November 2024.

1.7 Unauthorised Expenditure by Directorate

Below is an assessment table for the unauthorised expenditure in terms of MFMA requirements and National Treasury MFMA Circular No. 68 guidelines.

Description	Budget Year 2024/25			Actuals as at 30 November 2024			
R thousands	Approved Adjusted Budget- Operating	Approved Adjusted Budget- Capital Budget	Appproved Adjusted Budget 2024/25	Operating Expenditure	Capital Actuals	Total Expenditure	Unathorised Expenditure
Expenditure by Vote							
Civil & Water Services	339,329	280,940	620,268	110,937	23,615	134,552	–
Community Services	387,152	1,634	388,786	91,573	209	91,782	–
Electro & Mechanical Services	470,887	73,699	544,586	226,727	24,821	251,547	–
Finance and Economic Development	142,735	755	143,490	38,781	58	38,840	–
Office of the DMM	131,573	1,413	132,986	42,538	1,129	43,667	–
Office of the MM	28,093	–	28,093	12,298	–	12,298	–
Planning and Development	35,482	20,386	55,868	10,683	5,186	15,869	–
Total Expenditure by Vote	**1,535,251**	**378,826**	**1,914,078**	**533,537**	**55,019**	**588,556**	-

Annexure "A2"

1. CAPITAL BUDGET PERFORMANCE

1.1. Summary Capital Expenditure and Funding

The capital expenditure as at 30 November 2024, constituted 14,52% of approved adjusted capital budget and the funding is broken down as follows:

- Grant funding is 17,03% of approved grant funding budget.
- Internally generated funds are 23,17% at this stage.

Capital budget by municipal vote for 2024/25.

Vote Description	Budget Year 2024/25			
	Original Budget	Adjusted Budget	YearTD Actual	%
R thousands				
Multi-Year expenditure appropriation				
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	–	–	–	0,00%
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	–	1 413	1 129	79,92%
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	–	755	58	7,73%
Vote 4 - COMMUNITY SERVICES	1 391	1 634	209	12,79%
Vote 5 - CIVIL AND WATER SERVICES	80 868	280 940	23 615	8,41%
Vote 6 - ELECTRO/MECHANICAL SERVICES	68 103	73 699	24 821	33,68%
Vote 7 - PLANNING AND DEVELOPMENT	–	20 386	5 186	25,44%
Total Capital Multi-year expenditure	**150 362**	**378 826**	**55 019**	**14,52%**

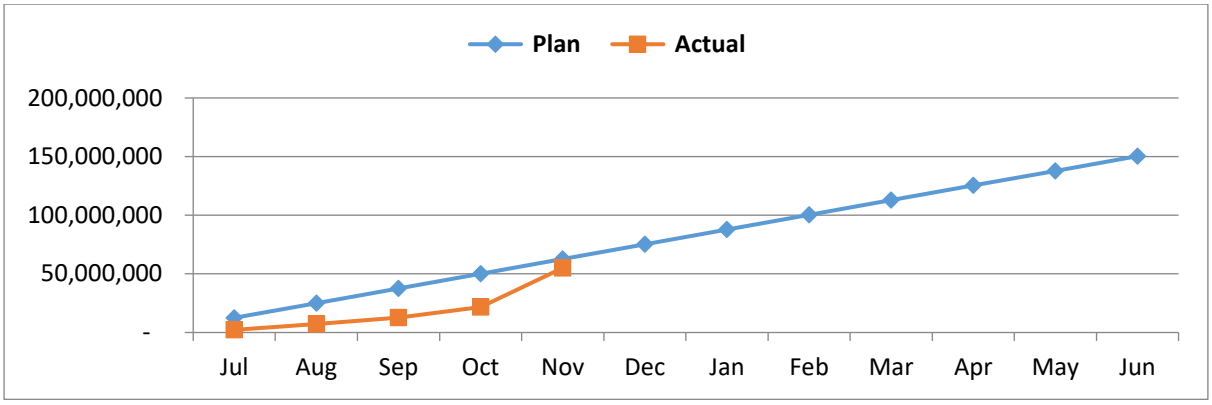
The capital expenditure as at 30 November 2024, constituted 14,52% of approved adjusted capital budget.

The capital expenditure is broken down per directorate as follows:

- Office Of the Deputy Municipal Manager is 79,92% of R 1,413 million budget.
- Finance And Economic Development is 7,73% of R 0,755 million budget.
- Community Services is 12.79% of R 1,634 million budget.
- Civil & Water Services 8,41% of R 280,940 million budget.
- Electro and Mechanical Services is 33,68% of R 73,699 million budget.
- Planning And Development is 25,44% of R 20,386 million budget.

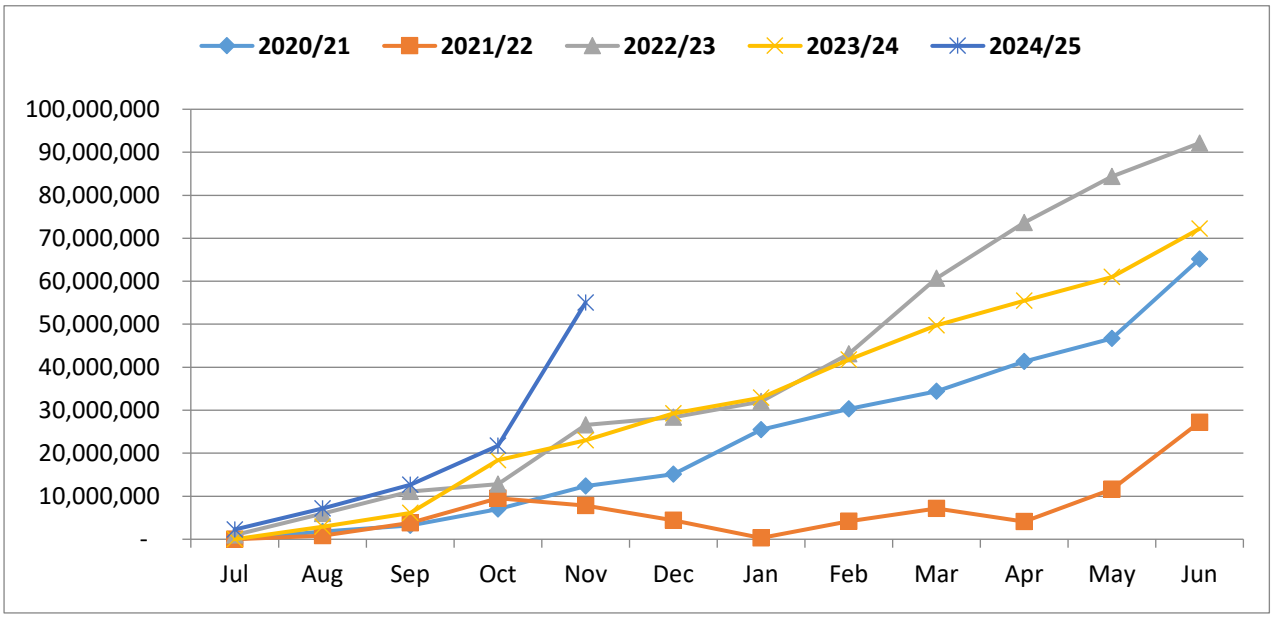
1.2. Monthly capital expenditure

The graph below reflects the municipality's monthly capital expenditure to date measured against the 2024/25 current budget.



Capital expenditure trend over the current- and past two years.

The graph below shows the municipality's capital expenditure trend for 2020/21, 2021/22, 2022/23, 2023/24 and 2024/25.



Status of capital programmes/projects in the Municipality as at 30 November 2024.

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals Total as at 30 November 2024	%
CIVIL & WATER SERVICES					
PROJECT MANAGEMENT UNIT (PMU)	Internal	PAVING OF MAIN BEACH	176,117	132,088	75.00%
PROJECT MANAGEMENT UNIT (PMU)	MIG	UPGRADE OF PHILLIPSVILLE SPORTS FIELD	500,000	244,588	48.92%
PROJECT MANAGEMENT UNIT (PMU)	Internal	UPGRADING LOERIE SPORTS FACILITIES	137,788	102,894	74.68%
PROJECT MANAGEMENT UNIT (PMU)	Internal	Upgrading/Improvement of Sport Facilities within Kouga	621,050	-	0.00%
ROADS AND STORMWATER	MIG	UPGRADING KOUGA GRAVEL ROADS	52,608	-	0.00%
ROADS AND STORMWATER	MDRG	St Francis Bay - Nevil Road Reconstruction	508,696	496,841	97.67%
ROADS AND STORMWATER	MDRG	St Francis Bay - Anne Avenue to Ralph Road Reconst	1,608,696	1,570,161	97.60%
ROADS AND STORMWATER	MDRG	Aston Bay to Paradise Beach - Seekoei Estuary Caus	6,478,261	-	0.00%
ROADS AND STORMWATER	MDRG	Paradise Beach - Botha Street Stormwater Infrastru	424,348	119,248	28.10%
ROADS AND STORMWATER	Finance Lease	ROADS INFRASTRUCTURE	173,913,043	-	0.00%
SEWERAGE	MIG	DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANV	80,500	51,300	63.73%
SEWERAGE	MIG	UPGRADING KWANOMZAMO WWTW	29,169,586	11,653,964	39.95%
SEWERAGE	MIG	DESIGN: LA MER NEW SEWER RISING MAIN	200,000	147,670	73.84%
SEWERAGE	Internal	KWANOMZAMO SEWERAGE PUMP STATION	508,609	-	0.00%
SEWERAGE	Internal	HANKEY WWTW	4,256,462	-	0.00%
SEWERAGE	Internal	LA MER NEW SEWER RISING MAIN	6,338,777	1,615,598	25.49%
SEWERAGE	DOHS	Phase 1 Upgrade of Thornhill Sewer Treatment Works	553,739	488,571	88.23%
SEWERAGE	DOHS	Kruisfontein Bulk Sewer -Link Line	1,997,391	-	0.00%
SEWERAGE	WSIG	Beach Sewer Pump Station and New Sewer Bypass	1,287,831	-	0.00%
SEWERAGE	DOHS	Kwanomzamo Bulk Sanitation -Pump Station & Rising	7,304,348	-	0.00%
SEWERAGE	DOHS	Envirosan Toilets (40 Units)	1,446,261	-	0.00%
SEWERAGE	WSIG	Loerie Sewer Pump Station upgrade and new sewer ri	150,000	5,808	3.87%
WATER	WSIG	ST FRANCIS BAY: BOREHOLES	7,592,557	1,111,924	14.64%
WATER	Internal	JILL MARCUS WATER SUPPLY	4,347,000	3,110,115	71.55%
WATER	Internal	HUMANSDORP GROUNDWATER SUPPLY	637,410	-	0.00%
WATER	DOHS	Kwanomzamo Bulk Water : New Pipeline	6,521,739	-	0.00%
WATER	DOHS	Kruisfontein Bulk Water -Gill Marcus Reservoir & P	6,782,609	-	0.00%
WATER	WSIG	RETICULATION REPLACE PIPELINES	3,478,260	-	0.00%
WATER	WSIG	Replace Ageing Water Infrastructure in St Francis	150,000	75,904	50.60%
WATER	WSIG	Replace Main Waterline Sout Rivier Bridge Crossing	100,000	64,000	64.00%
WATER	WSIG	PARADISE BEACH WATER TOWER	2,021,548	1,563,209	77.33%
WATER	WSIG	MIMOSA STREET PIPELINE REPLACEMENT	3,575,354	1,060,955	29.67%
WATER	DOHS	New Reservoir on Pnt 2 of the Farm Thornhill	5,018,940	-	0.00%
WATER	Internal	Construction of Civil Services in Donkerhoek & Humansdorp	3,000,000	-	0.00%
			280,939,528	**23,614,839**	**8.41%**

