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 FEBRUARY 2025 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 28 FEBRUARY 2025 (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 28 February 2025:

"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 the 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 the Portfolio Committee.

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…… 14 March 2025……

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: Acting Manager Budget and Treasury

Item approved by the: Chief Financial Officer

Item endorsed by the Municipal Manager: 

Item noted by Portfolio Chairperson:

"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 February 2025, 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 867,021 million, whilst operating expenditure amounted to R866,221 million, resulting in an operating surplus of R 0,800 million.
- Capital expenditure constituted 37.01% of the 2024/25 Approved Adjusted Capital Budget. It must be noted that the mid-year adjusted capital budget was reduced to R 273,573 million and the capital expenditure equates to 36.55% of the mid-year adjusted capital budget.
- Overdue consumer debts increased by R 40,491 million (10.38%) since June 2024.
- An amount of R 50,963 million is owing to creditors, 100.70% 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 5,004,413 (3.48%) since June 2024, from R 143,659,131 to R 148,663,544.

Below is an analysis of the Investment Portfolio as at 28 February 2025.

	Balance as at 30 June 2024	Invested	Interest	Withdrawals	Adjustments	Balance as at 28 February 2025
Standard Bank	26,516,585	-	1,285,750	8,378,539		19,423,796
ABSA	22,795,366	18,966,265	1,769,080	11,438,447	590	32,091,674
Nedbank	22,593,059	20,509,206	1,322,381	25,000,000		19,424,646
RMB	22,735,812	32,194,174	1,067,854	36,589,488		19,408,352
INVESTEC	22,771,482	20,336,093	1,314,348	25,000,000		19,421,923
Total	**117,412,304**	**92,005,739**	**6,759,412**	**106,406,475**	**590**	**109,770,390**
INVESTMENT	**Balance as at 30 June 2024**	**Invested**	**Interest**	**Withdrawals**	**Adjustments**	**Balance as at 28 February 2025**
General Account	78,621,419	47,058,739	5,651,699	67,070,459	590	64,260,808
Conditional Grants	18,234,929	44,947,000	-	31,020,246	-	32,161,683
Housing Funds	20,555,956		1,107,713	8,315,769	-	13,347,899
Total	**117,412,304**	**92,005,739**	**6,759,412**	**106,406,475**	**590**	**109,770,390**
	Balance as at 30 June 2024	**Invested**	**Interest**	**Withdrawals**	**Adjustments**	**Balance as at 28 February 2025**
Cheque Accounts FNB 52540020791	10,314,768			(10,990,399)		(675,631)
Cheque Accounts FNB 52540033304	8,553,427			(1,322,766)		7,230,661
Cheque Accounts FNB 62682103591	3,833			(3,833)		-
Cheque Accounts FNB 63022194441	7,374,799	3,067,633				10,442,432
Cheque Accounts ABSA 4114176482	-	6,696,684				6,696,684
Cheque Accounts ABSA 4114114771	-	12,748,854				12,748,854
Cheque Accounts ABSA 4114176474	-	2,009,862				2,009,862
Cheque Accounts ABSA 4114176490		440,291				440,291
	26,246,827	**24,963,324**	**-**	**(12,316,998)**	**-**	**38,893,154**
Total	**143,659,131**	**116,969,064**	**6,759,412**	**94,089,477**	**590**	**148,663,544**

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

Cash backed Reserves.

Bank Balances and Cash	R 38,893,154
Short-term Investment Deposits	R 109,770,390
	R 148,663,544

Application of Cash

Unspent Conditional Grants	R 41,172,038
Operational commitments	R 16,959,279
Outstanding Creditors Liability	R 50,962,946
	R 109,094,263
Cash Reserves exceed commitments:	**R 39,569,281**

The cash backed reserves exceed commitments at this stage by an amount of R 39,569,281.

It should be noted that the excess of reserves over commitments as at 28 February 2025, is mainly due to an amount of R 64,213 million in respect of the Equitable Share allocation received on 4 December 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 29 February 2024	Approved Adjusted Budget 2024/25	Actuals as at 31 January 2025	Actuals as at 28 February 2025
Current Ratio	0.91:1	91:1	1.5:1 to 2:1	1.48:1	1.22:1	1.22:1	1.04:1
Liquidity Ratio	0.40:1	0.49:1		0.85:1	0.63:1	0.54:1	0.40:1
Cost Coverage (Excluding unspent conditional grants)	0.98 Months	1.19 Months	1 Month to 3 Months	1.11 Months	1.58 Months	1.40 Months	1 Month
Debtors Collection Rate	86.71%	91.01%	95%	84.45%	95%	87.99%	88.88%
Capital Expenditure	94.66%	71.38%	95%	32.86%	95%	26.40%	37.01%

"ANNEXURE A1"

1. OVERVIEW OF OPERATING REVENUE AND EXPENDITURE PERFORMANCE FOR THE PERIOD JULY 2024 TO February 2025.

1.1. Summary Statement of Financial Performance

Description	Budget Year 2024/25					
R thousands	Original Budget	Adjusted Budget	Monthly Actual	Year TD Actual	Year TD Budget	YTD Variance
Revenue						
Total Revenue (excluding capital transfers and contributions)	1 392 621	1 360 902	75 036	867 021	907 268	(40 247)
Total Expenditure	1 505 474	1 460 993	110 439	866 221	973 578	(107 357)
Surplus/(Deficit)	(112 853)	(100 091)	(35 403)	800	(66 310)	67 110

The statement of financial performance reflects an operating deficit of R 0 ,800 million at this stage. It must be noted that the surplus is largely influenced by debt impairment, not yet recognized.

1.2. Revenue

Main revenue sources for 2024/25

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	Year TD Actual	%
Revenue			
Exchange Revenue			
Service charges - Electricity	425 559	278 378	65,41%
Service charges - Water	138 057	73 234	53,05%
Service charges - Waste Water Management	76 014	44 155	58,09%
Service charges - Waste management	62 146	40 033	64,42%
Sale of Goods and Rendering of Services	9 533	3 802	39,88%
Agency services	4 554	–	0,00%
Interest earned from Receivables	32 335	16 835	52,07%
Interest earned from Current and Non-Current Assets	15 498	9 137	58,95%
Rental from Fixed Assets	3 187	3 075	96,51%
Licence and permits	2 851	1 513	53,08%
Operational Revenue	1 955	3 671	187,77%
Non-Exchange Revenue			
Property rates	298 309	216 740	72,66%
Fines, penalties and forfeits	43 859	504	1,15%
Licence and permits	11 772	7 893	67,05%
Transfer and subsidies - Operational	210 105	151 936	72,31%
Interest	5 510	1 692	30,71%
Operational Revenue	19 658	14 422	73,36%
Total Revenue (excluding capital transfers and contributions)	**1 360 902**	**867 021**	**63,71%**

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.

- **Service charges – Water**
  As at 28 February 2025, the municipality recognized 53.05% of water revenue, compared to the budget. The water revenue budget has been adjusted to R 138,057 million during the mid-year adjustments and this equates to 46% of revenue recognized.

- **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.

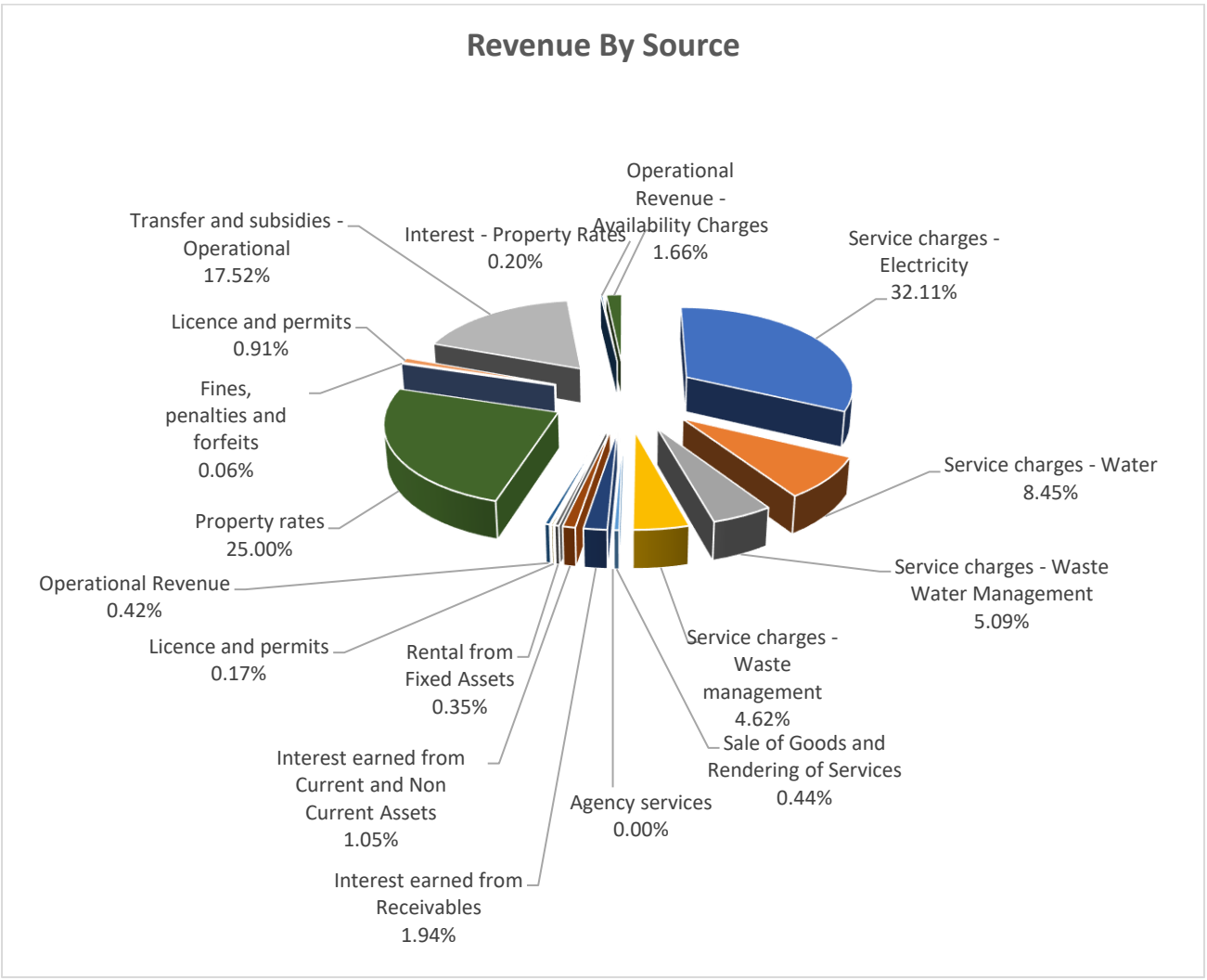
- **Rental from Fixed Assets**
  This relates to the rental of municipal buildings, community halls, caravan parks and camping sites, and other municipal facilities. The revenue is influenced by the extent of rental agreements and seasonal demands.

- **Operational revenue (Exchange Revenue)**
  The other revenue relates to various sources of operating revenue such as staff recovery, insurance refunds and skills development levy refunds.
  The operational revenue is largely influenced by Augmentation fees amounting to R 0,884 million, recognized during this reporting period, against no budget provision.

- **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. It must be noted that the traffic fines have been adjusted to R 43,859 million during the mid-year adjustments budget.

- **Transfer and subsidies - Operational.**
  As at 28 February 2025, the municipality has recognized 72.31% of operational transfer and subsidies revenue, compared to the budget. This is due to the second instalment of Equitable Share allocation amounting to R 64,213 million received on 4 December 2024.

- **Operational revenue (Non-Exchange Revenue)**
  Operational revenue: non-exchange revenue relates to the availability charges for electricity, water and wastewater management. The operational revenue budget has been adjusted to R 19,658 million during the mid-year adjustments budget.


Revenue By Source
Operational Revenue - Availability Charges 1.66%
Service charges - Electricity 32.11%
Service charges - Water 8.45%
Service charges - Waste Water Management 5.09%
Service charges - Waste management 4.62%
Sale of Goods and Rendering of Services 0.44%
Agency services 0.00%
Interest earned from Receivables 1.94%
Interest earned from Current and Non Current Assets 1.05%
Rental from Fixed Assets 0.35%
Licence and permits 0.17%
Operational Revenue 0.42%
Property rates 25.00%
Fines, penalties and forfeits 0.06%
Licence and permits 0.91%
Transfer and subsidies - Operational 17.52%
Interest - Property Rates 0.20%

1.3. Expenditure

Main expenditure types for 2024/25

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	Year TD Actual	%
Expenditure By Type			
Employee related costs	482 971	278 954	57,76%
Remuneration of councillors	15 594	10 553	67,67%
Bulk purchases - electricity	413 349	295 455	71,48%
Inventory consumed	104 695	67 940	64,89%
Debt impairment	59 136	–	0,00%
Depreciation and amortisation	117 798	78 532	66,67%
Interest	13 002	4 915	37,80%
Contracted services	145 759	63 232	43,38%
Transfers and subsidies	400	2	0,45%
Irrecoverable debts written off	10 078	9 101	90,30%
Operational costs	98 211	57 537	58,59%
Total Expenditure	**1 460 993**	**866 221**	**59,29%**

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 71.48% expenditure, compared to the approved budget.

  It must be noted that the bulk electricity budget has been adjusted to R 413,349 million during the mid-year adjustments budget.

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

Item Description	Adjusted Budget 2024/25	Actuals as at 28 February 2025	%
Inventory Consumed: Consumables	3 968 656	1 731 192	43,62%
Inventory Consumed: Materials and Supplies	42 024 676	21 136 165	50,29%
Inventory Consumed: Fuel & Oil	19 771 072	12 151 124	61,46%
Inventory Consumed: Bulk Water Purchases	38 930 751	32 921 122	84,56%
Total	**104 695 155**	**67 939 602**	**64,89%**

It must be noted that the fuel & oil and bulk water purchases budgets were adjusted to R 19,771 million and R 38,931 million respectively, during the 2024/25 mid-year adjustments budget.

- **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 for finance costs amounting to R 19,922 million, which relate to the DBSA loan of R 200 million for the resealing of roads in Kouga.