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals Total as at 30 November 2024	%
COMMUNITY SERVICES					
FIRE SERVICES	District	Fire Services - Vehicle (DISTRICT)	1,391,304	-	0.00%
LAW ENFORCEMENT	Internal	Computer Equipment	242,320	208,874	86.20%
			1,633,624	**208,874**	**12.79%**
OFFICE OF THE DMM					
INFORMATION TECHNOLOGY (ICT)	Internal	Computer Equipment	1,412,789	1,129,156	79.92%
			1,412,789	**1,129,156**	**79.92%**
FINANCE AND ECONOMIC DEVELOPMENT					
ASSET MANAGEMENT	Internal	AIR CONDITIONERS-WHOLE OF MUNICIPALITY	577,517	51,209	8.87%
Finance: SCM	Internal	Computer Equipment	55,414	7,210	13.01%
LOCAL ECONOMIC DEVELOPMENT	Internal	Township Economy Support (Agriculture)	100,000	-	0.00%
REVENUE	Internal	Computer Equipment	22,477	-	0.00%
			755,408	**58,419**	**7.73%**
PLANNING AND DEVELOPMENT					
HUMAN SETTLEMENT	Internal	HANKEY 990-PHASE 2	16,346,963	5,186,438	31.73%
HUMAN SETTLEMENT	Internal	HANKEY 990-PHASE 3	4,038,699	-	0.00%
			20,385,662	**5,186,438**	**25.44%**
ELECTO & MECHANICAL SERVICES					
FLEET AND WORKSHOP	Finance Lease	Vehicle	34,000,000	24,222,471	71.24%
METERING & REVENUE	INEP	OCEAN VIEW 1250 ELECTRIFICATION	4,251,567	-	0.00%
METERING & REVENUE	MIG	DESIGN: HIGH MAST LIGHTS	100,000	-	0.00%
METERING AND REVENUE	Internal	Electrical Oil circuit breakers replacement circuit breakers replacement with vacuum SCADA ready breakers	5,000,000	-	0.00%
METERING AND REVENUE	DOHS	Oceanview Substation Upgrade	10,434,783	236,512	2.27%
METERING AND REVENUE	DOHS	Kwanomzamo Bulk Electrical - Boskloof Secondary Fe	19,130,435	361,877	1.89%
METERING AND REVENUE	DOHS	Electricity	782,609	-	0.00%
			73,699,394	**24,820,860**	**33.68%**
		Total	**378,826,405**	**55,018,586**	**14.52%**

Annexure "A3"

1. PROJECTED CASH FLOW STATEMENT FOR THE 2024/25 FINANCIAL YEAR

1.1. Projected Cash Flow Statement as at 30 November 2024

The purpose of the cash flow statement is to compare the cash inflows (receipts) with the cash outflows (payments), so as to ascertain the adequacy of the cash inflows to cover the cash outflows.

Table C7 Monthly Budget Statement – Cash Flow – M05 November 2024

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
									%	
CASH FLOW FROM OPERATING ACTIVITIES	1									
Receipts										
Property rates		362,726	287,458	287,458	21,853	143,589	119,774	23,815	20%	287,458
Service charges		255,325	761,922	761,922	49,263	242,660	317,468	(74,808)	-24%	761,922
Other revenue		16,788	93,666	100,764	14,295	90,397	41,985	48,412	115%	100,764
Transfers and Subsidies - Operational		184,436	202,153	205,651	673	91,723	85,688	6,035	7%	205,651
Transfers and Subsidies - Capital		1,586	123,443	123,331	–	27,869	51,388	(23,519)	-46%	123,331
Interest		914,663	13,998	13,998	4,353	22,788	5,832	16,955	291%	13,998
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		771,377	(1,356,179)	(1,547,945)	(70,861)	(527,237)	(644,977)	(117,740)	18%	(113,015)
Interest		–	(16,159)	(35,182)	(395)	(4,660)	(14,659)	(9,999)	68%	(35,182)
Transfers and Subsidies		–	(400)	(400)	–	–	(167)	(167)	100%	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**2,506,902**	**109,901**	**(90,403)**	**19,181**	**87,130**	**(37,668)**	**(124,797)**	**331%**	**1,344,527**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(83,038)	(116,362)	(170,913)	(38,268)	(63,407)	(71,214)	(7,807)	11%	170,913
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(83,038)**	**(116,362)**	**(170,913)**	**(38,268)**	**(63,407)**	**(71,214)**	**(7,807)**	**11%**	**170,913**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	(22,478)	(22,478)	(1,094)	(5,359)	(9,366)	(4,007)	43%	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**(22,478)**	**(22,478)**	**(1,094)**	**(5,359)**	**(9,366)**	**(4,007)**	**43%**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**2,423,864**	**(28,938)**	**(283,794)**	**(20,181)**	**18,364**	**(118,247)**			**1,515,441**
Cash/cash equivalents at beginning:		175,550	43,665	143,659		143,659	143,659			143,659
Cash/cash equivalents at month/year end:		2,599,414	14,727	(140,135)		162,023	25,412			1,659,100

Annexure "A4"

1. MUNICIPAL MONTHLY BUDGET TABLES

1.1. MONTHLY BUDGET TABLES

The seven main budget tables, as required in terms of the Municipal Budget and Reporting Regulations, are included in this section of the report. These tables set out the Municipality's 2024/25 budget performance for the period of September 2024 and are to be noted. Each table is accompanied by explanatory notes.

Table C1 Monthly Budget Statement Summary – M05 November 2024

R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Financial Performance									
Property rates	280,203	297,076	297,076	20,105	156,035	123,782	32,253	26%	297,076
Service charges	607,369	599,522	599,522	52,720	277,039	249,801	27,238	11%	599,522
Investment revenue	12,962	13,998	13,998	907	5,723	5,832	(110)	-2%	13,998
Transfers and subsidies - Operational	198,630	202,153	205,651	197	83,794	85,688	(1,894)	-2%	205,651
Other own revenue	110,770	279,872	279,872	6,479	37,421	116,613	(79,192)	-68%	279,872
Total Revenue (excluding capital transfers and	**1,209,934**	**1,392,621**	**1,396,119**	**80,407**	**560,012**	**581,716**	**(21,705)**	**-4%**	**1,396,119**
Employee costs	398,878	471,743	481,056	47,152	170,500	200,440	(29,940)	-15%	481,056
Remuneration of Councillors	14,976	15,594	15,594	1,772	6,603	6,498	105	2%	15,594
Depreciation and amortisation	102,539	117,798	117,798	9,817	49,083	49,084	(1)	-0%	117,798
Interest	10,038	17,404	36,254	395	2,014	15,106	(13,091)	-87%	36,254
Inventory consumed and bulk purchases	454,301	495,318	494,011	40,217	237,133	205,837	31,295	15%	494,011
Transfers and subsidies	920	400	400	–	–	167	(167)	-100%	400
Other expenditure	327,630	387,217	390,139	13,710	68,205	162,520	(94,316)	-58%	390,139
Total Expenditure	**1,309,281**	**1,505,474**	**1,535,251**	**113,062**	**533,537**	**639,651**	**(106,114)**	**-17%**	**1,535,251**
Surplus/(Deficit)	**(99,347)**	**(112,853)**	**(139,132)**	**(32,655)**	**26,474**	**(57,935)**	**84,409**	**-146%**	**(139,132)**
Transfers and subsidies - capital (monetary allocations)	85,140	133,816	161,944	11,400	26,797	67,477	(40,679)	-60%	161,944
Transfers and subsidies - capital (in-kind)	18,000	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**3,792**	**20,963**	**22,812**	**(21,256)**	**53,272**	**9,541**	**43,730**	**458%**	**22,812**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**3,792**	**20,963**	**22,812**	**(21,256)**	**53,272**	**9,541**	**43,730**	**458%**	**22,812**
Capital expenditure & funds sources									
Capital expenditure	**92,915**	**150,362**	**378,826**	**33,276**	**55,019**	**157,844**	**(102,826)**	**-65%**	**378,826**
Capital transfers recognised	3,157	116,362	143,480	5,535	24,439	59,783	(35,344)	-59%	143,480
Borrowing	–	34,000	207,913	24,222	24,222	86,630	(62,408)	-72%	207,913
Internally generated funds	89,757	–	27,434	3,519	6,357	11,431	(5,074)	-44%	27,434
Total sources of capital funds	**92,915**	**150,362**	**378,826**	**33,276**	**55,019**	**157,844**	**(102,826)**	**-65%**	**378,826**
Financial position									
Total current assets	266,448	213,837	229,407		358,609				229,407
Total non current assets	2,312,828	2,369,948	2,598,413		2,318,764				2,598,413
Total current liabilities	293,952	225,392	237,467		320,996				237,467
Total non current liabilities	243,291	270,953	424,224		265,088				424,224
Community wealth/Equity	**2,042,032**	**2,087,440**	**2,166,129**		**2,091,289**				**2,166,129**
Cash flows									
Net cash from (used) operating	2,506,902	109,901	(90,403)	183,121	927,020	(37,668)	(964,688)	2561%	1,344,527
Net cash from (used) investing	(83,038)	(116,362)	(170,913)	(6,346)	(28,891)	71,214	100,104	141%	170,913
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**2,599,414**	**37,204**	**(117,657)**	**–**	**1,195,441**	**177,205**	**(1,018,236)**	**-575%**	**1,812,752**
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	59,560	16,200	26,581	13,978	10,431	8,530	48,365	321,987	505,632
Creditors Age Analysis									
Total Creditors	53,868	229	(43)	29	23	20	468	(1,153)	53,442

Explanatory notes to Table C1 – Monthly Budget Summary

The aim of the Budget Summary is to provide a concise overview of the actual budget performance from all of the major financial perspective (operating expenditure, capital expenditure, financial position, cash flow, and MFMA funding compliance).

The table provides an overview of the actual amounts spent compared to the monthly budget projections within the context of operating performance, resources utilised for capital expenditure, financial position, cash and funding compliance.

Table C2 Monthly Budget Statement – Financial Performance (standard classification) – M05 November 2024

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
									%	
Revenue - Functional										
Governance and administration		**489,309**	**590,750**	**590,750**	**27,323**	**218,503**	**246,146**	(27,642)	-11%	**590,750**
Executive and council		46	142	142	–	53	59	(6)	-11%	142
Finance and administration		489,263	590,608	590,608	27,323	218,451	246,087	(27,636)	-11%	590,608
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**51,001**	**87,286**	**111,120**	**4,347**	**12,906**	**46,300**	(33,394)	-72%	**111,120**
Community and social services		2,415	2,460	2,460	27	3,112	1,025	2,088	204%	2,460
Sport and recreation		7,682	11,504	11,504	820	4,587	4,793	(207)	-4%	11,504
Public safety		1,792	1,857	1,857	1	10	774	(764)	-99%	1,857
Housing		35,790	68,969	92,803	3,467	5,964	38,668	(32,703)	-85%	92,803
Health		3,322	2,496	2,496	32	(768)	1,040	(1,808)	-174%	2,496
Economic and environmental services		**48,168**	**56,136**	**56,186**	**2,976**	**18,124**	**23,411**	(5,287)	-23%	**56,186**
Planning and development		8,375	10,252	10,252	801	3,332	4,271	(940)	-22%	10,252
Road transport		16,518	19,972	19,972	956	3,931	8,322	(4,391)	-53%	19,972
Environmental protection		23,276	25,912	25,962	1,218	10,861	10,817	44	0%	25,962
Trading services		**724,595**	**792,266**	**800,008**	**57,161**	**337,276**	**333,337**	3,939	1%	**800,008**
Energy sources		398,034	409,585	410,271	33,341	188,352	170,946	17,406	10%	410,271
Water management		156,102	177,913	185,080	14,438	76,783	77,117	(334)	0%	185,080
Waste water management		106,410	123,062	122,950	4,509	29,990	51,229	(21,240)	-41%	122,950
Waste management		64,049	81,707	81,707	4,872	42,152	34,044	8,107	24%	81,707
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1,313,073**	**1,526,437**	**1,558,063**	**91,807**	**586,809**	**649,193**	**(62,384)**	**-10%**	**1,558,063**
Expenditure - Functional										
Governance and administration		**328,779**	**362,481**	**362,471**	**27,899**	**118,748**	**150,993**	(32,245)	-21%	**362,471**
Executive and council		57,143	61,996	60,887	7,078	24,035	25,369	(1,334)	-5%	60,887
Finance and administration		271,580	299,963	301,062	20,812	94,671	125,406	(30,735)	-25%	301,062
Internal audit		57	523	523	9	42	218	(176)	-81%	523
Community and public safety		**104,281**	**140,104**	**140,984**	**12,849**	**44,636**	**58,744**	(14,108)	-24%	**140,984**
Community and social services		9,188	13,952	13,952	1,185	4,154	5,813	(1,659)	-29%	13,952
Sport and recreation		52,608	75,205	75,205	6,732	21,740	31,336	(9,595)	-31%	75,205
Public safety		28,701	33,254	33,254	3,394	12,831	13,856	(1,024)	-7%	33,254
Housing		5,817	9,703	10,583	638	2,654	4,410	(1,755)	-40%	10,583
Health		7,968	7,991	7,991	900	3,255	3,329	(74)	-2%	7,991
Economic and environmental services		**126,118**	**288,532**	**310,962**	**13,069**	**54,047**	**129,567**	(75,520)	-58%	**310,962**
Planning and development		27,163	32,149	34,424	2,515	10,172	14,343	(4,171)	-29%	34,424
Road transport		86,718	246,274	266,719	9,904	41,736	111,133	(69,397)	-62%	266,719
Environmental protection		12,237	10,109	9,819	650	2,139	4,091	(1,952)	-48%	9,819
Trading services		**743,328**	**714,357**	**720,833**	**59,245**	**316,103**	**300,347**	15,756	5%	**720,833**
Energy sources		426,149	453,172	457,682	34,892	220,166	190,701	29,465	15%	457,682
Water management		161,924	108,542	109,818	12,344	40,929	45,757	(4,828)	-11%	109,818
Waste water management		103,926	88,779	88,779	6,411	30,984	36,991	(6,007)	-16%	88,779
Waste management		51,329	63,864	64,554	5,598	24,024	26,898	(2,874)	-11%	64,554
Other		**6,775**	–	–	–	**3**	–	**3**		–
Total Expenditure - Functional	3	**1,309,281**	**1,505,474**	**1,535,251**	**113,062**	**533,537**	**639,651**	**(106,114)**	**-17%**	**1,535,251**
Surplus/ (Deficit) for the year		**3,792**	**20,963**	**22,812**	**(21,256)**	**53,272**	**9,541**	**43,730**	**458%**	**22,812**

Explanatory notes to Table C2 – Budgeted Financial Performance (revenue and expenditure by standard classification)

The standard classification refers to a modified Government Finance Statistics (GFS) reporting structure. The aim of the standard classification approach is to ensure that all municipalities report their operations in one common format, to facilitate comparison across all municipalities.

Table C3 Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote – M05 November 2024

Vote Description	Budget Year 2024/25							
	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands							%	
Revenue by Vote								
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	–	–	–	–	–	–		–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	1,115	1,115	82	1,082	464	617	132.9%	1,115
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	446,890	446,890	21,739	189,755	186,204	3,551	1.9%	446,890
Vote 4 - COMMUNITY SERVICES	276,782	276,832	7,120	61,097	115,347	(54,249)	-47.0%	276,832
Vote 5 - CIVIL AND WATER SERVICES	314,671	321,726	25,421	137,947	134,053	3,895	2.9%	321,726
Vote 6 - ELECTRO/MECHANICAL SERVICES	409,586	410,273	33,349	188,497	170,947	17,550	10.3%	410,273
Vote 7 - PLANNING AND DEVELOPMENT	77,392	101,227	4,095	8,430	42,178	(33,748)	-80.0%	101,227
Total Revenue by Vote	**1,526,437**	**1,558,063**	**91,807**	**586,809**	**649,193**	**(62,384)**	**-9.6%**	**1,558,063**
Expenditure by Vote								
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	31,456	30,696	4,089	12,923	12,790	133	1.0%	30,696
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	128,955	128,955	9,968	41,904	53,695	(11,792)	-22.0%	128,955
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	141,869	142,158	8,496	38,737	59,232	(20,495)	-34.6%	142,158
Vote 4 - COMMUNITY SERVICES	386,594	387,136	23,551	91,573	161,307	(69,734)	-43.2%	387,136
Vote 5 - CIVIL AND WATER SERVICES	316,288	339,329	27,688	110,937	141,387	(30,450)	-21.5%	339,329
Vote 6 - ELECTRO/MECHANICAL SERVICES	466,160	470,989	36,497	226,727	196,245	30,481	15.5%	470,989
Vote 7 - PLANNING AND DEVELOPMENT	34,152	35,989	2,774	10,737	14,995	(4,259)	-28.4%	35,989
Total Expenditure by Vote	**1,505,474**	**1,535,251**	**113,062**	**533,537**	**639,651**	**(106,114)**	**-16.6%**	**1,535,251**
Surplus/ (Deficit) for the year	**20,963**	**22,812**	**(21,256)**	**53,272**	**9,541**	**43,730**	**458.3%**	**22,812**

Explanatory notes to Table C3 – Budgeted Financial Performance (revenue and expenditure by municipal vote)

The purpose of the format in which the monthly budget reporting table is represented, is to enable the Council to enforce a vote in accordance with the municipality's organisational structure, so as to assign responsibility for the revenue and expenditure recorded against these votes to the Municipal Manager and Directors concerned.

Operating revenue and expenditure are thus presented by "vote". A "vote" is defined as one of the main segments into which a budget of a municipality is divided into, for the appropriation of funds.

Table C4 Monthly Budget Statement – Financial Performance (revenue and expenditure) – M05 November 2024

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
									%	
Revenue										
Exchange Revenue		670,815	667,935	667,935	57,438	301,689	278,306	23,382	8%	667,935
Service charges - Electricity		380,376	381,991	381,991	32,451	176,975	159,163	17,813	11%	381,991
Service charges - Water		109,873	82,323	82,323	9,387	45,024	34,301	10,723	31%	82,323
Service charges - Waste Water Management		59,633	64,086	64,086	5,700	27,996	26,702	1,294	5%	64,086
Service charges - Waste management		57,488	71,123	71,123	5,182	27,043	29,634	(2,591)	-9%	71,123
Sale of Goods and Rendering of Services		7,442	9,533	9,533	624	2,540	3,972	(1,432)	-36%	9,533
Agency services		3,615	4,554	4,554	–	–	1,898	(1,898)	-100%	4,554
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		21,854	32,335	32,335	2,694	12,482	13,473	(990)	-7%	32,335
Interest earned from Current and Non Current Assets		12,962	13,998	13,998	907	5,723	5,832	(110)	-2%	13,998
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		3,550	3,187	3,187	303	1,386	1,328	58	4%	3,187
Licence and permits		2,368	2,851	2,851	151	911	1,188	(277)	-23%	2,851
Operational Revenue		11,654	1,955	1,955	40	1,607	815	792	97%	1,955
Non-Exchange Revenue		539,119	724,686	728,184	22,969	258,323	303,410	(45,087)	-15%	728,184
Property rates		280,203	297,076	297,076	20,105	156,035	123,782	32,253	26%	297,076
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		40,084	143,343	143,343	40	282	59,726	(59,445)	-100%	143,343
Licence and permits		7,421	11,772	11,772	788	4,796	4,905	(109)	-2%	11,772
Transfer and subsidies - Operational		198,630	202,153	205,651	197	83,794	85,688	(1,894)	-2%	205,651
Interest		5,519	5,510	5,510	618	2,659	2,296	363	16%	5,510
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	64,831	64,831	1,222	10,758	27,013	(16,256)	-60%	64,831
Gains on disposal of Assets		(56)	–	–	–	–	–	–		–
Other Gains		7,318	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and		**1,209,934**	**1,392,621**	**1,396,119**	**80,407**	**560,012**	**581,716**	**(21,705)**	**-4%**	**1,396,119**
Expenditure By Type										
Employee related costs		398,878	471,743	481,056	47,152	170,500	200,440	(29,940)	-15%	481,056
Remuneration of councillors		14,976	15,594	15,594	1,772	6,603	6,498	105	2%	15,594
Bulk purchases - electricity		351,702	386,299	386,299	30,703	201,713	160,958	40,755	25%	386,299
Inventory consumed		102,599	109,019	107,712	9,514	35,420	44,880	(9,460)	-21%	107,712
Debt impairment		87,369	158,246	158,246	–	–	65,936	(65,936)	-100%	158,246
Depreciation and amortisation		102,539	117,798	117,798	9,817	49,083	49,084	(1)	0%	117,798
Interest		10,038	17,404	36,254	395	2,014	15,106	(13,091)	-87%	36,254
Contracted services		93,766	125,372	127,158	6,330	31,825	52,982	(21,157)	-40%	127,158
Transfers and subsidies		920	400	400	–	–	167	(167)	-100%	400
Irrecoverable debts written off		62,860	9,359	9,359	–	–	3,899	(3,899)	-100%	9,359
Operational costs		81,923	94,240	95,376	7,381	36,380	39,703	(3,323)	-8%	95,376
Losses on Disposal of Assets		1,713	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**1,309,281**	**1,505,474**	**1,535,251**	**113,062**	**533,537**	**639,651**	**(106,114)**	**-17%**	**1,535,251**
Surplus/(Deficit)		**(99,347)**	**(112,853)**	**(139,132)**	**(32,655)**	**26,474**	**(57,935)**	**84,409**	**(0)**	**(139,132)**
Transfers and subsidies - capital (monetary allocations)		85,140	133,816	161,944	11,400	26,797	67,477	(40,679)	**(0)**	161,944
Transfers and subsidies - capital (in-kind)		18,000	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**3,792**	**20,963**	**22,812**	**(21,256)**	**53,272**	**9,541**			**22,812**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**3,792**	**20,963**	**22,812**	**(21,256)**	**53,272**	**9,541**			**22,812**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**3,792**	**20,963**	**22,812**	**(21,256)**	**53,272**	**9,541**			**22,812**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**3,792**	**20,963**	**22,812**	**(21,256)**	**53,272**	**9,541**			**22,812**

Explanatory notes to Table C4 – Budgeted Financial Performance (revenue and expenditure)

The Financial Performance Budget is required to be approved concurrently by revenue source and expenditure type, so as to ensure consistency with annual reporting format requirements. A key aim is to facilitate comparison between the monthly results, the monthly budget-to-date projections and the original budget, so as to assess performance.

Table C5 Monthly Budget Statement – Capital Expenditure (municipal vote, standard classification and funding) – M05 November 2024

Vote Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands								%	
Multi-Year expenditure appropriation									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	71	–	–	–	–	–	–		–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	1,129	–	1,413	1,129	1,129	589	540	92%	1,413
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	810	–	755	20	58	315	(256)	-81%	755
Vote 4 - COMMUNITY SERVICES	3,914	1,391	1,634	–	209	681	(472)	-69%	1,634
Vote 5 - CIVIL AND WATER SERVICES	50,070	80,868	280,940	7,437	23,615	117,058	(93,443)	-80%	280,940
Vote 6 - ELECTRO/MECHANICAL SERVICES	167	68,103	73,699	24,222	24,821	30,708	(5,887)	-19%	73,699
Vote 7 - PLANNING AND DEVELOPMENT	(23)	–	20,386	468	5,186	8,494	(3,308)	-39%	20,386
Total Capital Multi-year expenditure	**56,138**	**150,362**	**378,826**	**33,276**	**55,019**	**157,844**	**(102,826)**	**-65%**	**378,826**
Total Capital Expenditure	**92,915**	**150,362**	**378,826**	**33,276**	**55,019**	**157,844**	**(102,826)**	**-65%**	**378,826**
Capital Expenditure - Functional Classification									
Governance and administration	**2,644**	**34,000**	**36,311**	**25,371**	**25,619**	**15,129**	10,490	69%	**36,311**
Executive and council	336	–	–	–	–	–	–		–
Finance and administration	2,270	34,000	36,311	25,371	25,619	15,129	10,490	69%	36,311
Internal audit	39	–	–	–	–	–	–		–
Community and public safety	**9,879**	**1,391**	**21,777**	**468**	**5,186**	**9,074**	(3,887)	-43%	**21,777**
Community and social services	6,562	–	–	–	–	–	–		–
Sport and recreation	506	–	–	–	–	–	–		–
Public safety	2,810	1,391	1,391	–	–	580	(580)	-100%	1,391
Housing	–	–	20,386	468	5,186	8,494	(3,308)	-39%	20,386
Health	–	–	–	–	–	–	–		–
Economic and environmental services	**29,125**	**9,670**	**184,521**	**728**	**2,666**	**76,884**	(74,218)	-97%	**184,521**
Planning and development	14	500	1,535	–	480	640	(160)	-25%	1,535
Road transport	28,869	9,170	182,986	728	2,186	76,244	(74,058)	-97%	182,986
Environmental protection	242	–	–	–	–	–	–		–
Trading services	**51,267**	**105,300**	**136,218**	**6,709**	**21,547**	**56,758**	(35,210)	-62%	**136,218**
Energy sources	5,703	34,103	39,699	–	598	16,541	(15,943)	-96%	39,699
Water management	21,197	29,008	43,225	3,035	6,986	18,011	(11,024)	-61%	43,225
Waste water management	22,809	42,190	53,294	3,674	13,963	22,206	(8,243)	-37%	53,294
Waste management	1,557	–	–	–	–	–	–		–
Other	–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	**92,915**	**150,362**	**378,826**	**33,276**	**55,019**	**157,844**	**(102,826)**	**-65%**	**378,826**
Funded by:									
National Government	347	54,997	61,730	6,948	18,166	25,721	(7,555)	-29%	61,730
Provincial Government	–	59,973	80,359	(1,413)	6,273	33,483	(27,209)	-81%	80,359
District Municipality	2,810	1,391	1,391	–	–	580	(580)	-100%	1,391
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	–	–	–	–	–	–	–		–
Transfers recognised - capital	**3,157**	**116,362**	**143,480**	**5,535**	**24,439**	**59,783**	**(35,344)**	**-59%**	**143,480**
Borrowing	–	34,000	207,913	24,222	24,222	86,630	(62,408)	-72%	207,913
Internally generated funds	89,757	–	27,434	3,519	6,357	11,431	(5,074)	-44%	27,434
Total Capital Funding	**92,915**	**150,362**	**378,826**	**33,276**	**55,019**	**157,844**	**(102,826)**	**-65%**	**378,826**