  It must be noted that the finance costs budget has been adjusted to R 13,002 million during the 2024/25 mid-year adjustments budget.

- **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.

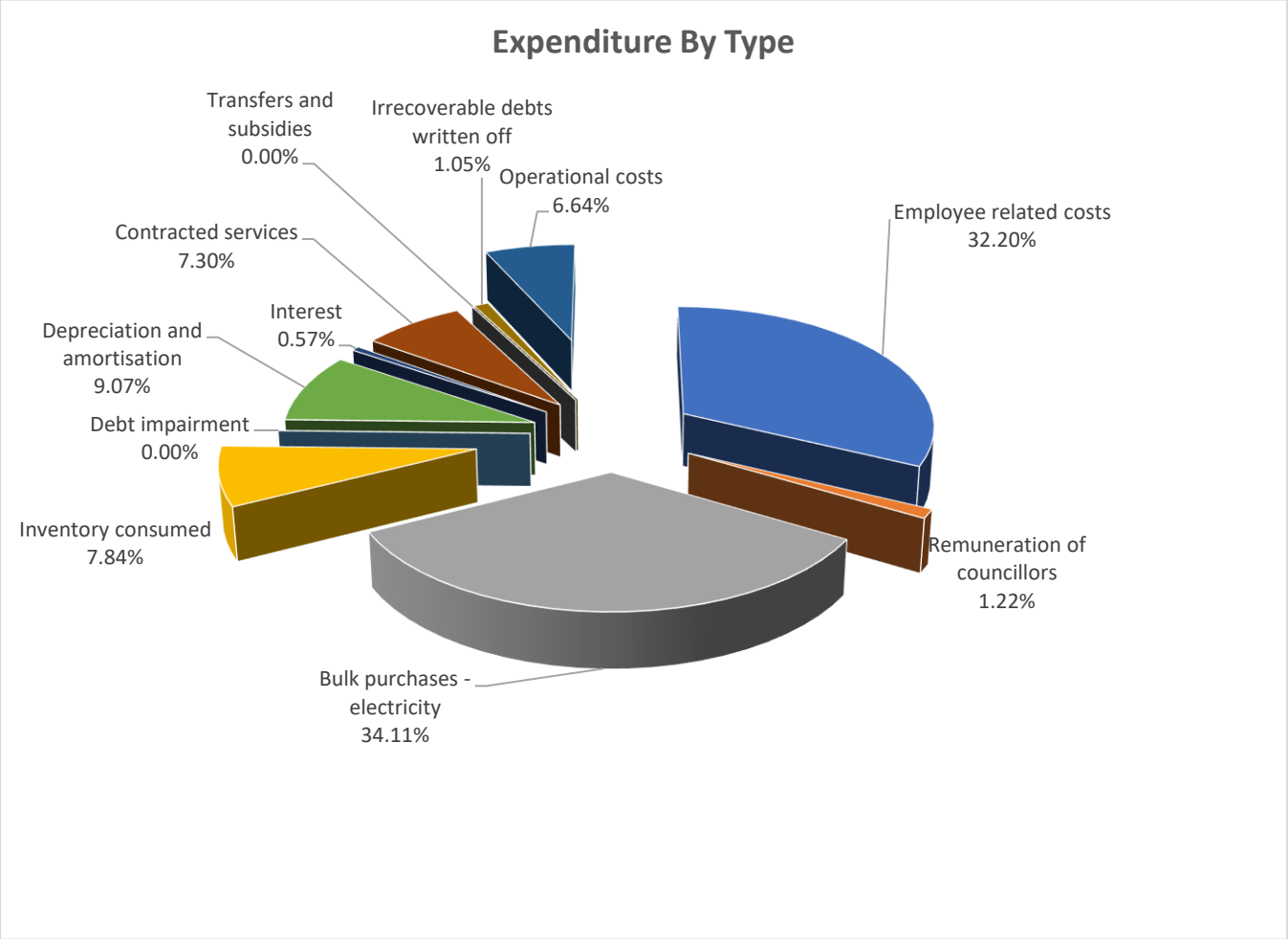
Contracted services are broken down as follows:

Item Description	Adjusted Budget 2024/25	Actuals as at 28 February 2025	%
Aloe Cup	80,000	78,000	97.50%
Air quality Management	250,000	112,870	45.15%
Amanzi Challenge National Tournament	300,000	300,000	100.00%
Animal Care	508,000	-	0.00%
Audit of Municipal Land & Properties	944,000	225,271	23.86%
Burial Services	76,400	24,100	31.54%
Calamari Festival	200,000	200,000	100.00%
Catering Services	755,479	338,840	44.85%
Clean up Operation	500,004	257,368	51.47%
Clearing and Grass Cutting Services	1,440,000	576,739	40.05%
Conducting of feasibility studies (EIA)	2,950,000	195,574	6.63%
Connection/Dis-connection:Electricity	580,000	-	0.00%
Consultants and Professional Services	9,706,985	2,046,210	21.08%
Destination Marketing and Promotion	670,000	87,033	12.99%
Drivers Licence Cards	500,000	274,209	54.84%
Dune Stabilisation	1,969,000	398,212	20.22%
Electrification of Informal Settlement	3,550,000	-	0.00%
Electricity Generation Project	470,000	88,317	18.79%
Environmental protection	800,000	-	0.00%
Employee Wellness	160,644	155,600	96.86%
ED STRATEGY - roll-out	100,000	-	0.00%
Event Promoters	99,996	4,803	4.80%
Family Challenge	700,000	766,522	109.50%
Heritage Restoration	200,000	-	0.00%
Internal Auditors	200,000	29,000	14.50%
KLTO	905,000	273,937	30.27%
Laboratory Services:Water	709,000	332,661	46.92%
Legal Advice and Litigation	1,000,000	813,043	81.30%
Legal Cost:Collection	1,300,000	734,216	56.48%
Maintenance of Buildings and Facilities	7,625,140	3,522,759	46.20%
Maintenance of Electrical Infrastructure	1,000,000	157,217	15.72%
Maintenance of Equipment	858,800	186,697	21.74%
Maintenance of Vehicles	39,429,408	19,470,053	49.38%
Mscoa Alignment	283,136	245,893	86.85%
Media Monitoring	120,004	68,415	57.01%
Occupational Health and Safety	900,000	465,776	51.75%
Other Contracted Services	9,577,900	2,809,754	29.34%
PGA Golf Tournament	275,000	-	0.00%
Personnel and Labour	17,981,150	9,694,735	53.92%
Precinct Plans Project Hankey and St Francis Bay C	100,000	-	0.00%
Private Plots_Alien Vegetation Control	400,000	153,678	38.42%
Qualification Verification	450,000	43,445	9.65%
Restricted Water Flow	400,000	-	0.00%
Revision of SDF	300,000	63,900	21.30%
Security Services	10,407,733	7,066,081	67.89%
SA Longboard Championship	300,000	-	0.00%
Special Rating Area	2,159,735	1,232,158	57.05%
Summer Festival	500,000	461,734	92.35%
Tourism &Travel Trade Show	482,000	375,275	77.86%
Township Events	300,000	58,153	19.38%
Transport Services	195,704	47,943	24.50%
Valuer	17,438,721	8,396,442	48.15%
WSL Music Festival	200,000	-	0.00%
WTM Africa, Indaba, Meetings Africa, Educationals,	550,000	124,394	22.62%
Winterfest	1,700,000	-	0.00%
Yellow Wood Annual Jazz Festival	200,000	-	0.00%
	145,758,939	**63,232,029**	**43.38%**

- **Other Expenditure**

The other expenditure is broken down as follows:

Item Description	Adjusted Budget 2024/25	Actuals as at 28 February 2025	%
Achievements and Awards	2,004,400	1,269,019	63.31%
Advertising, Publicity and Marketing	4,468,704	1,993,088	44.60%
Bank Charges	800,000	818,723	102.34%
Bargaining Council	4,619,580	-	0.00%
Cellular Contract (Subscription and Calls)	4,031,889	2,447,251	60.70%
Claims paid to Third Parties	200,000	136,589	68.29%
External Audit Fees	4,500,000	3,973,881	88.31%
External Computer Service:Internet Charge	5,400,000	6,196,197	114.74%
Hire Charges	7,367,662	3,766,624	51.12%
Insurance Claims	1,200,000	373,029	31.09%
Insurance Underwriting:Premiums	3,644,283	3,069,552	84.23%
Leases:Furniture and Office Equipment	4,068,744	1,751,991	43.06%
Leases:Other Assets	3,963,740	3,658,513	92.30%
Motor Vehicle Licence and Registrations	1,644,488	575,071	34.97%
Other	1,240,788	216,597	17.46%
Postage/Stamps/Franking Machines	2,661,000	1,066,973	40.10%
Registration Fees:Professional and Regulatory Bodies	525,112	48,453	9.23%
Registration Fees:Seminars, Conferences, Workshops	2,309,682	825,769	35.75%
Remuneration to Ward Committees	2,862,000	1,348,800	47.13%
Riparian Levies	7,911,471	5,453,169	68.93%
Signage	1,136,216	209,771	18.46%
Skills Development Fund Levy	4,202,076	2,786,262	66.31%
Software Licences	11,475,000	7,409,710	64.57%
Storage of Files (Archiving)	300,000	52,459	17.49%
Supplier Development Programme	100,000	-	0.00%
Third Party Vendors	3,550,000	1,961,515	55.25%
Travel and Subsistence	5,003,126	1,935,207	38.68%
Uniform and Protective Clothing	3,906,584	2,127,837	54.47%
Vehicle Tracking	804,742	620,115	77.06%
Workmen's Compensation Fund	2,288,376	1,444,673	63.13%
	98,210,663	**57,536,840**	**58.59%**



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 28 February 2025**	**%**
Repairs and Maintenance by Expenditure Items			
Employee related costs	156 232 538	59 770 837	38,26%
Other materials	29 153 864	12 936 267	44,37%
Contracted Services	50 127 348	22 091 219	44,07%
Other expenditure	6 847 250	3 810 171	55,65%
Total	**242 361 000**	**98 608 493**	**40,69%**

It is to be noted that actual repairs and maintenance expenditure constituted 40,69% of the 2024/25 Approved Adjusted Budget.

1.5. Trading Services Performance

1.5.1. Electricity

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	Year TD Actual	%
Revenue			
Exchange Revenue			
Service charges - Electricity	425 559	278 378	65,41%
Interest earned from Receivables	2 214	1 471	66,44%
Operational Revenue	–	206	0,00%
Non-Exchange Revenue			
Transfer and subsidies - Operational	1 990	4 654	233,89%
Operational Revenue	10 103	7 423	73,47%
Total Revenue (excluding capital transfers and contributions)	**439 865**	**292 131**	**66,41%**
Expenditure By Type			
Employee related costs	24 407	11 591	47,49%
Bulk purchases - electricity	413 349	295 455	71,48%
Inventory consumed	9 985	5 599	56,07%
Debt impairment	13 434	–	0,00%
Depreciation and amortisation	8 909	9 506	106,70%
Contracted services	15 892	5 213	32,80%
Irrecoverable debts written off	3 571	228	6,38%
Operational costs	4 644	2 373	51,09%
Total Expenditure	**494 191**	**329 964**	**66,77%**
Surplus/(Deficit)	**(54 326)**	**(37 832)**	

1.5.1.1 Revenue

- The electricity service charges revenue reflects 65.41% of budget as at 28 February, and this is in line with the projected budget ratio of 66.67% as at 28 February 2025.
- Transfers and subsidies – operational relate to the Equitable share allocation for the indigent subsidy.
- Operational revenue (non-exchange revenue) relates to the electricity availability charges.

1.5.1.2 Expenditure

- the bulk electricity reflects 71.48% of budget expenditure as at 28 February 2025.

1.5.1.3 Net surplus/deficit of electricity ratio

- Electricity reflects a deficit of R 37,832 million as at 28 February 2025 and the deficit amount equates to 12.95%, compared to the revenue. The adjusted budget deficit for the 2024/25 amount to R 54,326 million and equates to 12.35%, compared to total revenue.

1.5.2 Water

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	YearTD Actual	%
Revenue			
Exchange Revenue			
Service charges - Water	138 057	73 234	53,05%
Interest earned from Receivables	15 537	7 978	51,35%
Operational Revenue	–	–	0,00%
Non-Exchange Revenue			
Transfer and subsidies - Operational	21 487	17 694	82,35%
Operational Revenue	6 352	4 700	73,99%
Total Revenue (excluding capital transfers and contributions)	**181 433**	**103 606**	**57,10%**
Expenditure By Type			
Employee related costs	28 298	19 583	69,21%
Inventory consumed	49 394	38 955	78,87%
Debt impairment	6332	–	0,00%
Depreciation and amortisation	17 074	10,652	62,39%
Contracted services	4 680	910	19,45%
Irrecoverable debts written off	1 683	4 182	248,48%
Operational costs	1 577	987	62,59%
Total Expenditure	**109 037**	**75 270**	**69,03%**
Surplus/(Deficit)	**72 396**	**28 337**	

1.5.2.1 Revenue

- The water service charges revenue reflects 53.05% of budget as at 28 February 2025.
- Transfers and subsidies – operational relate to the Equitable share allocation for the indigent subsidy.
- Operational revenue (non-exchange revenue) relates to the water availability charges.

1.5.2.2 Expenditure

- Inventory consumed includes a budget amount of R 38,931 million for the bulk water purchases and the expenditure amount of R 32,921million (84.56% of budget).

1.5.2.3 Net surplus/deficit of water ratio

- The water reflects a surplus of R 28,337 million as at 28 February 2025 and equates to 27,35% of total revenue.

1.5.3 Waste Water Management

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	Year TD Actual	%
Revenue			
Exchange Revenue			
Service charges - Waste Water Management	76 014	44 155	58,09%
Interest earned from Receivables	5 673	2 779	49,98%
Non-Exchange Revenue			
Transfer and subsidies - Operational	13 673	11 844	86,62%
Operational Revenue	3 204	2 299	71,77%
Total Revenue (excluding capital transfers and contributions)	**98 565**	**61 077**	**61,97%**
Expenditure By Type			
Employee related costs	26 614	17 464	65,62%
Inventory consumed	12 132	5 634	46,44%
Debt impairment	3 353	–	0,00%
Depreciation and amortisation	32 226	18 725	58,11%
Contracted services	7 395	1 370	18,53%
Irrecoverable debts written off	891	1 666	
Operational costs	7 666	4 434	57,84%
Total Expenditure	**90 277**	**49 294**	**54,60%**
Surplus/(Deficit)	**8 287**	**11 783**	

1.5.3.1 Revenue

- The wastewater service charges revenue reflects 58.09% of budget as at 28 February 2025, and this is in line with the projected budget ratio of 66.67% as at 28 February 2025.
- Transfers and subsidies – operational relate to the Equitable share allocation for the indigent subsidy.
- Operational revenue (non-exchange revenue) relates to the wastewater availability charges.

1.5.3.2 Expenditure

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

1.5.3.3 Net surplus/deficit of wastewater management ratio

- The waste water management revenue reflects a surplus of R 11,783 million as at 28 February 2025 and equates to 19.29% of total revenue. Council approved a surplus adjusted budget of R 8,287 million for the 2024/25 financial year.

1.5.4. Waste Management

Description	Budget Year 2024/25		
R thousands	Adjusted Budget	YearTD Actual	%
Revenue			
Exchange Revenue			
Service charges - Waste management	62 146	40 033	64,42%
Sale of Goods and Rendering of Services	9	–	
Interest earned from Receivables	8 560	4 379	51,16%
Non-Exchange Revenue			
Transfer and subsidies - Operational	24 319	21 409	88,03%
Total Revenue (excluding capital transfers and contributions)	**95 034**	**65 821**	**69,26%**
Expenditure By Type			
Employee related costs	38 643	27 829	72,02%
Inventory consumed	8 277	4 911	59,33%
Debt impairment	2 793	–	
Depreciation and amortisation	3 195	1 768	55,32%
Interest			
Contracted services	15 530	6 663	42,90%
Transfers and subsidies			
Irrecoverable debts written off	742	2 648	
Operational costs	3 807	2 016	52,96%
Losses on Disposal of Assets			
Other Losses			
Total Expenditure	**72 987**	**45 834**	**62,80%**
Surplus/(Deficit)	**22 046**	**19 986**	

1.5.4.1 Revenue

- The waste service charges revenue reflects 64.42% of budget as at 28 February, and this is in line with the projected budget ratio of 66.67% as at 28 February 2025.
- Transfers and subsidies – operational relate to the Equitable share allocation for the indigent subsidy.
- 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 19,986 million as at 28 February 2025 and equates to 30.36% of total revenue. Council approved a surplus adjusted budget of R 22,046 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	17,456	9,619	11,637	(2,018)
2. Travel claims	4,956	1,907	3,304	(1,397)
4. Overtime	20,000	15,165	13,333	1,832
5. Catering Costs	705	303	470	(167)
6. Events, Advertising and sponsorships	5,154	2,533	3,436	(903)
7. Attendance of Conferences, Seminars & Workshops	2,280	804	1,520	(716)
8. Municipal Workshops, Retreats, Strategic Sessions and Internal training	2,068	89	1,378	(1,290)
9. Projects /Programme Launches	–	–	–	–
10. Essential User Scheme	**1,935**	**1,935**	**1,935**	**–**
Total	**54,554**	**32,355**	**37,014**	**(4,659)**

A comparison of the year-to-date actuals to the adjusted budget reflects savings, amounting to R 4,659 million as at 28 February 2025.

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 28 February 2025			
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	329,020	154,227	483,247	191,612	37,355	228,967	–
Community Services	290,682	1,634	292,316	153,946	209	154,155	–
Electro & Mechanical Services	507,735	92,804	600,539	340,468	55,418	395,886	–
Finance and Economic Development	136,835	992	137,827	64,303	407	64,710	–
Office of the DMM	128,858	1,933	130,790	79,228	1,151	80,379	–
Office of the MM	29,212	28	29,240	19,026	–	19,026	–
Planning and Development	38,651	21,956	60,607	17,638	6,705	24,343	–
Total Expenditure by Vote	**1,460,993**	**273,573**	**1,734,566**	**866,221**	**101,244**	**967,465**	-

No unauthorised expenditure reported for the period ended 28 February 2025.

Annexure "A2"

1. CAPITAL BUDGET PERFORMANCE

1.1. Summary Capital Expenditure and Funding

The capital expenditure as at 28 February 2025, constituted28.21% of approved adjusted capital budget and the funding is broken down as follows:

- Grant funding is 28.21% of approved grant funding budget.
- Borrowing funding is53.98% of approved borrowing funding budget.
- Internally generated funds are 27.26% at this stage.

Capital budget by municipal vote for 2024/25.

Vote Description	Budget Year 2024/25			
	Original Budget	Adjusted Budget	Year TD Actual	%
R thousands				
Multi-Year expenditure appropriation				
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	–	28	–	0,00%
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	–	1 933	1 151	59.54%
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	–	992	407	41.03%
Vote 4 - COMMUNITY SERVICES	1 391	1 634	209	12.79%
Vote 5 - CIVIL AND WATER SERVICES	80 868	154 227	37 355	24.22%
Vote 6 - ELECTRO/MECHANICAL SERVICES	68 103	92 804	55 418	59.71%
Vote 7 - PLANNING AND DEVELOPMENT	–	21 956	6 705	30.54%
Total Capital Multi-year expenditure	**150 362**	**273 573**	**101 244**	**37.01%**

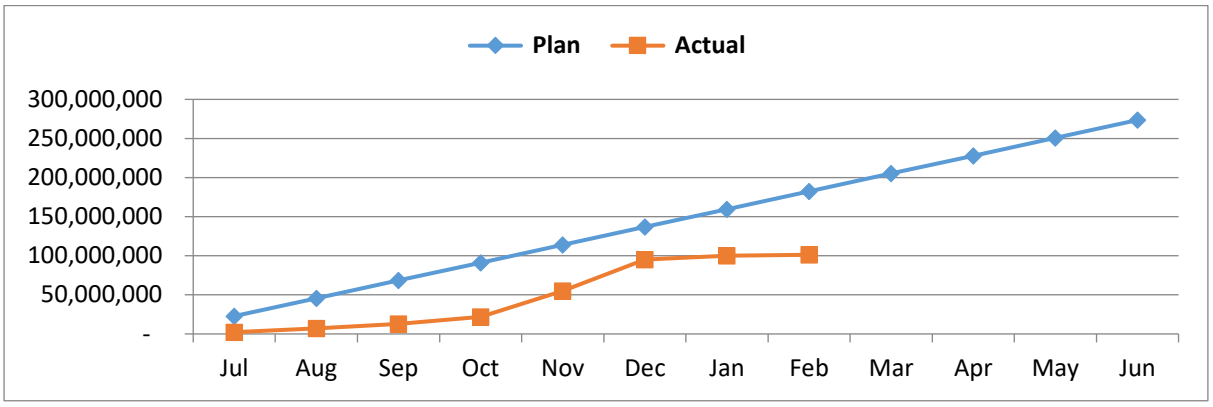
The capital expenditure as at 28 February 2025, constituted 37.01% of approved adjusted capital budget.

The capital expenditure is broken down per directorate as follows:

- Office Of the Municipal Manager is 0% of R 0,028 million budget.
- Office Of the Deputy Municipal Manager is 59.54% of R 1,933 million budget.
- Finance And Economic Development is 41.03% of R 0,992 million budget.
- Community Services is 12.79% of R 1,634 million budget.
- Civil & Water Services 24.22% of R 154,227 million budget.
- Electro and Mechanical Services is 59.71% of R 92,804 million budget.
- Planning And Development is 30.54% of R 21,956 million budget.

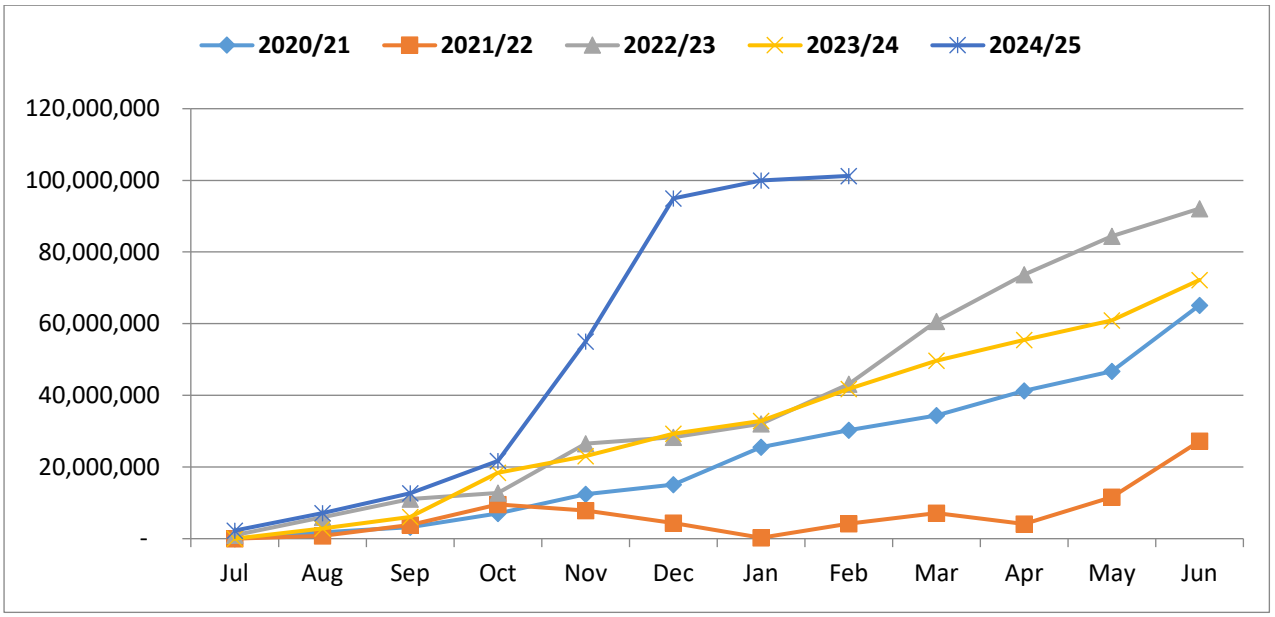
1.2. Monthly capital expenditure

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 28 February 2025.

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals Total as at28 February 2025	%
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	264,570	52.91%
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	1,121,050	162,800	14.52%
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	1,615,427	1,570,161	97.20%
ROADS AND STORMWATER	MDRG	Aston Bay to Paradise Beach - Seekoei Estuary Caus	6,478,261	101,225	1.56%
ROADS AND STORMWATER	DBSA	ROADS INFRASTRUCTURE	43,478,261	-	0.00%
ROADS AND STORMWATER	MDRG	Paradise Beach - Botha Street Stormwater Infrastru	424,348	369,859	87.16%
SEWERAGE	MIG	DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANV	80,500	51,300	63.73%
SEWERAGE	MIG	UPGRADING KWANOMZAMO WWTW	29,169,586	16,885,117	57.89%
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	5,331,662	883,270	16.57%
SEWERAGE	Internal	LA MER NEW SEWER RISING MAIN	4,763,577	1,685,040	35.37%
SEWERAGE	DOHS	Phase 1 Upgrade of Thornhill Sewer Treatment Works	331,320	-	0.00%
SEWERAGE	DOHS	Kruisfontein Bulk Sewer -Link Line	1,395,837	-	0.00%
SEWERAGE	DOHS	Kwanomzamo Bulk Sanitation -Pump Station & Rising	4,511,687	-	0.00%
SEWERAGE	WSIG	Beach Sewer Pump Station and New Sewer Bypass	140,000	-	0.00%
SEWERAGE	WSIG	Loerie Sewer Pump Station upgrade and new sewer ri	20,000	5,808	29.04%
SEWERAGE	DOHS	DESIGN: UPGRADING WESTON WWTW OUTFALL AND RETICULA	167,175	-	0.00%
SEWERAGE	DOHS	Ramaphosa Sewer Pump Station Upgrade	75,391	-	0.00%
WATER	DOHS	New Reservoir Ramaphosa	659,674	-	0.00%
WATER	DOHS	Humansdorp: Upgrading of informal settlements in K	8,118,775	-	0.00%
WATER	DOHS	Thornhill : Upgrading of Informal Settlement	1,399,200	-	0.00%
WATER	WSIG	ST FRANCIS BAY: BOREHOLES	8,940,388	2,397,476	26.82%
WATER	Internal	JILL MARCUS WATER SUPPLY	4,347,000	3,110,115	71.55%
WATER	Internal	HUMANSDORP GROUNDWATER SUPPLY	637,410	-	0.00%
WATER	WSIG	RETICULATION REPLACE PIPELINES	3,478,260	-	0.00%
WATER	WSIG	Replace Ageing Water Infrastructure in St Francis	80,000	75,904	94.88%
WATER	WSIG	Replace Main Waterline Sout Rivier Bridge Crossing	100,000	64,000	64.00%
WATER	DOHS	New Reservoir on Pnt 2 of the Farm Thornhill	2,440,926	437,718	17.93%
WATER	DOHS	Kruisfontein Bulk Water -Gill Marcus Reservoir & P	3,196,225	540,860	16.92%
WATER	WSIG	PARADISE BEACH WATER TOWER	2,021,548	1,737,069	85.93%
WATER	DOHS	Kwanomzamo Bulk Water : New Pipeline	3,047,557	-	0.00%
WATER	WSIG	MIMOSA STREET PIPELINE REPLACEMENT	3,575,354	1,180,639	33.02%
WATER	DOHS	Patensie: Upgrading of Informal Settlement (Cyril	2,629,602	-	0.00%
WATER	DOHS	Jeffreys Bay: Upgrading of Oceanview Informal Sett	3,469,565	-	0.00%
WATER	DOHS	Humansdorp: Upgrading of Kruisfontein Settlement	1,898,033	-	0.00%
WATER	Internal	Construction of Civil Services in Donkerhoek & Humansdorp	3,000,000	230,108	7.67%
			154,227,417	**37,354,892**	**24.22%**