Explanatory notes to Table C5 – Budgeted Capital Expenditure by vote, standard classification and funding

Table C5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and the funding necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

Table C6 Monthly Budget Statement – Financial Position – M05 November 2024

EC108 Kouga - Table C6 Monthly Budget Statement - Financial Position -						
Description	Ref	2023/24	Budget Year 2024/25			
R thousands		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
ASSETS	1					
Current assets						
Cash and cash equivalents		143,659	43,640	58,060	162,023	58,060
Trade and other receivables from exchange transactions		58,750	77,030	77,030	106,553	77,030
Receivables from non-exchange transactions		26,651	29,014	29,014	28,879	29,014
Current portion of non-current receivables		–	–	–	–	–
Inventory		22,450	18,598	19,748	22,167	19,748
VAT		12,790	45,445	45,445	55,757	45,445
Other current assets		2,149	109	109	2,150	109
Total current assets		**266,448**	**213,837**	**229,407**	**377,529**	**229,407**
Non current assets						
Investments		–	–	–	–	–
Investment property		250,794	262,608	262,608	250,794	262,608
Property, plant and equipment		2,061,616	2,106,737	2,335,202	2,067,796	2,335,202
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		419	603	603	174	603
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		**2,312,828**	**2,369,948**	**2,598,413**	**2,318,764**	**2,598,413**
TOTAL ASSETS		**2,579,276**	**2,583,785**	**2,827,820**	**2,696,293**	**2,827,820**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		11,144	23,564	34,488	5,785	34,488
Consumer deposits		31,660	29,060	29,060	33,342	29,060
Trade and other payables from exchange transactions		143,222	124,413	125,563	116,184	125,563
Trade and other payables from non-exchange transactions		38,791	–	–	46,609	–
Provision		54,427	48,355	48,355	54,427	48,355
VAT		14,707	(0)	(0)	64,650	(0)
Other current liabilities		–	–	–	–	–
Total current liabilities		**293,952**	**225,392**	**237,467**	**320,996**	**237,467**
Non current liabilities						
Financial liabilities		12,231	11,333	164,604	34,028	164,604
Provision		133,995	140,468	140,468	133,995	140,468
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		97,065	119,151	119,151	97,065	119,151
Total non current liabilities		**243,291**	**270,953**	**424,224**	**265,088**	**424,224**
TOTAL LIABILITIES		**537,243**	**496,345**	**661,690**	**586,084**	**661,690**
NET ASSETS	2	**2,042,032**	**2,087,440**	**2,166,129**	**2,110,208**	**2,166,129**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		2,036,273	2,087,440	2,166,129	2,104,449	2,166,129
Reserves and funds		5,759	–	–	5,759	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**2,042,032**	**2,087,440**	**2,166,129**	**2,110,208**	**2,166,129**

Explanatory notes to Table C6 – Budgeted Financial Position

i. The table represents Assets less Liabilities as Community Wealth. The order of items within each group is also aligned to the convention of showing items in order of liquidity, i.e. assets readily converted to cash or liabilities immediately required to be met from cash appear first.

ii. Any movement on the Budgeted Financial Performance or the Capital Budget will invariably impact on the Budgeted Financial Position.
For example, the collection rate assumption will impact on the cash position of the municipality and consequently inform the level of cash and cash equivalents at year end.

Similarly, the collection rate assumption informs the budget provision for bad debts. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as compliance assessment is directly informed by forecasting the statement of financial position.

Table C7 Monthly Budget Statement – Cash Flow – M05 November 2024

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES	1								%	
Receipts										
Property rates		362,726	287,458	287,458	21,853	143,589	119,774	23,815	20%	287,458
Service charges		255,325	761,922	761,922	49,263	242,660	317,468	(74,808)	-24%	761,922
Other revenue		16,788	93,666	100,764	14,295	90,397	41,985	48,412	115%	100,764
Transfers and Subsidies - Operational		184,436	202,153	205,651	673	91,723	85,688	6,035	7%	205,651
Transfers and Subsidies - Capital		1,586	123,443	123,331	–	27,869	51,388	(23,519)	-46%	123,331
Interest		914,663	13,998	13,998	4,353	22,788	5,832	16,955	291%	13,998
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		771,377	(1,356,179)	(1,547,945)	(70,861)	(527,237)	(644,977)	(117,740)	18%	(113,015)
Interest		–	(16,159)	(35,182)	(395)	(4,660)	(14,659)	(9,999)	68%	(35,182)
Transfers and Subsidies		–	(400)	(400)	–	–	(167)	(167)	100%	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**2,506,902**	**109,901**	**(90,403)**	**19,181**	**87,130**	**(37,668)**	**(124,797)**	**331%**	**1,344,527**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(83,038)	(116,362)	(170,913)	(38,268)	(63,407)	(71,214)	(7,807)	11%	170,913
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(83,038)**	**(116,362)**	**(170,913)**	**(38,268)**	**(63,407)**	**(71,214)**	**(7,807)**	**11%**	**170,913**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	(22,478)	(22,478)	(1,094)	(5,359)	(9,366)	(4,007)	43%	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**-**	**(22,478)**	**(22,478)**	**(1,094)**	**(5,359)**	**(9,366)**	**(4,007)**	**43%**	**-**
NET INCREASE/ (DECREASE) IN CASH HELD		**2,423,864**	**(28,938)**	**(283,794)**	**(20,181)**	**18,364**	**(118,247)**			**1,515,441**
Cash/cash equivalents at beginning:		175,550	43,665	143,659		143,659	143,659			143,659
Cash/cash equivalents at month/year end:		2,599,414	14,727	(140,135)		162,023	25,412			1,659,100

Explanatory notes to Table C7 – Budgeted Cash Flow Statement

i. The budgeted cash flow statement represents the first measurement in determining whether the budget is funded.

ii. It reflects the expected cash inflows versus outflows that are likely to result from the implementation of the budget.

Annexure "A5"

1. ANALYSIS OF THE MUNICIPALITY'S STATEMENT OF FINANCIAL POSITION

In this section the Municipality's Debtors, Creditors and Investments will be analysed. These components have a significant impact on the Municipality's financial position.

1.1. Overview of outstanding Consumer Debtors (Inclusive of VAT)

Below is an analysis of the outstanding consumer debtors as at 30 November 2024, compared to the position as at 30 June 2024.

Debtors' Age Analysis (Inclusive of VAT) as at 30 November 2024

Description	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
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	19,654	5,945	5,656	5,600	3,722	2,927	17,359	96,893	157,756
Trade and Other Receivables from Exchange Transactions - Electricity	32,092	3,136	3,221	1,641	1,213	1,063	4,307	13,430	60,104
Receivables from Non-exchange Transactions - Property Rates	20,225	2,745	13,134	1,904	1,594	1,436	8,197	30,290	79,524
Receivables from Exchange Transactions - Waste Water Management	9,117	2,106	2,178	1,755	1,262	1,128	6,134	35,325	59,005
Receivables from Exchange Transactions - Waste Management	6,491	1,542	1,405	1,358	1,432	1,144	6,538	49,203	69,113
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	811	318	581	505	651	504	4,013	78,195	85,579
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(28,829)	409	405	1,214	557	327	1,817	18,651	(5,449)
Total By Income Source	**59,560**	**16,200**	**26,581**	**13,978**	**10,431**	**8,530**	**48,365**	**321,987**	**505,632**
Debtors Age Analysis By Customer Group									
Organs of State	1,594	733	3,266	389	250	235	2,525	5,529	14,521
Commercial	10,772	716	861	386	320	296	1,339	7,467	22,157
Households	47,191	14,751	22,453	13,202	9,859	7,998	44,496	308,983	468,932
Other	4	1	1	1	1	1	5	8	21
Total By Customer Group	**59,560**	**16,200**	**26,581**	**13,978**	**10,431**	**8,530**	**48,365**	**321,987**	**505,632**

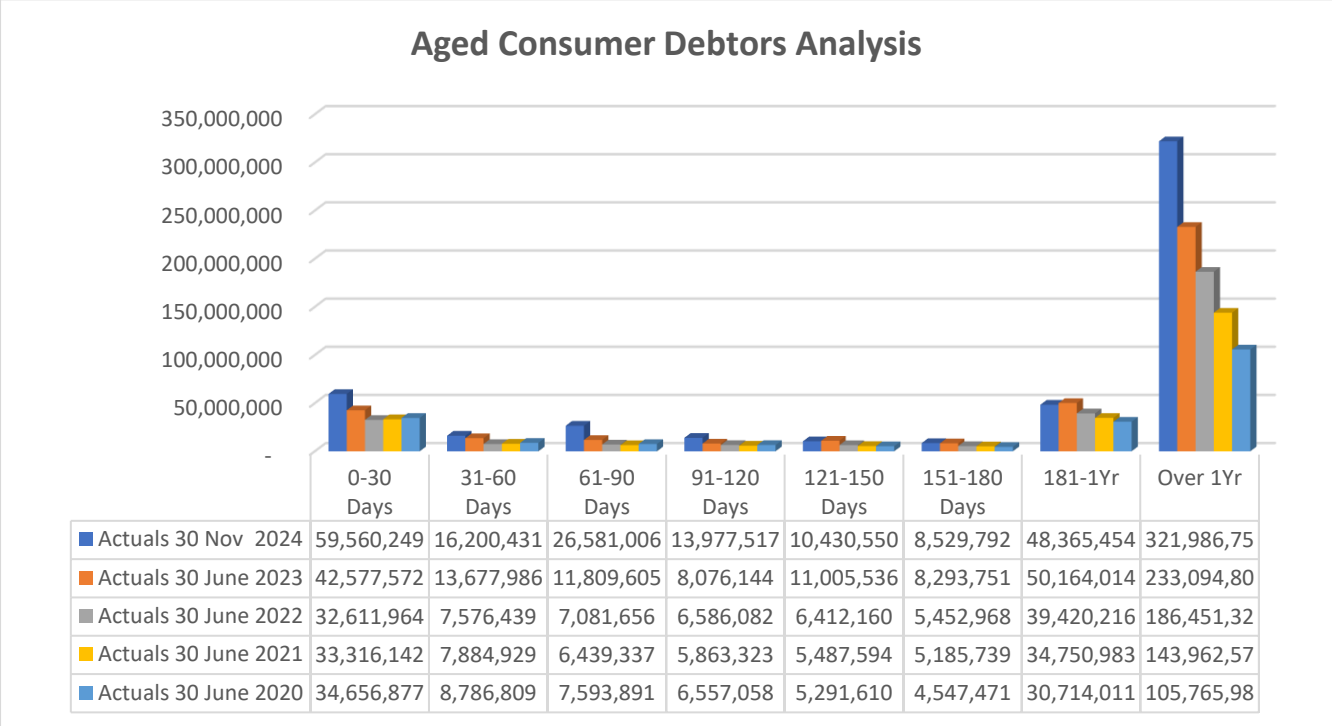
Debtors' Age Analysis (Inclusive of VAT) as at 30 June 2024