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals Total as at 28 February 2025	%
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					
ADMINISTRATION SERVICES	Internal	Furniture and Equipment	90,000	-	0.00%
COUNCIL	Internal	Furniture and Equipment	150,000	-	0.00%
DEPUTY MUNICIPAL MANAGER	Internal	Furniture and Equipment	150,000	-	0.00%
HUMAN RESOURCES	Internal	Furniture and Equipment	80,000	-	0.00%
INFORMATION TECHNOLOGY (ICT)	Internal	Computer Equipment	1,412,789	1,150,749	81.45%
LEGAL SERVICES	Internal	Furniture and Equipment	50,000	-	0.00%
			1,932,789	**1,150,749**	**59.54%**
FINANCE AND ECONOMIC DEVELOPMENT					
ASSET MANAGEMENT	Internal	AIR CONDITIONERS-WHOLE OF MUNICIPALITY	377,517	375,922	99.58%
LOCAL ECONOMIC DEVELOPMENT	Internal	Township Economy Support (Agriculture)	100,000	-	0.00%
REVENUE	Internal	FURNITURE &EQUIPMENT REV STAFF	106,453	23,847	22.40%
REVENUE	Internal	Computer Equipment	22,477	-	0.00%
SUPPLY CHAIN MANAGEMENT	Internal	Computer Equipment	385,414	7,210	1.87%
			991,861	**406,979**	**41.03%**
PLANNING AND DEVELOPMENT					
HUMAN SETTLEMENT	DOHS	HANKEY 990-PHASE 2	16,346,963	6,704,971	41.02%
HUMAN SETTLEMENT	DOHS	HANKEY 990-PHASE 3	4,208,993	-	0.00%
LAND AND PROPERTY ADMINISTRATION	Internal	Procurement of Homeless Shelter Property	1,400,000	-	0.00%
			21,955,956	**6,704,971**	**30.54%**
ELECTO & MECHANICAL SERVICES					
FLEET AND WORKSHOP	Finance Lease	Vehicle	51,005,878	51,005,878	100.00%
METERING & REVENUE	INEP	OCEAN VIEW 1250 ELECTRIFICATION	4,251,567	56,057	1.32%
METERING & REVENUE	MIG	DESIGN: HIGH MAST LIGHTS	100,000	-	0.00%
METERING AND REVENUE	DOHS	Computer Equipment (UISP FUNDING)	217,391	-	0.00%
METERING AND REVENUE	DOHS	Kwanomzamo Bulk Electrical - Boskloof Secondary Fe	18,347,420	2,761,458	15.05%
METERING AND REVENUE	DOHS	Electricity Transfer from NMBM to KLM	62,198	-	0.00%
METERING AND REVENUE	DOHS	Apiesdraai Pump Station	1,980,261	-	0.00%
METERING AND REVENUE	DOHS	Thornhill : Upgrading of Informal Settlement	1,270,400	-	0.00%
METERING AND REVENUE	DOHS	Jeffreys Bay: Upgrading of Oceanview Informal Sett	655,434	-	0.00%
METERING AND REVENUE	DOHS	Oceanview Substation Upgrade	9,913,043	1,594,229	16.08%
METERING AND REVENUE	Internal	Electrical Oil circuit breakers replacement circuit breakers replacement with vacuum SCADA ready breakers	5,000,000	-	0.00%
			92,803,592	**55,417,623**	**59.71%**
OFFICE OF THE MM					
RISK AND INTERNAL AUDIT	Internal	Furniture and equipment	28,000	-	0.00%
			28,000	**-**	**0%**
		Total	**273,573,239**	**101,244,089**	**37.01%**

Annexure "A3"

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

1.1. Projected Cash Flow Statement as at 28 February 2025

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 – M08 February 2025

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	288,628	19,620	207,260	192,419	14,841	8%	288,628
Service charges		255,325	761,922	823,774	48,104	385,877	549,183	(163,306)	-30%	823,774
Other revenue		16,788	93,666	115,947	73,000	279,126	77,298	201,828	261%	115,947
Transfers and Subsidies - Operational		184,436	202,153	210,105	448	153,072	140,070	13,003	9%	210,105
Transfers and Subsidies - Capital		1,586	123,443	130,017	–	48,591	86,678	(38,087)	-44%	130,017
Interest		914,663	13,998	15,498	963	9,137	10,332	(1,195)	-12%	15,498
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		771,377	(1,356,179)	(1,460,241)	(169,754)	(946,267)	(973,494)	(27,227)	3%	(1,460,241)
Interest		–	(16,159)	(11,097)	(1,581)	(4,915)	(7,398)	(2,483)	34%	(11,097)
Transfers and Subsidies		–	(400)	(400)	–	–	(267)	(267)	100%	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**2,506,902**	**109,901**	**112,232**	**(29,200)**	**131,881**	**74,821**	**(57,060)**	**-76%**	**112,232**
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)	(222,567)	(1,438)	(116,566)	(148,378)	(31,812)	21%	(222,567)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(83,038)**	**(116,362)**	**(222,567)**	**(1,438)**	**(116,566)**	**(148,378)**	**(31,812)**	**21%**	**(222,567)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	100,000	–	–	66,667	(66,667)	-100%	100,000
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	(1,942)	(10,310)	–	10,310	0%	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**100,000**	**(1,942)**	**(10,310)**	**66,667**	**76,977**	**115%**	**100,000**
NET INCREASE/ (DECREASE) IN CASH HELD		**2,423,864**	**(6,461)**	**(10,335)**	**(32,580)**	**5,004**	**(6,890)**			**(10,335)**
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	37,204	133,323		148,664	136,769			133,324

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 February 2025 and are to be noted. Each table is accompanied by explanatory notes.

Table C1 Monthly Budget Statement Summary – M08 February 2025

Description	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
Financial Performance									
Property rates	280,203	297,076	298,309	20,288	216,740	198,873	17,867	9%	298,309
Service charges	607,369	599,522	701,777	49,893	435,799	467,851	(32,052)	-7%	701,777
Investment revenue	12,962	13,998	15,498	963	9,137	10,332	(1,195)	-12%	15,498
Transfers and subsidies - Operational	198,630	202,153	210,105	1,631	151,936	140,070	11,866	8%	210,105
Other own revenue	110,770	279,872	135,214	2,261	53,409	90,143	(36,733)	-41%	135,214
Total Revenue (excluding capital transfers and	**1,209,934**	**1,392,621**	**1,360,902**	**75,036**	**867,021**	**907,268**	**(40,247)**	**-4%**	**1,360,902**
Employee costs	398,878	471,743	482,971	42,915	278,954	321,980	(43,026)	-13%	482,971
Remuneration of Councillors	14,976	15,594	15,594	1,266	10,553	10,396	157	2%	15,594
Depreciation and amortisation	102,539	117,798	117,798	9,817	78,532	78,533	(1)	-0%	117,798
Interest	10,038	17,404	13,002	1,581	4,915	8,668	(3,753)	-43%	13,002
Inventory consumed and bulk purchases	454,301	495,318	518,044	37,274	363,395	345,362	18,033	5%	518,044
Transfers and subsidies	920	400	400	2	2	267	(265)	-99%	400
Other expenditure	327,630	387,217	313,184	17,584	129,870	208,372	(78,502)	-38%	313,184
Total Expenditure	**1,309,281**	**1,505,474**	**1,460,993**	**110,439**	**866,221**	**973,578**	**(107,357)**	**-11%**	**1,460,993**
Surplus/(Deficit)	**(99,347)**	**(112,853)**	**(100,091)**	**(35,403)**	**800**	**(66,310)**	**67,110**	**-101%**	**(100,091)**
Transfers and subsidies - capital (monetary allocations)	85,140	133,816	168,808	1,455	47,829	112,539	(64,710)	-58%	168,808
Transfers and subsidies - capital (in-kind)	18,000	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**3,792**	**20,963**	**68,717**	**(33,948)**	**48,629**	**46,229**	**2,400**	**5%**	**68,717**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**3,792**	**20,963**	**68,717**	**(33,948)**	**48,629**	**46,229**	**2,400**	**5%**	**68,717**
Capital expenditure & funds sources									
Capital expenditure	**92,915**	**150,362**	**273,573**	**1,251**	**101,244**	**182,382**	**(81,138)**	**-44%**	**273,573**
Capital transfers recognised	3,157	116,362	149,471	1,203	42,165	99,647	(57,482)	-58%	149,471
Borrowing	–	34,000	94,484	–	51,006	62,989	(11,984)	-19%	94,484
Internally generated funds	89,757	–	29,618	48	8,073	19,745	(11,672)	-59%	29,618
Total sources of capital funds	**92,915**	**150,362**	**273,573**	**1,251**	**101,244**	**182,382**	**(81,138)**	**-44%**	**273,573**
Financial position									
Total current assets	266,448	213,837	291,083		386,356				291,083
Total non current assets	2,312,828	2,369,948	2,468,603		2,335,540				2,468,603
Total current liabilities	293,952	225,392	281,961		331,203				281,961
Total non current liabilities	243,291	270,953	366,975		291,521				366,975
Community wealth/Equity	**2,042,032**	**2,087,440**	**2,110,750**		**2,099,172**				**2,110,750**
Cash flows									
Net cash from (used) operating	2,506,902	109,901	112,232	(29,200)	131,881	74,821	(57,060)	-76%	112,232
Net cash from (used) investing	(83,038)	(116,362)	(222,567)	(1,438)	(116,566)	(148,378)	(31,812)	21%	(222,567)
Net cash from (used) financing	–	–	100,000	(1,942)	(10,310)	66,667	76,977	115%	100,000
Cash/cash equivalents at the month/year end	**2,599,414**	**37,204**	**133,323**	**–**	**148,664**	**136,769**	**(11,895)**	**-9%**	**133,324**
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	78,799	15,031	12,683	11,838	10,602	17,814	44,641	317,793	509,200
Creditors Age Analysis									
Total Creditors	51,320	112	54	18	16	(43)	459	(973)	50,963

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) – M08 February 2025

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**	**499,299**	**(22,413)**	**315,790**	**332,866**	(17,076)	-5%	**499,299**
Executive and council		46	142	142	–	53	94	(42)	-44%	142
Finance and administration		489,263	590,608	499,157	(22,413)	315,737	332,772	(17,035)	-5%	499,157
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**51,001**	**87,286**	**122,430**	**1,656**	**32,045**	**81,620**	(49,575)	-61%	**122,430**
Community and social services		2,415	2,460	3,365	22	3,197	2,243	954	43%	3,365
Sport and recreation		7,682	11,504	11,504	999	8,076	7,669	406	5%	11,504
Public safety		1,792	1,857	1,857	2	15	1,238	(1,223)	-99%	1,857
Housing		35,790	68,969	103,208	626	19,776	68,805	(49,029)	-71%	103,208
Health		3,322	2,496	2,496	8	982	1,664	(683)	-41%	2,496
Economic and environmental services		**48,168**	**56,136**	**48,986**	**2,238**	**25,082**	**32,657**	(7,576)	-23%	**48,986**
Planning and development		8,375	10,252	10,252	603	5,004	6,834	(1,831)	-27%	10,252
Road transport		16,518	19,972	19,980	391	5,342	13,320	(7,978)	-60%	19,980
Environmental protection		23,276	25,912	18,755	1,244	14,736	12,503	2,232	18%	18,755
Trading services		**724,595**	**792,266**	**858,995**	**95,009**	**541,933**	**572,664**	(30,731)	-5%	**858,995**
Energy sources		398,034	409,585	444,755	33,067	291,932	296,503	(4,571)	-2%	444,755
Water management		156,102	177,913	202,542	10,680	110,883	135,028	(24,146)	-18%	202,542
Waste water management		106,410	123,062	133,183	49,994	86,000	88,788	(2,789)	-3%	133,183
Waste management		64,049	81,707	78,516	1,268	53,119	52,344	775	1%	78,516
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1,313,073**	**1,526,437**	**1,529,710**	**76,491**	**914,850**	**1,019,807**	**(104,957)**	**-10%**	**1,529,710**
Expenditure - Functional										
Governance and administration		**328,779**	**362,481**	**366,409**	**33,846**	**205,545**	**243,856**	(38,311)	-16%	**366,409**
Executive and council		57,143	61,996	61,189	4,205	38,030	40,792	(2,762)	-7%	61,189
Finance and administration		271,580	299,963	304,803	29,638	167,437	202,786	(35,349)	-17%	304,803
Internal audit		57	523	418	4	78	278	(200)	-72%	418
Community and public safety		**104,281**	**140,104**	**138,395**	**9,192**	**72,721**	**92,263**	(19,542)	-21%	**138,395**
Community and social services		9,188	13,952	13,796	664	6,328	9,197	(2,869)	-31%	13,796
Sport and recreation		52,608	75,205	72,073	5,053	36,965	48,049	(11,084)	-23%	72,073
Public safety		28,701	33,254	33,342	2,297	19,927	22,228	(2,301)	-10%	33,342
Housing		5,817	9,703	11,320	604	4,469	7,547	(3,078)	-41%	11,320
Health		7,968	7,991	7,863	574	5,031	5,242	(211)	-4%	7,863
Economic and environmental services		**126,118**	**288,532**	**198,550**	**12,303**	**91,109**	**132,366**	(41,257)	-31%	**198,550**
Planning and development		27,163	32,149	38,060	2,427	16,530	25,373	(8,844)	-35%	38,060
Road transport		86,718	246,274	151,612	9,414	71,041	101,075	(30,034)	-30%	151,612
Environmental protection		12,237	10,109	8,878	463	3,539	5,919	(2,380)	-40%	8,878
Trading services		**743,328**	**714,357**	**757,639**	**55,098**	**496,842**	**505,092**	(8,250)	-2%	**757,639**
Energy sources		426,149	453,172	494,191	38,804	329,964	329,461	503	0%	494,191
Water management		161,924	108,542	109,037	7,972	75,270	72,691	2,578	4%	109,037
Waste water management		103,926	88,779	90,277	2,930	49,294	60,185	(10,890)	-18%	90,277
Waste management		51,329	63,864	64,133	5,392	42,314	42,755	(441)	-1%	64,133
Other		**6,775**	–	–	–	**3**	–	**3**		–
Total Expenditure - Functional	3	**1,309,281**	**1,505,474**	**1,460,993**	**110,439**	**866,221**	**973,578**	**(107,357)**	**-11%**	**1,460,993**
Surplus/ (Deficit) for the year		**3,792**	**20,963**	**68,717**	**(33,948)**	**48,629**	**46,229**	**2,400**	**5%**	**68,717**

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 – M08 February 2025

Vote 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 by Vote	1									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		–	–	–	–	–	–	–		–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		1,687	1,115	1,115	83	1,300	743	557	75.0%	1,115
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		449,050	446,890	454,924	21,850	320,142	303,283	16,859	5.6%	454,924
Vote 4 - COMMUNITY SERVICES		148,611	276,782	167,855	3,814	82,029	111,903	(29,874)	-26.7%	167,855
Vote 5 - CIVIL AND WATER SERVICES		274,288	314,671	349,429	16,443	195,642	232,952	(37,311)	-16.0%	349,429
Vote 6 - ELECTRO/MECHANICAL SERVICES		398,035	409,586	444,756	33,178	292,254	296,504	(4,250)	-1.4%	444,756
Vote 7 - PLANNING AND DEVELOPMENT		41,392	77,392	111,632	1,123	23,481	74,421	(50,940)	-68.4%	111,632
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**1,313,063**	**1,526,437**	**1,529,710**	**76,491**	**914,850**	**1,019,807**	**(104,957)**	**-10.3%**	**1,529,710**
Expenditure by Vote	1									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		27,222	31,456	31,803	1,900	19,938	21,202	(1,264)	-6.0%	31,803
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		114,919	128,955	126,253	18,079	78,296	83,753	(5,457)	-6.5%	126,253
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		133,949	141,869	136,835	8,144	64,303	91,223	(26,920)	-29.5%	136,835
Vote 4 - COMMUNITY SERVICES		218,052	386,594	290,666	19,727	153,946	193,777	(39,831)	-20.6%	290,666
Vote 5 - CIVIL AND WATER SERVICES		348,309	316,288	329,020	19,961	191,612	219,346	(27,734)	-12.6%	329,020
Vote 6 - ELECTRO/MECHANICAL SERVICES		442,656	466,160	507,837	40,065	340,469	338,558	1,911	0.6%	507,837
Vote 7 - PLANNING AND DEVELOPMENT		23,509	34,152	38,579	2,562	17,657	25,719	(8,062)	-31.3%	38,579
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**1,308,616**	**1,505,474**	**1,460,993**	**110,439**	**866,221**	**973,578**	**(107,357)**	**-11.0%**	**1,460,993**
Surplus/ (Deficit) for the year	2	**4,447**	**20,963**	**68,717**	**(33,948)**	**48,629**	**46,229**	**2,400**	**5.2%**	**68,717**

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) – M08 February 2025

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	771,689	52,581	473,833	514,460	(40,626)	-8%	771,689
Service charges - Electricity		380,376	381,991	425,559	32,792	278,378	283,706	(5,328)	-2%	425,559
Service charges - Water		109,873	82,323	138,057	9,725	73,234	92,038	(18,804)	-20%	138,057
Service charges - Waste Water Management		59,633	64,086	76,014	4,701	44,155	50,676	(6,522)	-13%	76,014
Service charges - Waste management		57,488	71,123	62,146	2,675	40,033	41,431	(1,398)	-3%	62,146
Sale of Goods and Rendering of Services		7,442	9,533	9,533	473	3,802	6,355	(2,553)	-40%	9,533
Agency services		3,615	4,554	4,554	–	–	3,036	(3,036)	-100%	4,554
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		21,854	32,335	32,335	(1,003)	16,835	21,556	(4,721)	-22%	32,335
Interest earned from Current and Non Current Assets		12,962	13,998	15,498	963	9,137	10,332	(1,195)	-12%	15,498
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		3,550	3,187	3,187	222	3,075	2,124	951	45%	3,187
Licence and permits		2,368	2,851	2,851	180	1,513	1,901	(387)	-20%	2,851
Operational Revenue		11,654	1,955	1,955	1,853	3,671	1,303	2,368	182%	1,955
Non-Exchange Revenue		539,119	724,686	589,213	22,455	393,188	392,809	379	0%	589,213
Property rates		280,203	297,076	298,309	20,288	216,740	198,873	17,867	9%	298,309
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		40,084	143,343	43,859	97	504	29,239	(28,735)	-98%	43,859
Licence and permits		7,421	11,772	11,772	1,308	7,893	7,848	45	1%	11,772
Transfer and subsidies - Operational		198,630	202,153	210,105	1,631	151,936	140,070	11,866	8%	210,105
Interest		5,519	5,510	5,510	(2,095)	1,692	3,674	(1,981)	-54%	5,510
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	64,831	19,658	1,225	14,422	13,106	1,317	10%	19,658
Gains on disposal of Assets		(56)	–	–	–	–	–	–		–
Other Gains		7,318	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and		**1,209,934**	**1,392,621**	**1,360,902**	**75,036**	**867,021**	**907,268**	**(40,247)**	**-4%**	**1,360,902**
Expenditure By Type										
Employee related costs		398,878	471,743	482,971	42,915	278,954	321,980	(43,026)	-13%	482,971
Remuneration of councillors		14,976	15,594	15,594	1,266	10,553	10,396	157	2%	15,594
Bulk purchases - electricity		351,702	386,299	413,349	31,481	295,455	275,566	19,889	7%	413,349
Inventory consumed		102,599	109,019	104,695	5,793	67,940	69,796	(1,857)	-3%	104,695
Debt impairment		87,369	158,246	59,136	–	–	39,424	(39,424)	-100%	59,136
Depreciation and amortisation		102,539	117,798	117,798	9,817	78,532	78,533	(1)	0%	117,798
Interest		10,038	17,404	13,002	1,581	4,915	8,668	(3,753)	-43%	13,002
Contracted services		93,766	125,372	145,759	9,872	63,232	97,172	(33,940)	-35%	145,759
Transfers and subsidies		920	400	400	2	2	267	(265)	-99%	400
Irrecoverable debts written off		62,860	9,359	10,078	2,265	9,101	6,719	2,382	35%	10,078
Operational costs		81,923	94,240	98,211	5,447	57,537	65,057	(7,520)	-12%	98,211
Losses on Disposal of Assets		1,713	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**1,309,281**	**1,505,474**	**1,460,993**	**110,439**	**866,221**	**973,578**	**(107,357)**	**-11%**	**1,460,993**
Surplus/(Deficit)		**(99,347)**	**(112,853)**	**(100,091)**	**(35,403)**	**800**	**(66,310)**	**67,110**	**(0)**	**(100,091)**
Transfers and subsidies - capital (monetary allocations)		85,140	133,816	168,808	1,455	47,829	112,539	(64,710)	**(0)**	168,808
Transfers and subsidies - capital (in-kind)		18,000	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**3,792**	**20,963**	**68,717**	**(33,948)**	**48,629**	**46,229**			**68,717**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**3,792**	**20,963**	**68,717**	**(33,948)**	**48,629**	**46,229**			**68,717**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**3,792**	**20,963**	**68,717**	**(33,948)**	**48,629**	**46,229**			**68,717**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**3,792**	**20,963**	**68,717**	**(33,948)**	**48,629**	**46,229**			**68,717**

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) – M08 February 2025

Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		71	–	–	–	–	–	–		–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		1,129	–	1,933	–	1,151	1,289	(138)	-11%	1,933
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		810	–	992	48	407	661	(254)	-38%	992
Vote 4 - COMMUNITY SERVICES		3,914	1,391	1,634	–	209	1,089	(880)	-81%	1,634
Vote 5 - CIVIL AND WATER SERVICES		50,070	80,868	154,227	1,203	37,355	102,818	(65,463)	-64%	154,227
Vote 6 - ELECTRO/MECHANICAL SERVICES		167	68,103	92,804	–	55,418	61,869	(6,451)	-10%	92,804
Vote 7 - PLANNING AND DEVELOPMENT		(23)	–	21,956	–	6,705	14,637	(7,932)	-54%	21,956
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	**56,138**	**150,362**	**273,545**	**1,251**	**101,244**	**182,363**	**(81,119)**	**-44%**	**273,545**
Single Year expenditure appropriation	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		39	–	28	–	–	19	(19)	-100%	28
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		–	–	–	–	–	–	–		–
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		11	–	–	–	–	–	–		–
Vote 4 - COMMUNITY SERVICES		1,557	–	–	–	–	–	–		–
Vote 5 - CIVIL AND WATER SERVICES		35,111	–	–	–	–	–	–		–
Vote 6 - ELECTRO/MECHANICAL SERVICES		58	–	–	–	–	–	–		–
Vote 7 - PLANNING AND DEVELOPMENT		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	36,777	–	28	–	–	19	**(19)**	**-100%**	28
Total Capital Expenditure	3	**92,915**	**150,362**	**273,573**	**1,251**	**101,244**	**182,382**	**(81,138)**	**-44%**	**273,573**
Capital Expenditure - Functional Classification										
Governance and administration		**2,644**	**34,000**	**54,101**	**48**	**52,772**	**36,067**	16,705	46%	**54,101**
Executive and council		336	–	300	–	–	200	(200)	-100%	300
Finance and administration		2,270	34,000	53,773	48	52,772	35,849	16,924	47%	53,773
Internal audit		39	–	28	–	–	19	(19)	-100%	28
Community and public safety		**9,879**	**1,391**	**21,947**	**–**	**6,705**	**14,631**	(7,927)	-54%	**21,947**
Community and social services		6,562	–	–	–	–	–	–		–
Sport and recreation		506	–	–	–	–	–	–		–
Public safety		2,810	1,391	1,391	–	–	928	(928)	-100%	1,391
Housing		–	–	20,556	–	6,705	13,704	(6,999)	-51%	20,556
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**29,125**	**9,670**	**55,993**	**–**	**3,200**	**37,328**	(34,128)	-91%	**55,993**
Planning and development		14	500	3,435	–	662	2,290	(1,628)	-71%	3,435
Road transport		28,869	9,170	52,558	–	2,538	35,038	(32,500)	-93%	52,558
Environmental protection		242	–	–	–	–	–	–		–
Trading services		**51,267**	**105,300**	**141,533**	**1,203**	**38,566**	**94,355**	(55,789)	-59%	**141,533**
Energy sources		5,703	34,103	41,798	–	4,412	27,865	(23,453)	-84%	41,798
Water management		21,197	29,008	53,040	371	13,474	35,360	(21,885)	-62%	53,040
Waste water management		22,809	42,190	46,695	832	20,680	31,130	(10,450)	-34%	46,695
Waste management		1,557	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**92,915**	**150,362**	**273,573**	**1,251**	**101,244**	**182,382**	**(81,138)**	**-44%**	**273,573**
Funded by:										
National Government		347	54,997	61,737	1,203	25,404	41,158	(15,754)	-38%	61,737
Provincial Government		–	59,973	86,343	–	16,762	57,562	(40,800)	-71%	86,343
District Municipality		2,810	1,391	1,391	–	–	928	(928)	-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**	**149,471**	**1,203**	**42,165**	**99,647**	**(57,482)**	**-58%**	**149,471**
Borrowing	6	–	34,000	94,484	–	51,006	62,989	(11,984)	-19%	94,484
Internally generated funds		89,757	–	29,618	48	8,073	19,745	(11,672)	-59%	29,618
Total Capital Funding	7	**92,915**	**150,362**	**273,573**	**1,251**	**101,244**	**182,382**	**(81,138)**	**-44%**	**273,573**

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 – M08 February 2025

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	169,065	148,664	169,065
Trade and other receivables from exchange transactions		58,750	77,030	59,899	117,645	59,899
Receivables from non-exchange transactions		26,651	29,014	26,651	17,613	26,651
Current portion of non-current receivables		–	–	–	–	–
Inventory		22,450	18,598	21,679	23,126	21,679
VAT		12,790	45,445	12,790	77,170	12,790
Other current assets		2,149	109	999	2,139	999
Total current assets		**266,448**	**213,837**	**291,083**	**386,356**	**291,083**
Non current assets						
Investments		–	–	–	–	–
Investment property		250,794	262,608	250,794	250,794	250,794
Property, plant and equipment		2,061,616	2,106,737	2,217,391	2,084,719	2,217,391
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		419	603	419	28	419
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**	**2,468,603**	**2,335,540**	**2,468,603**
TOTAL ASSETS		**2,579,276**	**2,583,785**	**2,759,687**	**2,721,896**	**2,759,687**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		11,144	23,564	38,274	15	38,274
Consumer deposits		31,660	29,060	31,660	33,762	31,660
Trade and other payables from exchange transactions		143,222	124,413	142,452	112,973	142,452
Trade and other payables from non-exchange transactions		38,791	–	0	41,172	0
Provision		54,427	48,355	54,868	54,427	54,868
VAT		14,707	(0)	14,707	88,854	14,707
Other current liabilities		–	–	–	–	–
Total current liabilities		**293,952**	**225,392**	**281,961**	**331,203**	**281,961**
Non current liabilities						
Financial liabilities		12,231	11,333	120,843	60,461	120,843
Provision		133,995	140,468	137,347	133,995	137,347
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		97,065	119,151	108,785	97,065	108,785
Total non current liabilities		**243,291**	**270,953**	**366,975**	**291,521**	**366,975**
TOTAL LIABILITIES		**537,243**	**496,345**	**648,937**	**622,724**	**648,937**
NET ASSETS	2	**2,042,032**	**2,087,440**	**2,110,750**	**2,099,172**	**2,110,750**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		2,036,273	2,087,440	2,110,750	2,093,413	2,110,750
Reserves and funds		5,759	–	–	5,759	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**2,042,032**	**2,087,440**	**2,110,750**	**2,099,172**	**2,110,750**

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 – M08 February 2025

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	288,628	19,620	207,260	192,419	14,841	8%	288,628
Service charges		255,325	761,922	823,774	48,104	385,877	549,183	(163,306)	-30%	823,774
Other revenue		16,788	93,666	115,947	73,000	279,126	77,298	201,828	261%	115,947
Transfers and Subsidies - Operational		184,436	202,153	210,105	448	153,072	140,070	13,003	9%	210,105
Transfers and Subsidies - Capital		1,586	123,443	130,017	–	48,591	86,678	(38,087)	-44%	130,017
Interest		914,663	13,998	15,498	963	9,137	10,332	(1,195)	-12%	15,498
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		771,377	(1,356,179)	(1,460,241)	(169,754)	(946,267)	(973,494)	(27,227)	3%	(1,460,241)
Interest		–	(16,159)	(11,097)	(1,581)	(4,915)	(7,398)	(2,483)	34%	(11,097)
Transfers and Subsidies		–	(400)	(400)	–	–	(267)	(267)	100%	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**2,506,902**	**109,901**	**112,232**	**(29,200)**	**131,881**	**74,821**	**(57,060)**	**-76%**	**112,232**
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)	(222,567)	(1,438)	(116,566)	(148,378)	(31,812)	21%	(222,567)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(83,038)**	**(116,362)**	**(222,567)**	**(1,438)**	**(116,566)**	**(148,378)**	**(31,812)**	**21%**	**(222,567)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	100,000	–	–	66,667	(66,667)	-100%	100,000
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	(1,942)	(10,310)	–	10,310	0%	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**-**	**-**	**100,000**	**(1,942)**	**(10,310)**	**66,667**	**76,977**	**115%**	**100,000**
NET INCREASE/ (DECREASE) IN CASH HELD		**2,423,864**	**(6,461)**	**(10,335)**	**(32,580)**	**5,004**	**(6,890)**			**(10,335)**
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	37,204	133,323		148,664	136,769			133,324

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 28 February 2025, compared to the position as at 30 June 2024.