Description	Budget Year 2023/24								
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
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	16,926	4,991	3,560	2,947	2,757	3,342	23,674	81,485	139,681
Trade and Other Receivables from Exchange Transactions - Electricity	30,100	2,656	1,822	1,523	1,227	1,205	3,967	12,087	54,588
Receivables from Non-exchange Transactions - Property Rates	20,688	2,926	2,041	1,917	1,656	1,607	12,274	25,329	68,439
Receivables from Exchange Transactions - Waste Water Management	8,472	1,630	1,289	1,139	1,069	1,426	5,337	31,828	52,190
Receivables from Exchange Transactions - Waste Management	6,656	1,404	1,250	1,181	1,129	1,384	5,914	45,009	63,925
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1,047	293	312	353	395	688	4,539	65,856	73,483
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(30,180)	448	401	356	365	371	2,128	17,423	(8,688)
Total By Income Source	**53,707**	**14,348**	**10,675**	**9,416**	**8,597**	**10,023**	**57,833**	**279,018**	**443,618**
Debtors Age Analysis By Customer Group									
Organs of State	1,405	559	416	572	440	360	2,688	4,873	11,312
Commercial	7,621	589	366	362	305	260	1,475	6,618	17,596
Households	44,677	13,199	9,892	8,482	7,852	9,403	53,664	267,524	414,692
Other	4	1	1	1	1	1	6	4	18
Total By Customer Group	**53,707**	**14,348**	**10,675**	**9,416**	**8,597**	**10,023**	**57,833**	**279,018**	**443,618**

The analysis indicates that from 30 June 2024 to 30 November 2024, the overdue debts have increased by R 56,161million from R 389,910 million to R 446,072million, as follows:

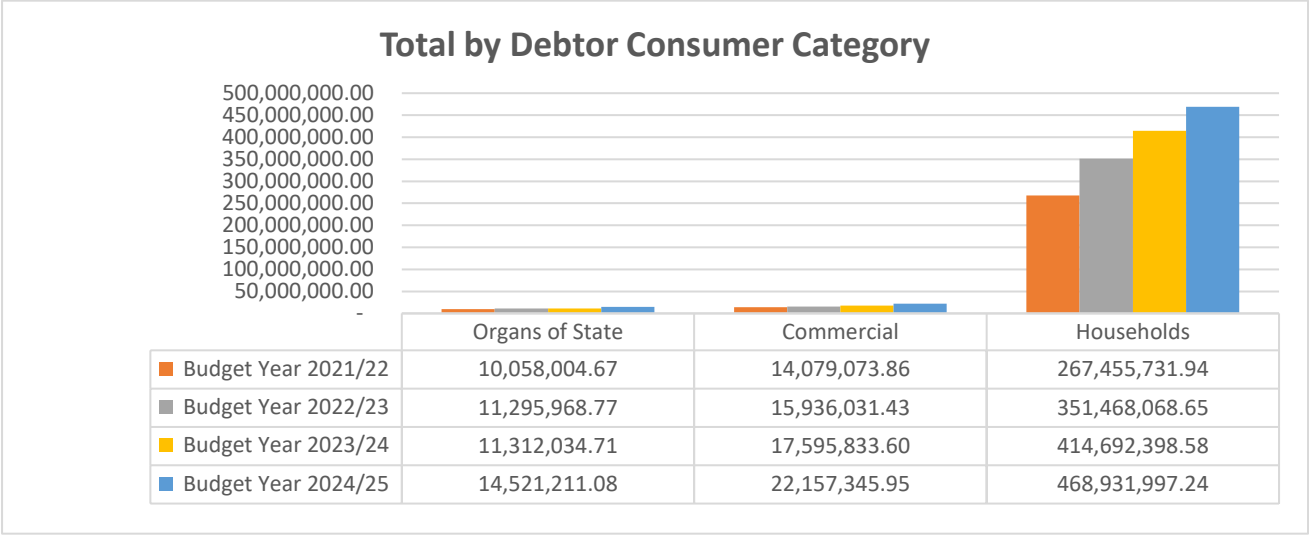
R thousands	OVERDUE AMOUNTS AS AT		
Debtors Age Analysis By Income Source	**30-Jun-24**	**30-Nov-24**	**DIFFERENCE**
Trade and Other Receivables from Exchange Transactions - Water	122,756	138,102	15,347
Trade and Other Receivables from Exchange Transactions - Electricity	24,488	28,012	3,525
Receivables from Non-exchange Transactions - Property Rates	47,751	59,299	11,548
Receivables from Exchange Transactions - Waste Water Management	43,719	49,888	6,169
Receivables from Exchange Transactions - Waste Management	57,269	62,622	5,353
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–
Interest on Arrear Debtor Accounts	72,437	84,768	12,331
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–
Other	21,492	23,380	1,888
Total By Income Source	**389,910**	**446,072**	**56,161**
Debtors Age Analysis By Customer Group			
Organs of State	9,907	12,927	3,020
Commercial	9,975	11,386	1,411
Households	370,015	421,741	51,725
Other	14	18	4
Total By Customer Group	**389,910**	**446,072**	**56,161**

Graphical Analysis of consumer debtors



	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181-1Yr	Over 1Yr
Actuals 30 Nov 2024	59,560,249	16,200,431	26,581,006	13,977,517	10,430,550	8,529,792	48,365,454	321,986,75
Actuals 30 June 2023	42,577,572	13,677,986	11,809,605	8,076,144	11,005,536	8,293,751	50,164,014	233,094,80
Actuals 30 June 2022	32,611,964	7,576,439	7,081,656	6,586,082	6,412,160	5,452,968	39,420,216	186,451,32
Actuals 30 June 2021	33,316,142	7,884,929	6,439,337	5,863,323	5,487,594	5,185,739	34,750,983	143,962,57
Actuals 30 June 2020	34,656,877	8,786,809	7,593,891	6,557,058	5,291,610	4,547,471	30,714,011	105,765,98

Graphical Analysis of consumer debtors (total by Debtor Consumer Category)



	Organs of State	Commercial	Households
Budget Year 2021/22	10,058,004.67	14,079,073.86	267,455,731.94
Budget Year 2022/23	11,295,968.77	15,936,031.43	351,468,068.65
Budget Year 2023/24	11,312,034.71	17,595,833.60	414,692,398.58
Budget Year 2024/25	14,521,211.08	22,157,345.95	468,931,997.24

1.2 Overview of Creditors position

Below is an analysis of the status of the major creditors.

Description	Budget Year 2024/25								
R thousands	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	35,055	–	–	7	6	7	37	(186)	**34,926**
Bulk Water	6,702	16	(43)	22	17	14	74	(1,063)	**5,738**
PAYE deductions	5,921								**5,921**
VAT (output less input)									**–**
Pensions / Retirement deductions									**–**
Loan repayments									**–**
Trade Creditors	6,190	213	–	–	–	0	358	96	**6,857**
Auditor General									**–**
Other									**–**
Total By Customer Type	**53,868**	**229**	**(43)**	**29**	**23**	**20**	**468**	**(1,153)**	**53,442**

The above amounts represent invoices still to be paid. The major creditors as at 30 November 2024 are as follows:

Eskom	R 34,926 million
NMBM	R 5,738 million
PAYE	R 5,921 million
Other Creditors	R 6,857 million
Total	**R 53,442 million**

It is to be noted that the SARS amount of R 5,921million, represents the current account for November 2024, which is due on 4 December 2024.

1.3 Allocation and Grants receipts and expenditure for the 2024/25 financial year

Supporting Table SC6 Monthly Budget Statement – transfers and grant receipts – M05 November 2024.

Description	Budget Year 2024/25						
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	Full Year Forecast
R thousands							
RECEIPTS:							
Operating Transfers and Grants							
National Government:	197,710	197,760	673	84,151	197,760	113,609	197,760
Operational Revenue:General Revenue:Equitable Share	192,664	192,664	–	80,277	192,664	112,387,000.00	192,664
South Africa National Biodiversity Institute(SANBI)–	–	50	–	50	50	-	50
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1,495	1,495	673	1,047	1,495	448,000.00	1,495
Local Government Financial Management Grant [Schedule 5B]	1,723	1,723	-	1,723	1,723	-	1,723
Municipal Infrastructure Grant [Schedule 5B]	1,828	1,828	–	1,054	1,828	774,250.00	1,828
Provincial Government:	2,050	5,498	-	2,955	5,498	2,543	5,498
Housing Grant	–	3,448	-	–	3,448	3,448	3,448
Library grant	2,050	2,050	-	2,955	2,050	(905)	2,050
District Municipality:	2,893	2,893	-	1,422	2,893	1,471	2,893
Environmental health subsidy	2,393	2,393	–	833	2,393	1,560	2,393
Skills Development subsidy	500	500	–	590	500	- 89,834.79	500
Total Operating Transfers and Grants	202,653	206,151	673	88,528,009	206,151,251	117,623	206,151
Capital Transfers and Grants							
National Government:	52,874	73,260	-	37,669	52,874	15,205	73,260
Energy Efficiency and Demand-side [Schedule 5B]	–	–	–	–	–	-	–
Local Government Financial Management Grant [Schedule 5B]	–	–	–	–	–	-	–
Municipal Disaster Relief Grant	–	–	–	–	–	-	–
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4,203	4,203	–	–	4,203	4,203,000.00	4,203
Municipal Infrastructure Grant [Schedule 5B]	34,730	34,730	–	20,019	34,730	14,710,750.00	34,730
Water Services Infrastructure Grant	13,941	13,941	–	11,685	13,941	2,256,000.00	13,941
Municipal Human Settlement	–	20,386	–	5,964	–	- 5,964,403.14	20,386
District Municipality:	1,391	1,391	-	-	1,391	-	1,391
Fire Services Subsidy	1,391	1,391	–	–	1,391	-	1,391
Total Capital Transfers and Grants	54,265	74,651	-	37,669	54,265	15,205	74,651
TOTAL RECEIPTS OF TRANSFERS & GRANTS	256,918	280,802	673	126,197	260,417	132,829	280,802

Below is an analysis of the spending associated with the grants as at 30 November 2024:

Supporting Table SC7 Monthly Budget Statement – transfers and grants expenditure – M05 November 2024.

Description	Budget Year 2023/24							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance%	Full Year Forecast
R thousands								
EXPENDITURE								
Operating expenditure of Transfers and Grants								
National Government:	**197,710**	**197,760**	**197**	**81,672**	**194,787**	**113,115**	**0**	**197,760**
Operational Revenue:General Revenue:Equitable Share	192,664	192,664	-	80,277	192,664	112,387	58%	192,664
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1,495	1,495	-	387	623	235	38%	1,495
Local Government Financial Management Grant [Schedule 5B]	1,723	1,723	55	298	718	420	59%	1,723
South Africa National Biodiversity Institute(SANBI)	-	50	-	-	21			50
Municipal Infrastructure Grant [Schedule 5B]	1,828	1,828	142	710	762	52	7%	1,828
Energy Efficiency and Demand-side [Schedule 5B]	-	-	-	-	-	-	#DIV/0!	-
Provincial Government:	**2,050**	**5,498**	**-**	**-**	**3,487**	**3,487**	**0**	**2,050**
Housing Grant	-	3,448	-	-	1,437			3,448
Library grant	2,050	2,050	-	-	2,050	2,050	100%	2,050
District Municipality:	**2,893**	**2,893**	**-**	**(243)**	**2,893**	**3,136**	**0**	**2,893**
Environmental health subsidy	2,393	2,393	-	(833)	2,393	3,225	135%	2,393
Skills Development subsidy	500	500	-	590	500	(90)		500
Total operating expenditure of Transfers and Grants:	**202,653**	**206,151**	**197**	**81,429**	**201,167**	**119,738**	**396%**	**202,703**
Capital expenditure of Transfers and Grants								
National Government:	**52,874**	**73,260**	**7,957**	**26,822**	**30,525**	**3,703**	**0**	**52,874**
Municipal Disaster Relief Grant	-	-	837	2,514	-	(2,514)		
Local Government Financial Management Grant [Schedule 5B]	-	-	-	-	-			-
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4,203	4,203	-	-	1,751	1,751	100%	4,203
Municipal Infrastructure Grant [Schedule 5B]	34,730	34,730	3,663	13,912	14,471	559	4%	34,730
Water Services Infrastructure Grant	13,941	13,941	3,457	4,431	5,809	1,378	24%	13,941
Municipal Human Settlement	-	20,386	-	5,964	8,494			20,386
District Municipality:	**1,391**	**1,391**	**-**	**-**	**-**	**-**	**#DIV/0!**	**1,391**
Fire Services Subsidy	1,391	1,391	-	-	-	-	#DIV/0!	1,391
Total capital expenditure of Transfers and Grants	**54,265**	**74,651**	**7,957**	**26,822**	**30,525**	**3,703**	**12%**	**54,265**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	**256,918**	**280,802**	**8,154**	**108,251**	**231,692**	**123,441**	**53%**	**256,968**

Note: The equitable share allocation is utilised to fund indigent household's subsidies granted to qualifying households, with the remainder being used to support the Municipality's operations.

Grants received from National Government.

DORA Operating Grants

Financial Management Grant (FMG)
The purpose of this grant is to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA).