Debtors' Age Analysis (Inclusive of VAT) as at 28 February 2025

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	24,920	6,045	5,192	5,300	4,626	4,567	17,637	96,554	164,841
Trade and Other Receivables from Exchange Transactions - Electricity	38,085	2,583	1,779	1,386	1,251	1,738	3,293	13,215	63,330
Receivables from Non-exchange Transactions - Property Rates	22,778	2,514	2,106	1,678	1,466	7,807	5,979	30,047	74,375
Receivables from Exchange Transactions - Waste Water Management	11,478	1,836	1,631	1,572	1,408	1,497	5,597	34,304	59,323
Receivables from Exchange Transactions - Waste Management	8,474	1,385	1,232	1,173	1,110	1,070	5,915	47,161	67,520
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	2,805	299	340	422	461	832	3,652	78,134	86,944
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(29,741)	369	403	308	281	302	2,567	18,377	(7,133)
Total By Income Source	**78,799**	**15,031**	**12,683**	**11,838**	**10,602**	**17,814**	**44,641**	**317,793**	**509,200**
Debtors Age Analysis By Customer Group									
Organs of State	584	503	493	303	281	1,181	1,071	6,969	11,386
Commercial	11,591	598	444	364	368	429	939	7,414	22,147
Households	66,620	13,928	11,745	11,170	9,951	16,203	42,627	303,399	475,643
Other	4	1	1	1	1	1	5	11	24
Total By Customer Group	**78,799**	**15,031**	**12,683**	**11,838**	**10,602**	**17,814**	**44,641**	**317,793**	**509,200**

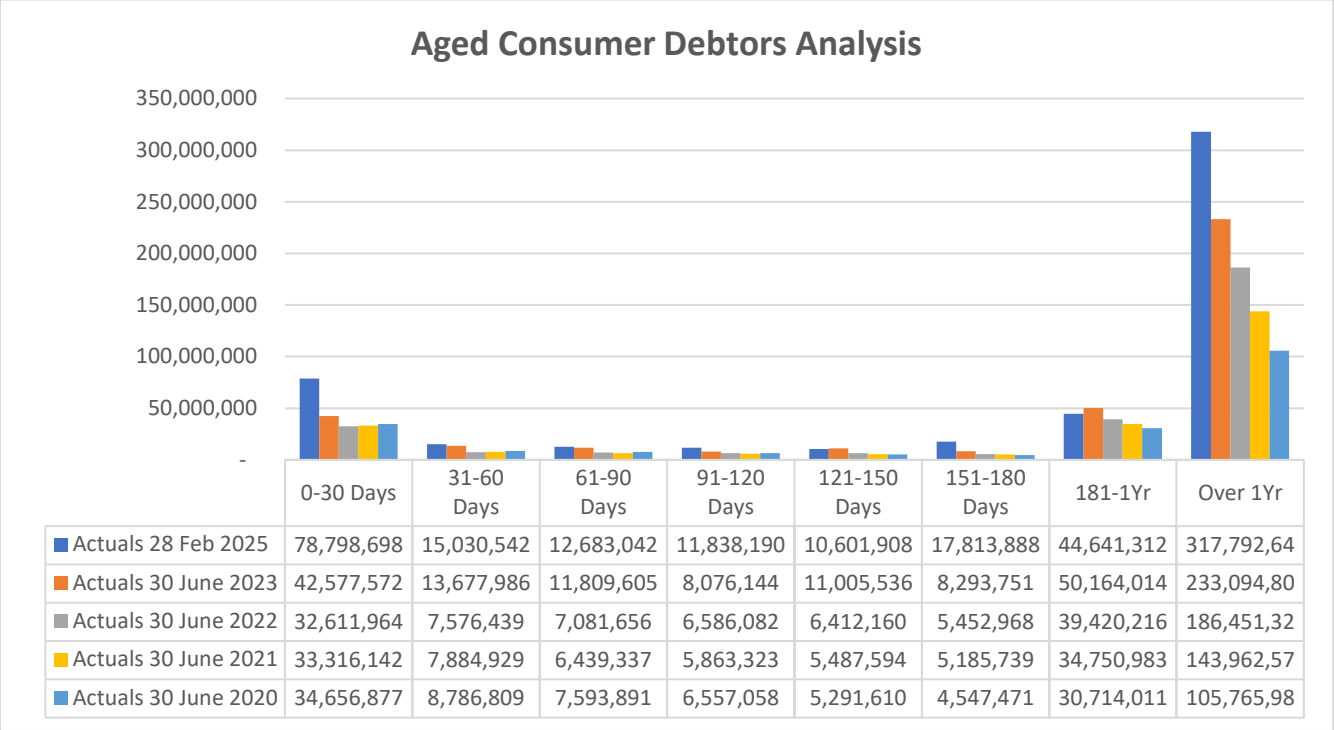
Debtors' Age Analysis (Inclusive of VAT) as at 30 June 2024

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 28 February 2025, the overdue debts have increased by R 40,491 million from R 389,910 million to R 430,402 million, as follows:

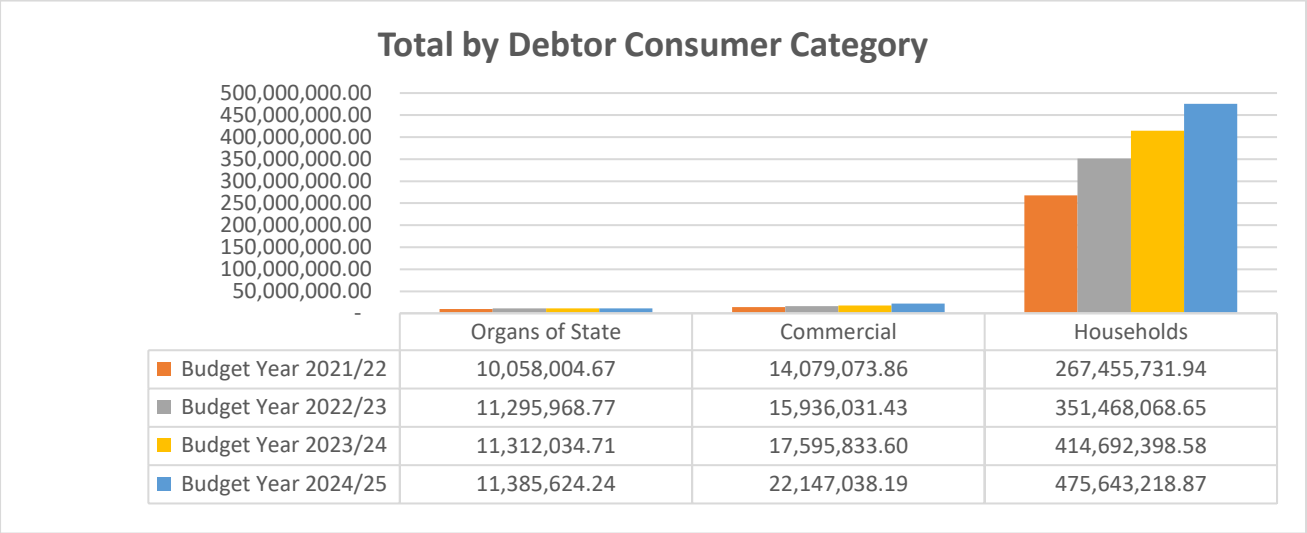
R thousands	OVERDUE AMOUNTS AS AT		
Debtors Age Analysis By Income Source	**30-Jun-24**	**28-Feb-25**	**DIFFERENCE**
Trade and Other Receivables from Exchange Transactions - Water	122,756	139,921	17,165
Trade and Other Receivables from Exchange Transactions - Electricity	24,488	25,245	758
Receivables from Non-exchange Transactions - Property Rates	47,751	51,597	3,847
Receivables from Exchange Transactions - Waste Water Management	43,719	47,845	4,126
Receivables from Exchange Transactions - Waste Management	57,269	59,046	1,777
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–
Interest on Arrear Debtor Accounts	72,437	84,139	11,703
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–
Other	21,492	22,608	1,116
Total By Income Source	**389,910**	**430,402**	**40,491**
Debtors Age Analysis By Customer Group			
Organs of State	9,907	10,802	895
Commercial	9,975	10,556	581
Households	370,015	409,023	39,008
Other	14	21	7
Total By Customer Group	**389,910**	**430,402**	**40,491**

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 28 Feb 2025	78,798,698	15,030,542	12,683,042	11,838,190	10,601,908	17,813,888	44,641,312	317,792,64
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	11,385,624.24	22,147,038.19	475,643,218.87

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	36,070	–	–	–	–	–	–	–	**36,070**
Bulk Water	2,938	14	18	18	16	(43)	101	(1,038)	**2,024**
PAYE deductions	8,182								**8,182**
VAT (output less input)									**–**
Pensions / Retirement deductions									**–**
Loan repayments									**–**
Trade Creditors	4,130	98	36	–	–	–	358	65	**4,686**
Auditor General									**–**
Other									**–**
Total By Customer Type	**51,320**	**112**	**54**	**18**	**16**	**(43)**	**459**	**(973)**	**50,963**

The above amounts represent invoices still to be paid. The major creditors as at 28 February 2025 are as follows:

Eskom	R 36,070 million
NMBM	R 2,024 million
PAYE	R 8,182 million
Other Creditors	R 4,686 million
Total	**R 50,963 million**

It must be noted that the Eskom amount of R 36,070 million, represents the current account for February 2025, which is due on 23 March 2025.

It is to be noted that the SARS amount of R 8,182 million, represents the current account for February 2025 which was due on 06 March2025.

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

Supporting Table SC6 Monthly Budget Statement – transfers and grant receipts – M08 February 2025.

Description	Budget Year 2024/25							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							%	
RECEIPTS:								
Operating Transfers and Grants								
National Government:	197,710	197,710	448	149,285	197,710	48,425		197,710
Operational Revenue:General Revenue:Equitable Share	192,664	192,664	-	144,490	192,664	48,174		192,664
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1,495	1,495	448	1,495	1,495	-		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	-	1,577	1,828	251		1,828
Provincial Government:	2,050	9,952	-	2,955	9,952	6,997	70.31%	5,498
Human Settlement Grant	-	6,997	-	-	6,997	6,997	100.00%	3,448
Library grant	2,050	2,955	-	2,955	2,955	-	0.00%	2,050
District Municipality:	2,393	2,393	-	832	2,393	1,560	65.21%	2,393
Environmental health subsidy	2,393	2,393	-	832	2,393	1,560	65.21%	2,393
Other grant providers:	-	50	-	-	50			50
Departmental Agencies and Accounts	-	50	-	-	50	50		50
Total Operating Transfers and Grants	202,153	210,105	448	153,072	210,105	57,032	27.14%	205,601
Capital Transfers and Grants								
National Government:	52,874	52,762	-	41,647	52,762			52,762
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4,203	4,203	-	-	4,203			4,203
Municipal Infrastructure Grant [Schedule 5B]	34,730	34,618	-	29,962	34,618			34,618
Water Services Infrastructure Grant	13,941	13,941	-	11,685	13,941			13,941
Provincial Government:	68,969	75,655	-	7,446	75,655			75,655
Human Settlement Grant	68,969	75,655	-	7,446	75,655			75,655
District Municipality:	1,600	1,600	-	-	1,600			-
Fire Services Subsidy	1,600	1,600	-	-	1,600			-
Total Capital Transfers and Grants	123,443	128,417	-	49,093	130,017	-	0%	128,417
TOTAL RECEIPTS OF TRANSFERS & GRANTS	325,596	338,522	448	202,166	340,122	57,032	16.77%	334,019

Below is an analysis of the spending associated with the grants as at 28 February 2025:

Supporting Table SC7 Monthly Budget Statement – transfers and grants expenditure – M08 February 2025.