DORA Allocation:	R 1,723,000
Amount of Grant Received:	R 1,723,000
Expenditure to date:	R 297,836
Unspent as at 30 November 2024:	R 1,425,164

The spending of the grant amounted to 17.29% as at 30 November 2024, compared to the amount of the grant received.

Expanded Public Works Programme (EPWP)
The purpose of this grant is to provide Expanded Public Works Programme (EPWP) incentive funding to expand job creation efforts in specific focus areas, where labour intensive methods can be maximised.

DORA Allocation:	R 1,495,000
Amount of Grant Received:	R 1,047,000
Expenditure to date:	R 407,986
Unspent as at 30 November 2024:	R 639,014

The spending of the grant amounted to 38,97% as at 30 November 2024, compared to the amount of the grant received.

DORA Capital Grants

Municipal Infrastructure Grant (MIG)
The purpose of this grant is to provide specific capital finance for eradicating basic municipal infrastructure backlogs.

DORA Allocation:	R 36,558,000
Amount of Grant Received:	R 21,073,000
Expenditure to date:	R 14,621,701
Unspent as at 30 November 2024:	R 6,451,299

The spending of the grant amounted to 69.39% as at 30 November 2024, compared to the amount of the grant received.

Integrated National Electrification Programme (INEP)
The purpose of this grant is to implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to address the electrification backlog of occupied residential dwellings, and the installation of bulk infrastructure.

DORA Allocation:	R 4,203,000
Current Year Receipts:	R 0,00
Prior Year Unspent:	R 686,303
Expenditure to date:	R 0,00
Unspent as at 30 November 2024:	R 686,303

Water Services Infrastructure Grant

The purpose of this grant is to provide specific capital finance for projects to accelerate backlog reduction in municipal infrastructure and provide interim, intermediate water and sanitation supply that ensures provision of services to identified and prioritised communities, including through spring protection and groundwater development and support drought relief projects.

DORA Allocation:	R 13,941,000
Current Year Receipts:	R 11,685,000
Prior Year Unspent:	R 7,167,886
Amount of Grant Received:	**R 18,852,886**
Expenditure to date:	R 4, 431,031
Unspent as at 30 November 2024:	R 14,421,854

The spending of the grant amounted to 23.50% as at 30 November 2024, compared to the amount of the grant received.

Municipal Disaster Response Grant

The purpose of the grant is to provide for the immediate release of funds for disaster response if an occurrence cannot be adequately addressed in line with section 2(1)(b) of the Disaster Management Act. This grant provides funding for responding to and providing response and relief measures for unforeseeable and unavoidable disasters where municipalities are unable to cope with the effects of the disaster from own resources.

Prior Year Unspent:	R 10,380,741
Expenditure to date:	R 2,489,890
Unspent as at 30 November 2024:	R 7,890,851

The spending of the grant amounted to 23,99% as at 30 November 2024, compared to the amount of the grant received.

Other Conditional Grants

Conditional Grant	Prior Year Unspent	Interest	Expenditure	%	Unspent as at 30 November 2024
Human Settlement Grant	20,555,956	502,661	5,964,403	28.32%	15,094,213
Total	**20,555,956**	**502,661**	**5,964,403**	**28.32%**	**15,094,213**

1.4 Councillor and employee benefits

Below is an analysis of Councillor and employee benefits:

Table SC8 Monthly Budget Statement – Councillor and staff benefits – M05 November 2024.

Summary of Employee and Councillor remuneration	Budget Year 2024/25							
	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands							%	
	B	C						D
Councillors (Political Office Bearers plus Other)								
Basic Salaries and Wages	10,414	10,414	1,233	4,461	4,339	122	3%	10,414
Medical Aid Contributions	–	–	11	54	–	54		–
Motor Vehicle Allowance	3,503	3,503	411	1,500	1,460	40	3%	3,503
Cellphone Allowance	1,678	1,678	118	588	699	(112)	-16%	1,678
Sub Total - Councillors	**15,594**	**15,594**	**1,772**	**6,603**	**6,498**	**105**	**2%**	**15,594**
Senior Managers of the Municipality								
Basic Salaries and Wages	9,681	9,681	590	3,000	4,034	(1,034)	-26%	9,681
Pension and UIF Contributions	123	123	1	10	51	(42)	-81%	123
Medical Aid Contributions	56	56	–	3	23	(20)	-88%	56
Performance Bonus	1,798	1,798	159	159	749	(590)	-79%	1,798
Motor Vehicle Allowance	2,196	2,196	221	894	915	(21)	-2%	2,196
Cellphone Allowance	11	11	1	5	4	1	12%	11
Other benefits and allowances	5	5	0	0	2	(2)	-86%	5
Sub Total - Senior Managers of Municipality	**13,870**	**13,870**	**972**	**4,071**	**5,779**	**(1,708)**	**-30%**	**13,870**
Other Municipal Staff								
Basic Salaries and Wages	295,150	302,701	19,957	99,463	126,125	(26,663)	-21%	302,701
Pension and UIF Contributions	38,991	39,834	3,032	15,200	16,597	(1,397)	-8%	39,834
Medical Aid Contributions	19,915	20,145	1,698	8,418	8,394	24	0%	20,145
Overtime	29,255	29,335	2,415	12,587	12,223	364	3%	29,335
Performance Bonus	26	26	–	–	11	(11)	-100%	26
Motor Vehicle Allowance	12,091	12,162	952	4,382	5,067	(685)	-14%	12,162
Cellphone Allowance	59	59	–	2	25	(23)	-92%	59
Housing Allowances	1,308	1,336	57	285	557	(272)	-49%	1,336
Other benefits and allowances	37,715	38,227	17,239	23,542	15,928	7,614	48%	38,227
Long service awards	–	–	–	230	–	230		–
Post-retirement benefit obligations	23,361	23,361	830	2,320	9,734	(7,413)	-76%	23,361
Sub Total - Other Municipal Staff	**457,873**	**467,186**	**46,180**	**166,429**	**194,661**	**(28,232)**	**-15%**	**467,186**
Total Parent Municipality	**487,337**	**496,650**	**48,924**	**177,103**	**206,937**	**(29,835)**	**-14%**	**496,650**
TOTAL SALARY, ALLOWANCES & BENEFITS	**487,337**	**496,650**	**48,924**	**177,103**	**206,937**	**(29,835)**	**-14%**	**496,650**
TOTAL MANAGERS AND STAFF	**471,743**	**481,056**	**47,152**	**170,500**	**200,440**	**(29,940)**	**-15%**	**481,056**

1.5. Key performance indicators

The table below reflects the key performance indicators as per the 2024/25 Budget and the associated performance to date.

Borrowing Management		**Actuals as at 30 June 2021**	**Actuals as at 30 June 2022**	**Actuals as at 30 June 2023**	**Actuals as at 30 June 2024**	**Approved Adjusted Budget 2024/25**	**Actuals as at 30 November 2024**
Capital Charges to Operating Expenditure	Interest & principal paid/Total Operating Expenditure	1.13%	1.04%	1.21%	0.72%	4.45%	1.38%
Borrowed funding of "own" capital expenditure	Borrowings/Capital expenditure excl. transfers & grants	0%	0%	0%	0%	0%	0%
Debt Servicing Costs to Operating Revenue	Debt Servicing Costs / Total Operating Revenue - Conditional Grants	0.01	0.01	0.01	0.01	0.05	0.01
Liquidity							
Current Ratio	Current assets / current liabilities	1.07	0,51	0.78	1.24:1	0.96:1	1.23:1
Liquidity Ratio	Monetary assets / current liabilities	0.34	0,15	0.42	0.71:1	0.26:1	0.53:1
Revenue Management							
Annual Debtors Collection Rate	Billed Revenue / Receipted Revenue	94.41%	94.32%	86.71%	91.01%	95%	86,55%

Other indicators		Actuals as at 30 June 2021	Actuals as at 30 June 2022	Actuals as at 30 June 2023	Actuals as at 30 June 2024	Approved Adjusted Budget 2024/25	Actuals as at 30 November 2024
Cost coverage	(Cash and cash equivalents - Unspent Conditional Grants - Overdraft) + Short term investment)/monthly fixed operational expenditure excluding (depreciation, amortisation, provision for bad debts, impairment and loss on disposal of assets)	0.65	0.36	0.98	1.09 Months	0.53 Months	1.10 Months
Employee Costs	Employee Costs / Total Operating Expenditure	34.22%	31,69%	28.30%	32.85%	31.33%	31.96%
Capital Expenditure	Capital Expenditure / Capital Budget	71.67%	123,92%	94.66%	55.48%	95%	14.52%
Repairs and Maintenance as % of Total Operating Expenditure	Repairs and Maintenance / Total Operating Expenditure	6.99%	4,32%	3.79%	4.24%	15.27%	10.10%
Repairs and Maintenance as % of PPE (Book Value)	Repairs and Maintenance / Net PPE	3.33%	2,26%	2.32%	2.39%	10.07%	2.61%
Own Revenue Sources / Total Operating Revenue (Including operating grants)	Own Revenue Sources / Total Operating Revenue (Including Conditional Grants)	77.14%	77,76%	78.10%	87.23%	85.27%	72.83%

The above table is discussed in detail below.

1.1. Borrowing Management

1.1.1. Capital charges to Operating Expenditure.

The Ratio indicates the cost required to service the borrowing. It assesses the Borrowing or Payment obligation expressed as percentage of Total Operating Expenditure.

Capital charges/Total Operating Expenditure to date.

The ratio is 1.38% as at 30 November 2024, compared to the approved adjusted budget ratio of 4.45%.

Borrowed funding of capital expenditure.

This ratio indicates the proportion of borrowed funding to actual capital expenditure to date (excluding transfers and grants). The ratio also indicates the extent of capital expenditure being financed from borrowed funding compared to own and other funding sources, excluding transfers and grant funded expenditure.

The ratio is determined as follows:

Capital expenditure funded from Borrowings/Total Capital Expenditure to date (excluding transfers and grants)

The ratio is 0% as no capital expenditure was funded from borrowings, which is in line with the budgeted target as per the 2024/25 Operating Budget.

1.1.2. Debt Servicing Costs to Operating Revenue Ratio

This ratio indicates the proportion of debt servicing costs (interest and principal paid on borrowing) to actual operating revenue to date.

The ratio is determined as follows:

Debt Servicing Costs/Operating Revenue

As at 30 November 2024, the ratio indicates 0.01, compared to the approved adjusted budget of 0.05.

1.1.3. Current ratio

The Ratio assesses the Municipality's ability to meet its Short-term Liabilities (Debt and Payables) with its Short-term Assets (Cash, Inventory, Receivables etc.).

The ratio is determined as follows:

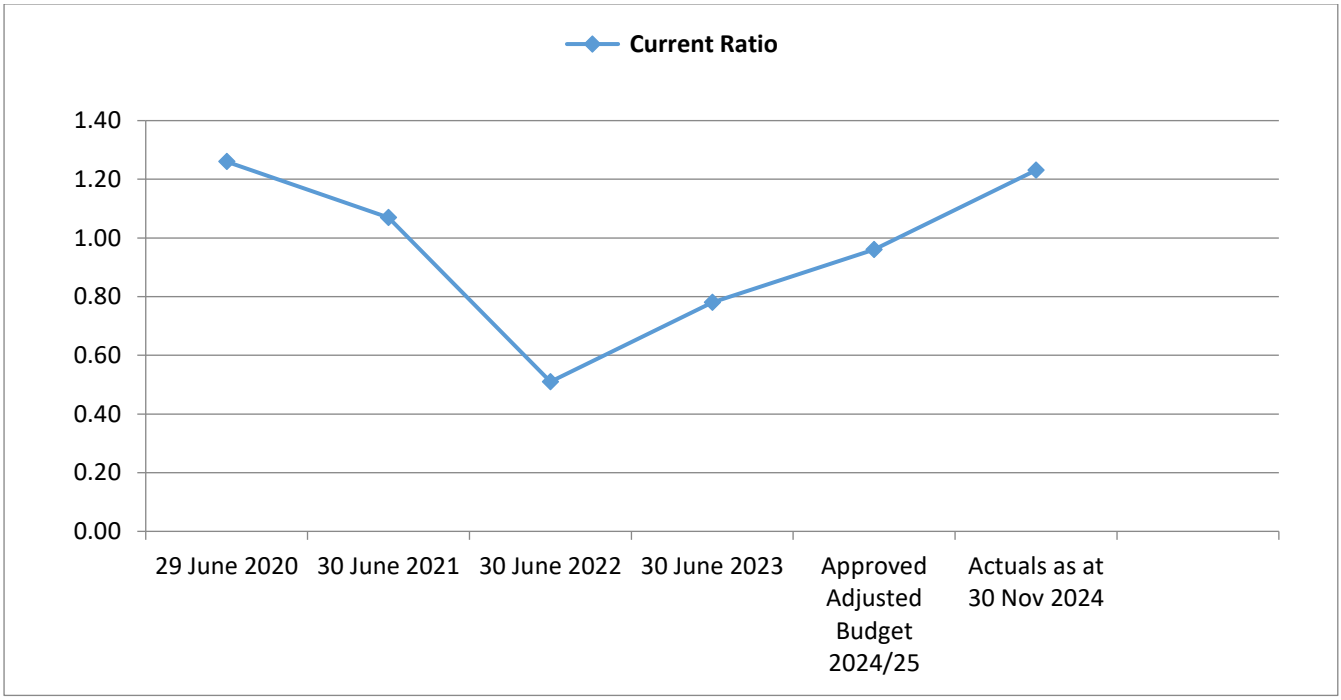
Current assets/Current liabilities

The ratio as at 30 November 2024 was 1.23:1, compared to the approved adjusted budget ratio of 0.96:1

In terms of the MFMA Circular No. 71, the norm is 1.5:1 to 2:1

The higher the current Ratio, the stronger the Municipality's financial capacity to meet its current obligations.