Description	Budget Year 2024/25							
	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	197,710	1,130	147,648	147,854	206	0	197,710
Operational Revenue:General Revenue:Equitable Share	192,664	192,664	–	144,490	144,490	–	0%	192,664
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1,495	1,495	136	690	997	306	31%	1,495
Local Government Financial Management Grant [Schedule 5B]	1,723	1,723	889	1,366	1,149	(217)	-19%	1,723
Municipal Infrastructure Grant [Schedule 5B]	1,828	1,828	106	1,102	1,219	117	10%	1,828
Provincial Government:	2,050	9,047	500	3,455	6,715	3,259	0	9,047
Human Settlement Grant	–	6,997	500	500	4,665			6,997
Library grant	2,050	2,050	–	2,955	2,050	(905)		2,050
District Municipality:	2,393	2,393	–	832	2,393	1,560	0	2,393
Environmental health subsidy	2,393	2,393	–	832	2,393	1,560	65%	2,393
Other grant providers:	–	50	–	–	50	50		50
Departmental Agencies and Accounts	–	50	–	–	50			50
Total operating expenditure of Transfers and Grants:	202,153	209,200	1,631	151,936	157,011	5,076	135%	209,200
Capital expenditure of Transfers and Grants								
National Government:	63,247	70,989	1,315	28,488	47,326	18,838	0.40	70,989
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4,203	4,889	–	–	3,260	3,260	100%	4,889
Municipal Infrastructure Grant [Schedule 5B]	34,730	34,618	878	18,971	23,079	4,107	18%	34,618
Water Services Infrastructure Grant	13,941	21,109	427	6,598	14,073	7,474	53%	21,109
Municipal Disaster Relief Grant	10,373	10,373	11	2,919	6,915	3,997	58%	10,373
Provincial Government:	75,655	75,655	–	7,446	50,437	42,990	85%	89,354
Human Settlement	75,655	75,655	–	7,446	50,437	42,990	85%	89,354
District Municipality:	1,600	1,600	–	–	–	–		1,600
Fire Services Subsidy	1,600	1,600	–	–	–	–		1,600
Total capital expenditure of Transfers and Grants	140,502	148,244	1,315	35,935	97,763	61,828	63%	161,944
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	342,655	357,444	2,946	187,870	254,774	66,904	26%	371,143

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 1 , 365,551
Unspent as at 28 February 2025:	R 357,449

The spending of the grant amounted to 79.25% as at 28 February 2025, 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 1,495,000
Expenditure to date:	R 710,745
Unspent as at 28 February 2025:	R 784,255

The spending of the grant amounted to 47.54% as at 28 February 2025, 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 31,539,000
Expenditure to date:	R 20,073,133
Unspent as at 28 February 2025:	R 11,465,867

The spending of the grant amounted to 63.65% as at 28 February 2025, 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 64,466
Unspent as at 28 February 2025: R 621,837

The spending of the grant amounted to 9.39% as at 28 February 2025, compared to the amount of the grant received.

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 6,171,445
Unspent as at 28 February 2025: R 12,681,441

The spending of the grant amounted to 32.73% as at 28 February 2025, 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 2,918,800
Unspent as at 28 February 2025: R 7,461,941

The spending of the grant amounted to 28.12% as at 28 February 2025, compared to the amount of the grant received.

Other Conditional Grants

Conditional Grant	Prior Year Unspent	Interest	Expenditure	%	Unspent as at 28 February 2025
Human Settlement Grant	20,555,956	502,661	19,275,835	85.76%	8,726,568

1.4 Councillor and employee benefits

Below is an analysis of Councillor and employee benefits:

Table SC8 Monthly Budget Statement – Councillor and staff benefits – M08 February 2025.

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	849	7,127	6,942	184	3%	10,414
Pension and UIF Contributions	–	–	–	–	–	–		–
Medical Aid Contributions	–	–	12	89	–	89		–
Motor Vehicle Allowance	3,503	3,503	287	2,397	2,335	62	3%	3,503
Cellphone Allowance	1,678	1,678	118	940	1,119	(178)	-16%	1,678
Housing Allowances	–	–	–	–	–	–		–
Sub Total - Councillors	**15,594**	**15,594**	**1,266**	**10,553**	**10,396**	**157**	**2%**	**15,594**
Senior Managers of the Municipality								
Basic Salaries and Wages	9,681	9,681	590	4,771	6,454	(1,683)	-26%	9,681
Pension and UIF Contributions	123	123	1	13	82	(69)	-84%	123
Medical Aid Contributions	56	56	–	3	37	(34)	-92%	56
Performance Bonus	1,798	1,798	–	159	1,198	(1,040)	-87%	1,798
Motor Vehicle Allowance	2,196	2,196	205	1,510	1,464	46	3%	2,196
Cellphone Allowance	11	11	1	8	7	1	12%	11
Other benefits and allowances	5	5	0	0	3	(3)	-86%	5
Sub Total - Senior Managers of Municipality	**13,870**	**13,870**	**798**	**6,464**	**9,246**	**(2,782)**	**-30%**	**13,870**
Other Municipal Staff								
Basic Salaries and Wages	295,150	307,384	20,943	162,443	204,923	(42,479)	-21%	307,384
Pension and UIF Contributions	38,991	40,624	3,082	24,391	27,083	(2,692)	-10%	40,624
Medical Aid Contributions	19,915	20,842	1,865	13,846	13,895	(48)	0%	20,842
Overtime	29,255	29,335	2,972	21,920	19,557	2,363	12%	29,335
Performance Bonus	26	26	–	–	17	(17)	-100%	26
Motor Vehicle Allowance	12,091	12,182	945	7,039	8,121	(1,082)	-13%	12,182
Cellphone Allowance	59	59	–	2	40	(38)	-95%	59
Housing Allowances	1,308	1,467	59	452	978	(525)	-54%	1,467
Other benefits and allowances	37,715	38,821	1,516	28,147	25,881	2,266	9%	38,821
Long service awards	–	–	–	243	–	243		–
Post-retirement benefit obligations	23,361	18,361	10,736	14,006	12,240	1,765	14%	18,361
Sub Total - Other Municipal Staff	**457,873**	**469,101**	**42,117**	**272,490**	**312,734**	**(40,244)**	**-13%**	**469,101**
Total Parent Municipality	**487,337**	**498,565**	**44,181**	**289,507**	**332,376**	**(42,869)**	**-13%**	**498,565**
TOTAL SALARY, ALLOWANCES & BENEFITS	**487,337**	**498,565**	**44,181**	**289,507**	**332,376**	**(42,869)**	**-13%**	**498,565**
TOTAL MANAGERS AND STAFF	**471,743**	**482,971**	**42,915**	**278,954**	**321,980**	**(43,026)**	**-13%**	**482,971**

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 28 February 2025
Capital Charges to Operating Expenditure	Interest & principal paid/Total Operating Expenditure	1.13%	1.04%	0.32%	1.37%	1.18%	1.76%

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	0.00	0.01	0.01	0.02
Liquidity							
Current Ratio	Current assets / current liabilities	1.07	0,51	0.91	0.91:1	1.22:1	1.04:1
Liquidity Ratio	Monetary assets / current liabilities	0.34	0,15	0.40	0.49:1	0.63:1	0.40:1
Revenue Management							
Annual Debtors Collection Rate	Billed Revenue / Receipted Revenue	94.41%	94.32%	86.71%	91.01%	95%	88.88%

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 28 February 2025
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	1.19 Months	1.58 Months	1 Month
Employee Costs	Employee Costs / Total Operating Expenditure	34.22 %	31,69%	29.47 %	30.46%	33.06%	32.20%
Capital Expenditure	Capital Expenditure / Capital Budget	71.67 %	123,92 %	94.66 %	71.38%	95%	37.01%
Repairs and Maintenance as % of Total Operating Expenditure	Repairs and Maintenance / Total Operating Expenditure	6.99%	4,32%	3.86%	4.15%	16.59%	11.38%
Repairs and Maintenance as % of PPE (Book Value)	Repairs and Maintenance / Net PPE	3.33%	2,26%	2.32%	2.64%	10.93%	4.73%
Own Revenue Sources / Total Operating Revenue (Including operating grants)	Own Revenue Sources / Total Operating Revenue (Including Conditional Grants)	77.14 %	77,76%	77.74 %	77.02%	84.56%	82.48%

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 1.76% as at 28 February 2025, compared to the approved adjusted budget ratio of 1.18%.

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)

As at 28 February 2025, the ratio indicates 87.16% of borrowed funding, compared to total expenditure to date, excluding transfers and grants.

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 28 February 2025, the ratio indicates 0.02, compared to the approved adjusted budget of 0.01.

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:

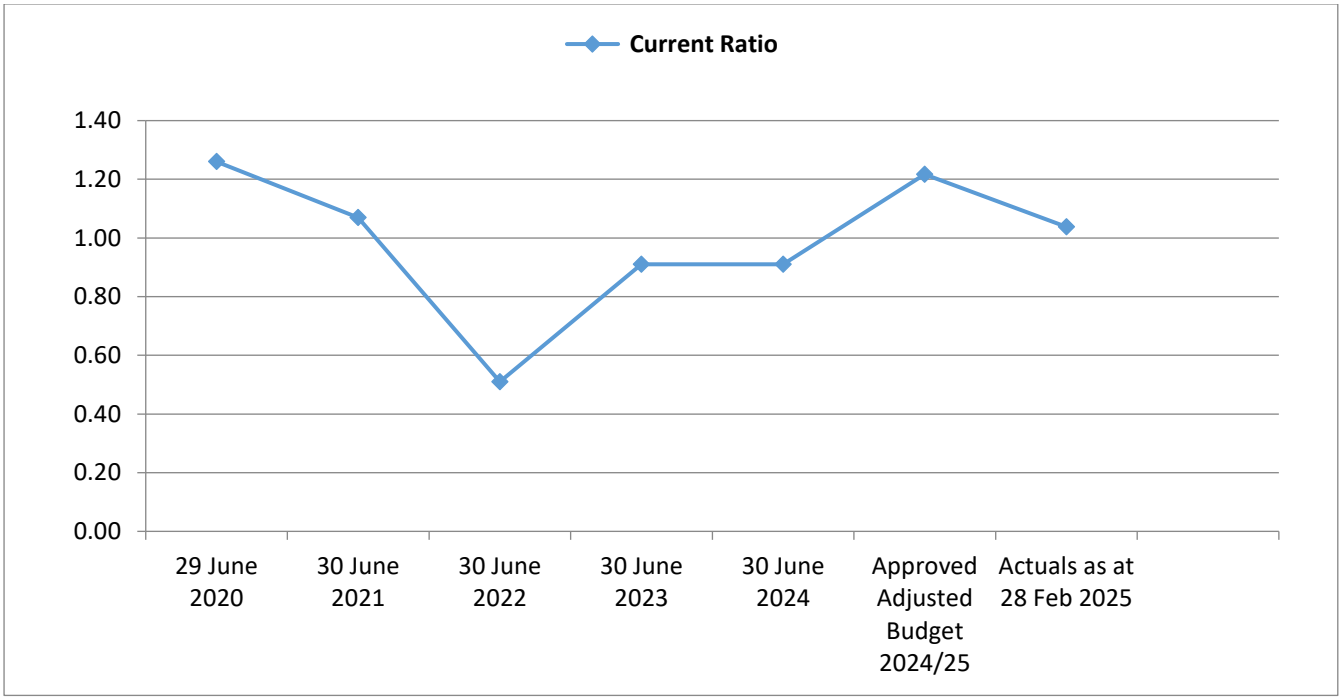
Current assets/Current liabilities

The ratio as at 28 February 2025 was 1.04:1, compared to the approved adjusted budget ratio of 1.22:1.

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

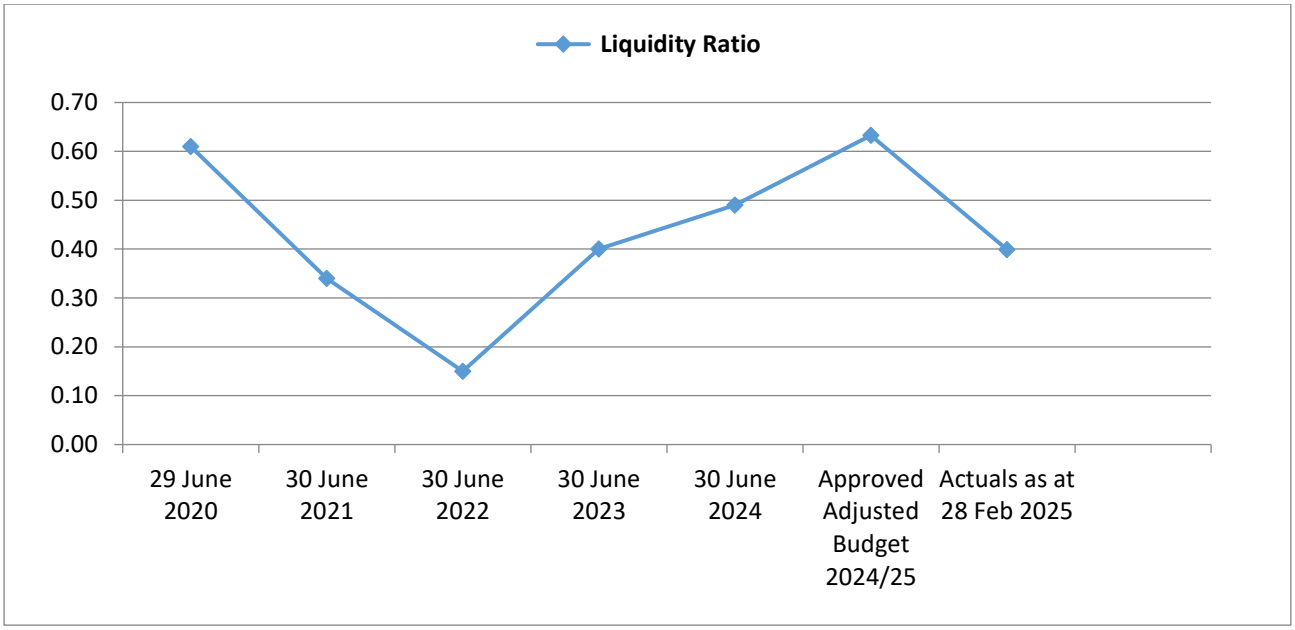
The liquidity ratio assesses a Municipality's ability to meet its short-term commitments from Monetary Assets.

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 28 February 2025 was 0.40:1 compared to the approved budget ratio of 0.63:1.