A ratio of below 1:1 would suggest that the Municipality would be unable to meet all of its current obligations as and when they fall due.



1.1.4. Liquidity Ratio

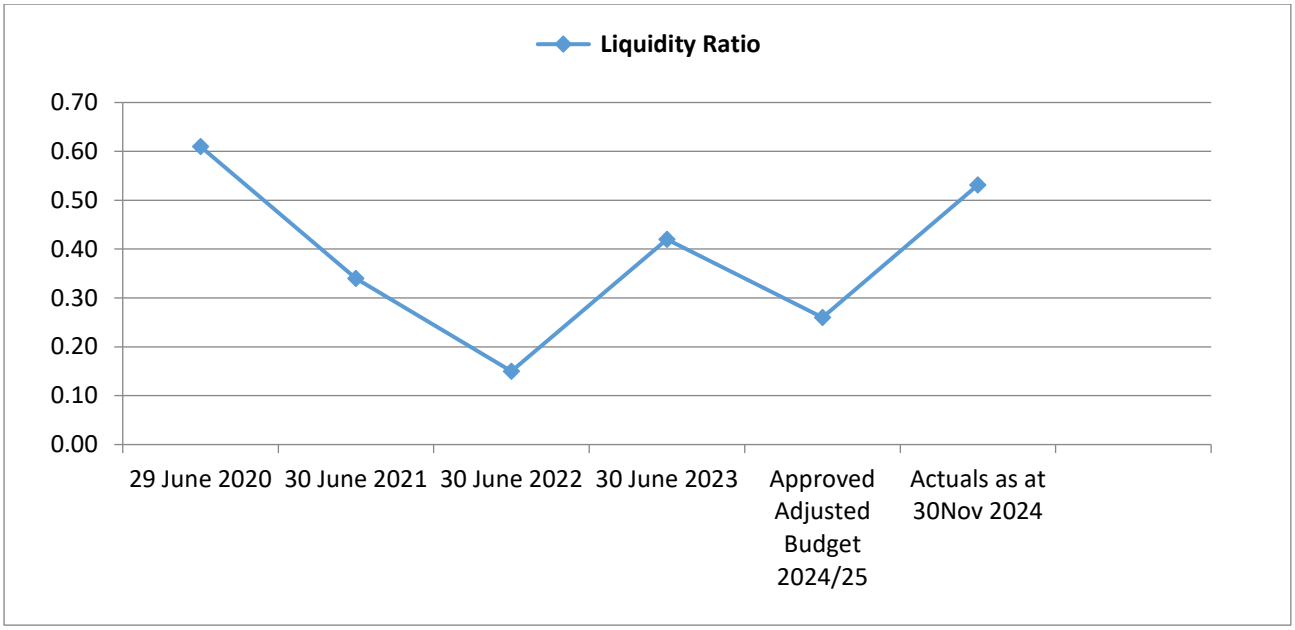
The liquidity ratio assesses a Municipality's ability to meet its short-term commitments from Monetary Assets.

The ratio is determined as follows:

Monetary assets/Current liabilities

A favourable ratio would ensure that the Municipality is able to settle its short-term commitments from monetary assets. The liquidity ratio as at 30 November 2024 was 0.53:1 compared to the approved budget ratio of 0.26:1.

The liquidity ratio is of the utmost importance to measure the financial liquidity and sustainability of the municipality.



1.2. Revenue Management

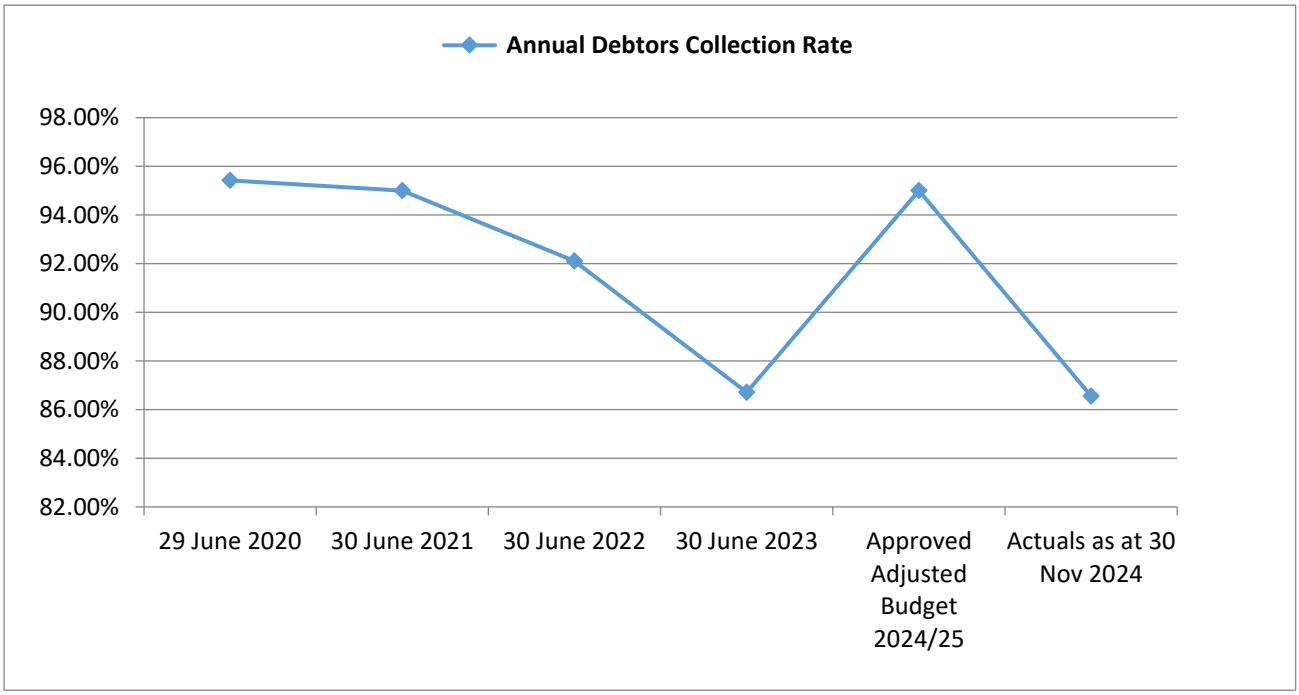
1.2.1. Annual Debtors Collection Rate

This ratio assesses the actual cash collected, compared to the monetary value of the municipal accounts rendered for municipal rates and services.

The ratio to determine the percentage collection rate is as follows:

Gross Debtors Opening Balance + Billed Revenue – Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100

The average collection rate as at 30 November 2024 was 86.55%, compared to the approved adjusted budget collection rate of 95%. The actual collection rate for November is 94,07%.



1.3. Other indicators

1.3.1. Cost coverage

The Ratio indicates the Municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investments, without collecting any additional revenue, during that particular month.

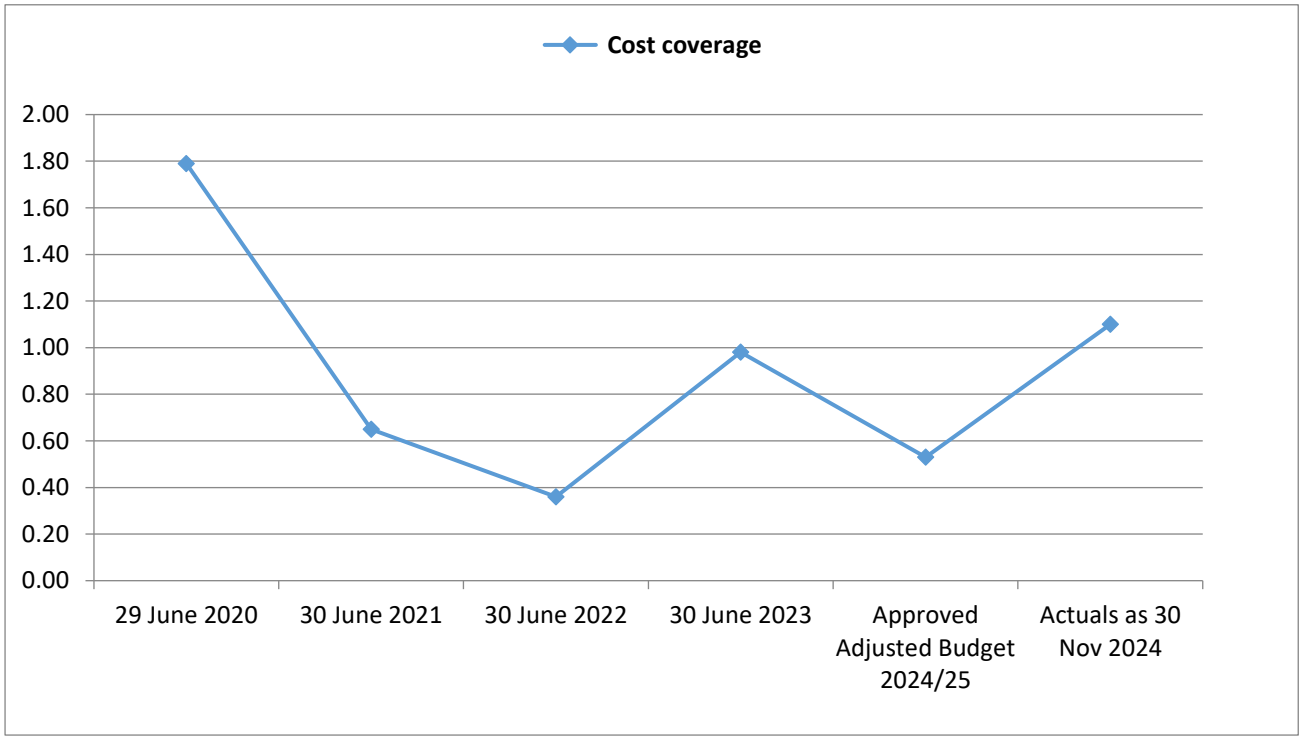
The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal day-to-day operational expenditure, but rather reserved for Grant related expenditure.

The ratio is determined as follows:

Cash and cash equivalents – unspent conditional grants – overdraft + short-term investments/ monthly fixed operational expenditure excluding (depreciation, amortisation, provisions for bad debts, impairment and loss on the disposal of assets)

As at 30 November 2024, the Ratio was 1.10 months, compared to the approved adjusted budget ratio of 0.53 months.

In terms of MFMA Circular No. 71, the norm is 1 month to 3 months.



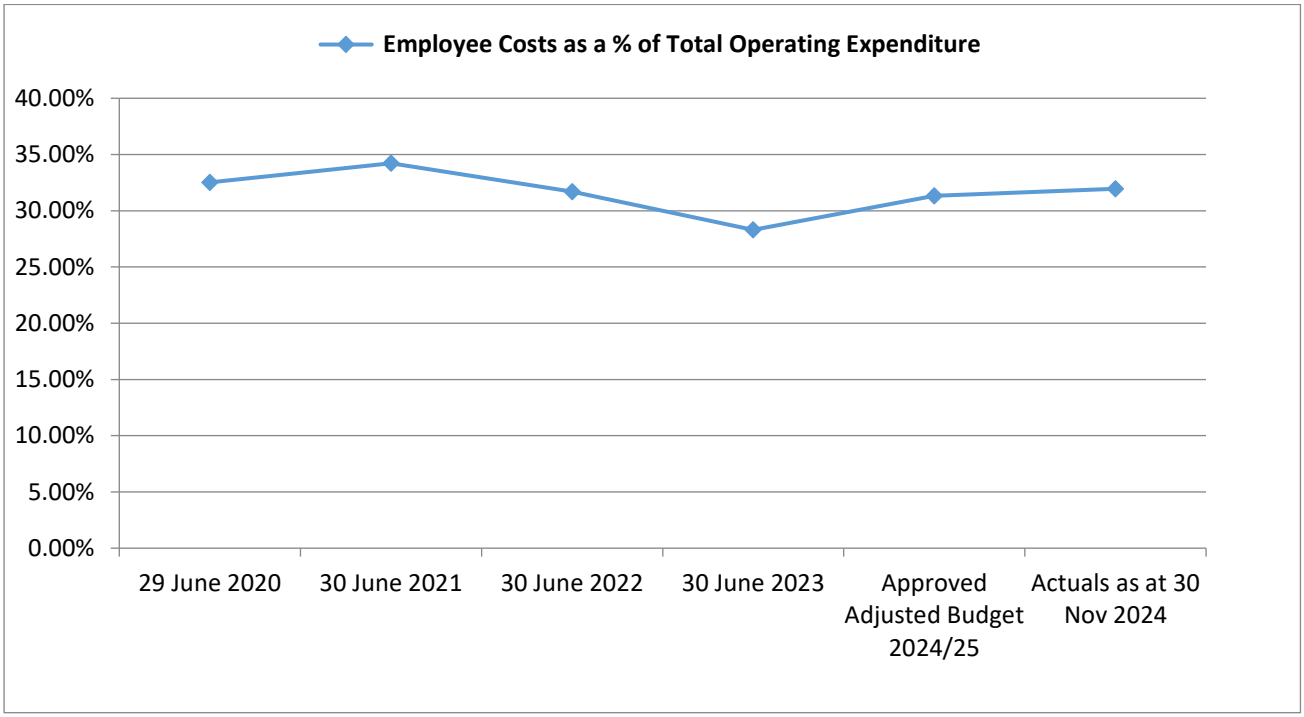
1.3.2. Employee costs as a % of Total Operating Expenditure

This ratio assesses the extent to which the Municipality's Total Operating Expenditure is consumed by costs associated with the employment of human resources.

The ratio is determined as follows:

Employee Costs to date/Total Operating Expenditure to Date

As at 30 November 2024, Employee Related Costs constituted 31.96% of the Total Operating Expenditure, compared to the approved adjusted budget ratio 31.33%.



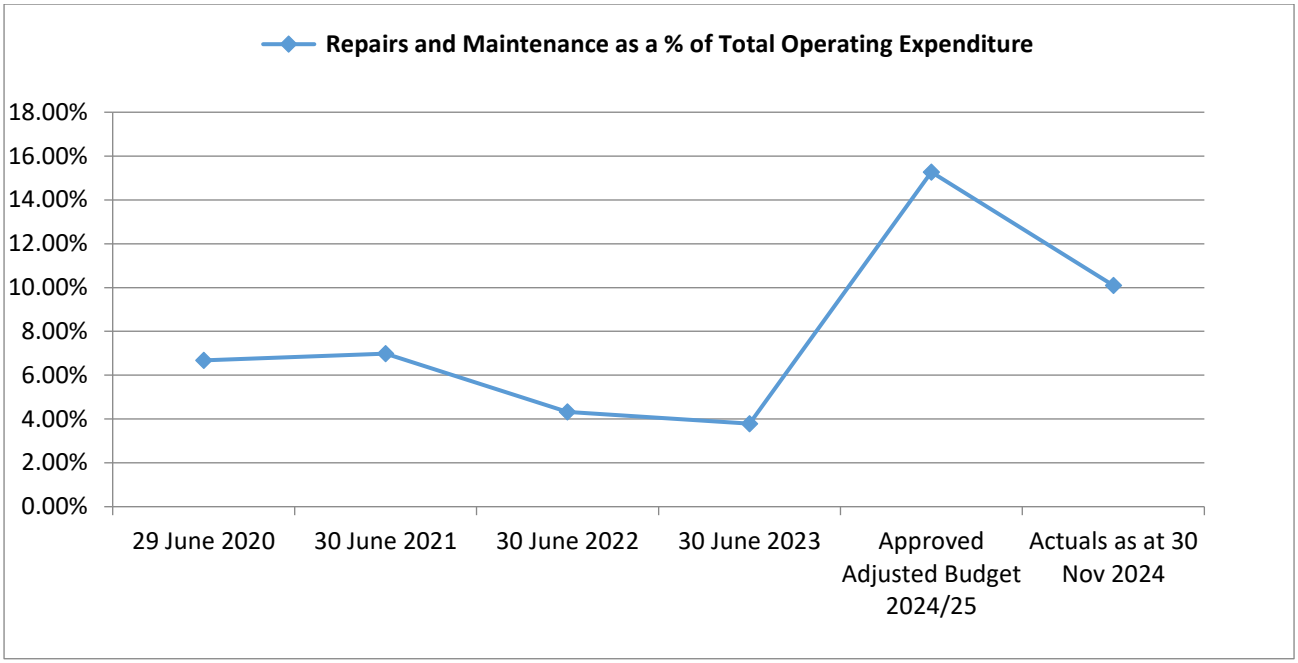
1.3.3. Repairs and Maintenance as a % of Total Operating Expenditure

This ratio assesses the extent to which the Municipality's Total Operating Expenditure is consumed by costs associated with the repairs and maintenance of its assets.

The ratio is determined as follows:

Repairs and maintenance expenditure to date / Total Operating Expenditure to date

As at 30 November 2024, the ratio was 10.10%, compared to the approved adjusted budget ratio of 15.27%.



1.3.4. Repairs and Maintenance as a % of the book value of Property, Plant and Equipment (PPE)

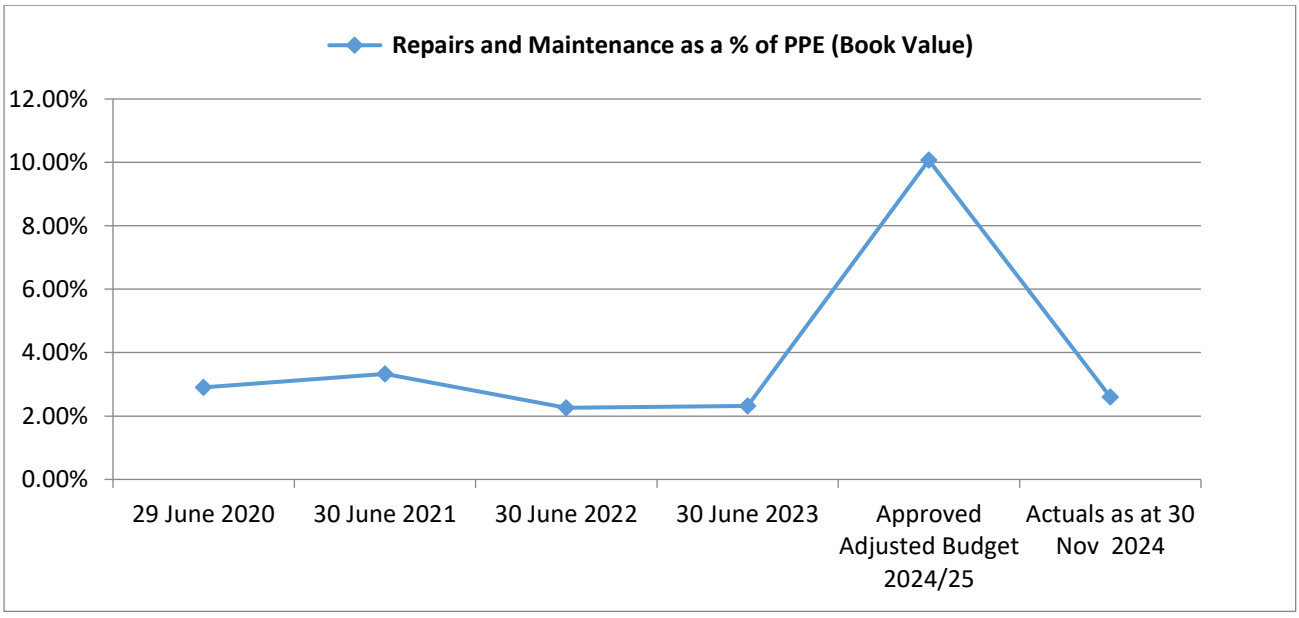
The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to minimise breakdowns and interruptions in service delivery.

The ratio is determined as follows:

Repairs and maintenance expenditure to date / Book value of PPE to date

As at 30 November 2024, repairs and maintenance expenditure constituted 2.61% of the book value of PPE, compared to the approved adjusted budget ratio of 10.07%.

In terms of the MFMA Circular No.71, the norm is 8%.



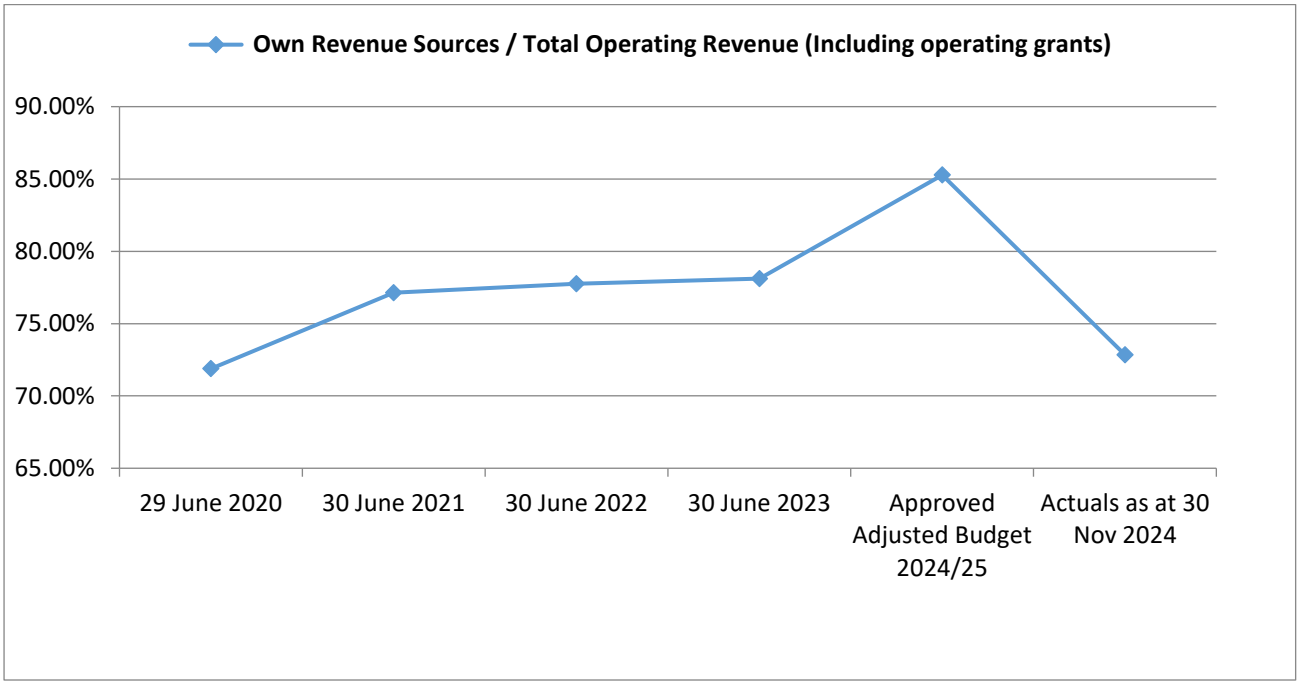
Own Revenue Generation

This ratio measures the extent to which the Municipality has control over its revenue sources, i.e., what percentage of its revenue is generated locally. The higher the ratio, the less reliant a Municipality is on Provincial and National Government to support its operations.

The ratio is determined as follows:

Own Revenue Sources / Total Operating Income (includes operating grants)

As at 30 November 2024, the Municipality's own revenue sources constituted 72.83% of its total Operating Income, compared to the approved adjusted budget ratio of 85.27%.



1.3.5. Capital Budget Spending

This ratio assesses the level of actual capital spending, compared to the budgeted capital expenditure.

The ratio is determined as follows:

Actual Capital spending / Approved Capital Budget

The actual spending as at 30 November 2024 amounted to 14.52%, compared to the approved adjusted budget ratio of 95%.