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



1.2. Revenue Management

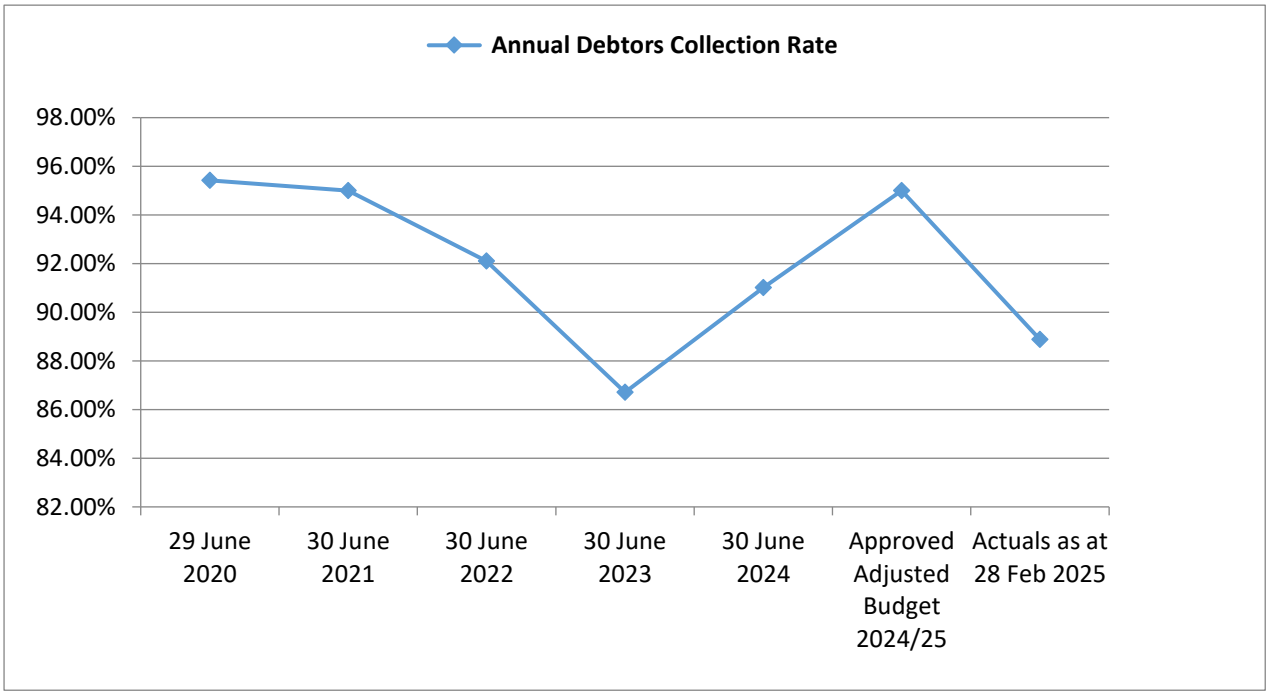
1.2.1. Annual Debtors Collection Rate

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 28 February 2025 was 88.88%, compared to the approved adjusted budget collection rate of 95%. The actual collection rate for February is 96.73%.



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.

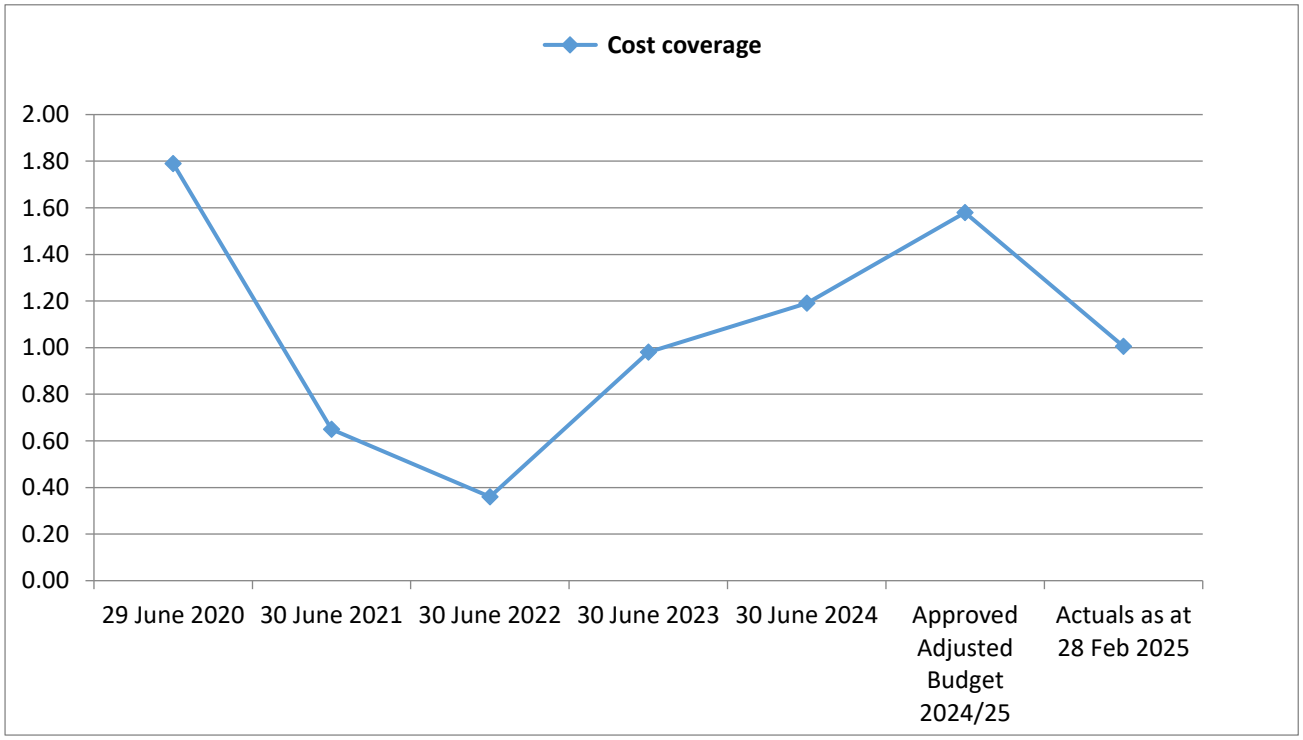
The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal day-to-day operational expenditure but rather reserved for Grant related expenditure.

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 28 February 2025, the Ratio was 1month, compared to the approved adjusted budget ratio of 1.58 months.

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



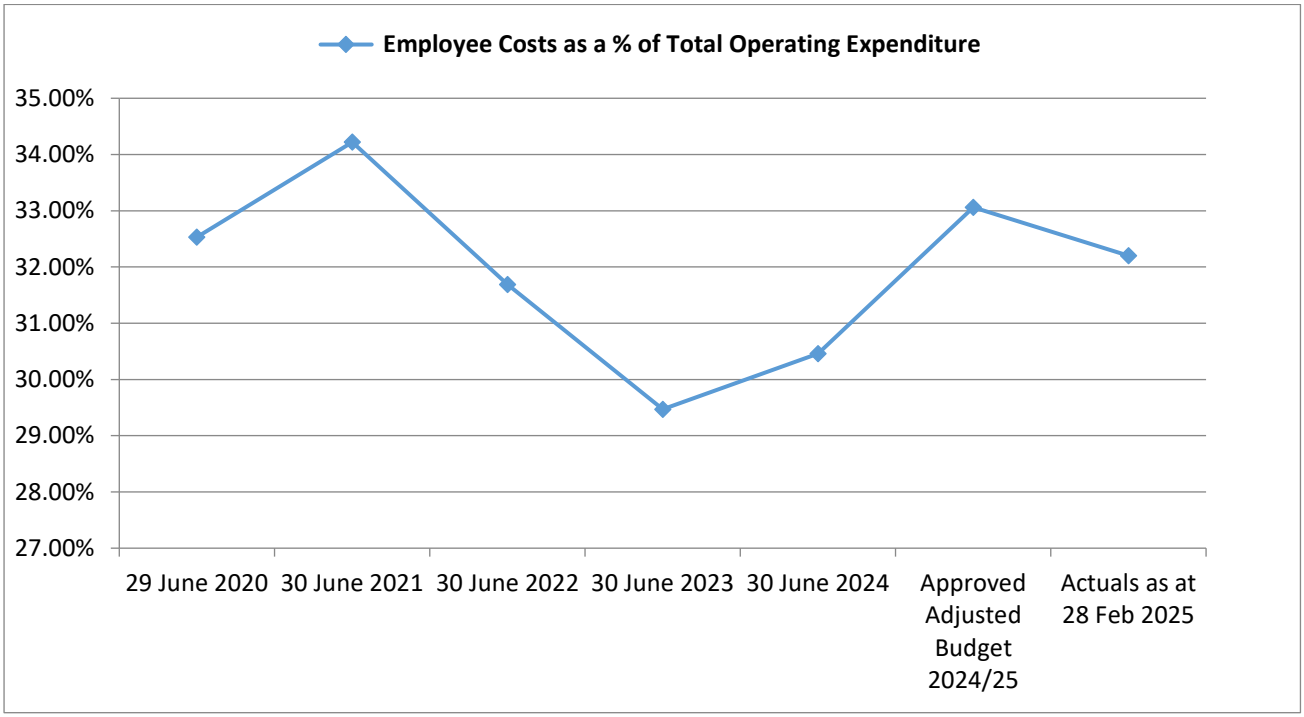
1.3.2. Employee costs as a % of Total Operating Expenditure

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 28 February 2025, Employee Related Costs constituted 32.20% of the Total Operating Expenditure, compared to the approved adjusted budget ratio 33.06%.



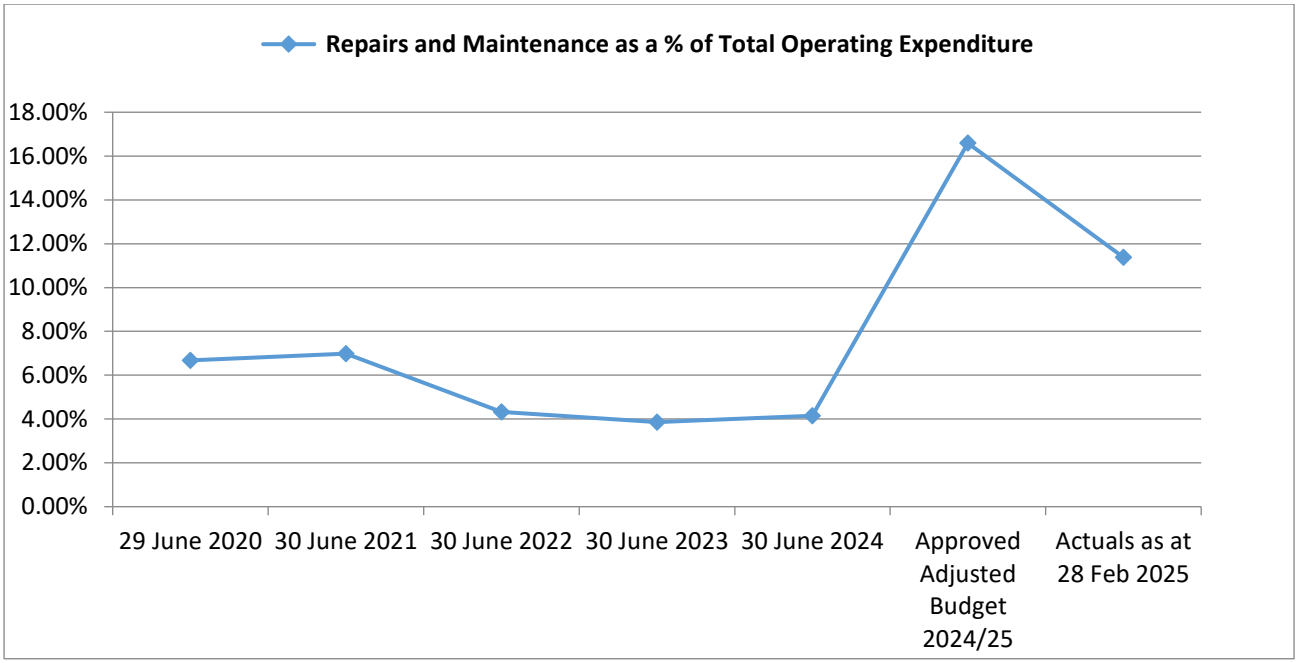
1.3.3. Repairs and Maintenance as a % of Total Operating Expenditure

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 28 February 2025, the ratio was 11.38%, compared to the approved adjusted budget ratio of 16.59%.



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

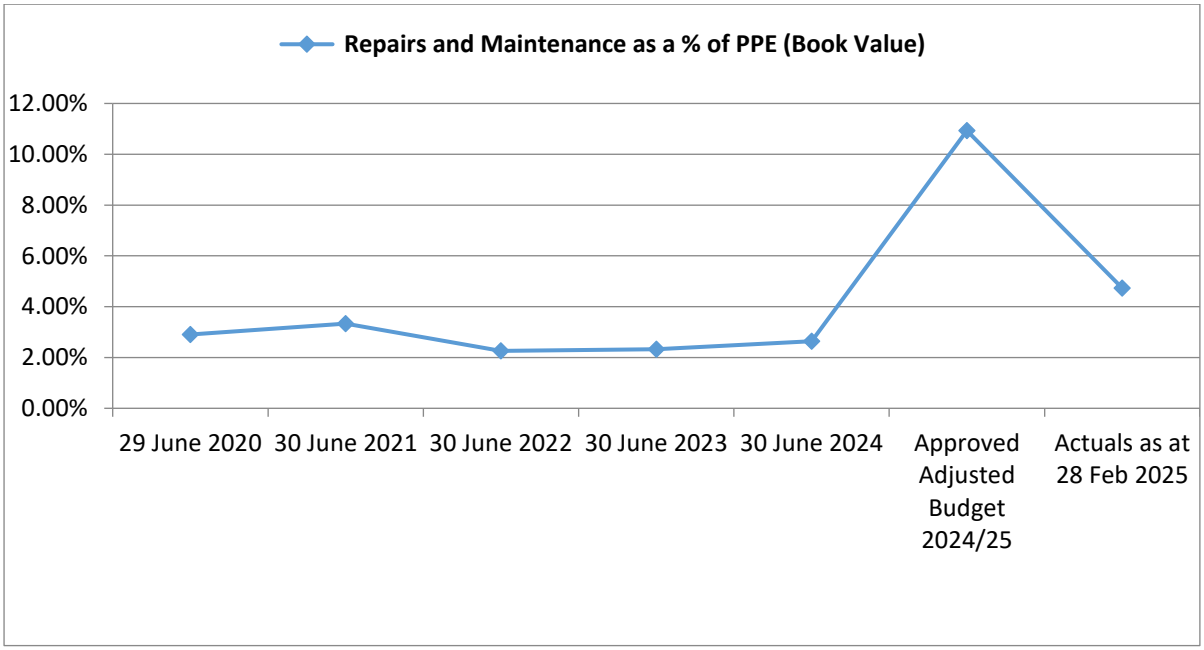
The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to minimise breakdowns and interruptions in service delivery.

The ratio is determined as follows:

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

As at 28 February 2025, repairs and maintenance expenditure constituted 4.73% of the book value of PPE, compared to the approved adjusted budget ratio of 10.93%.

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



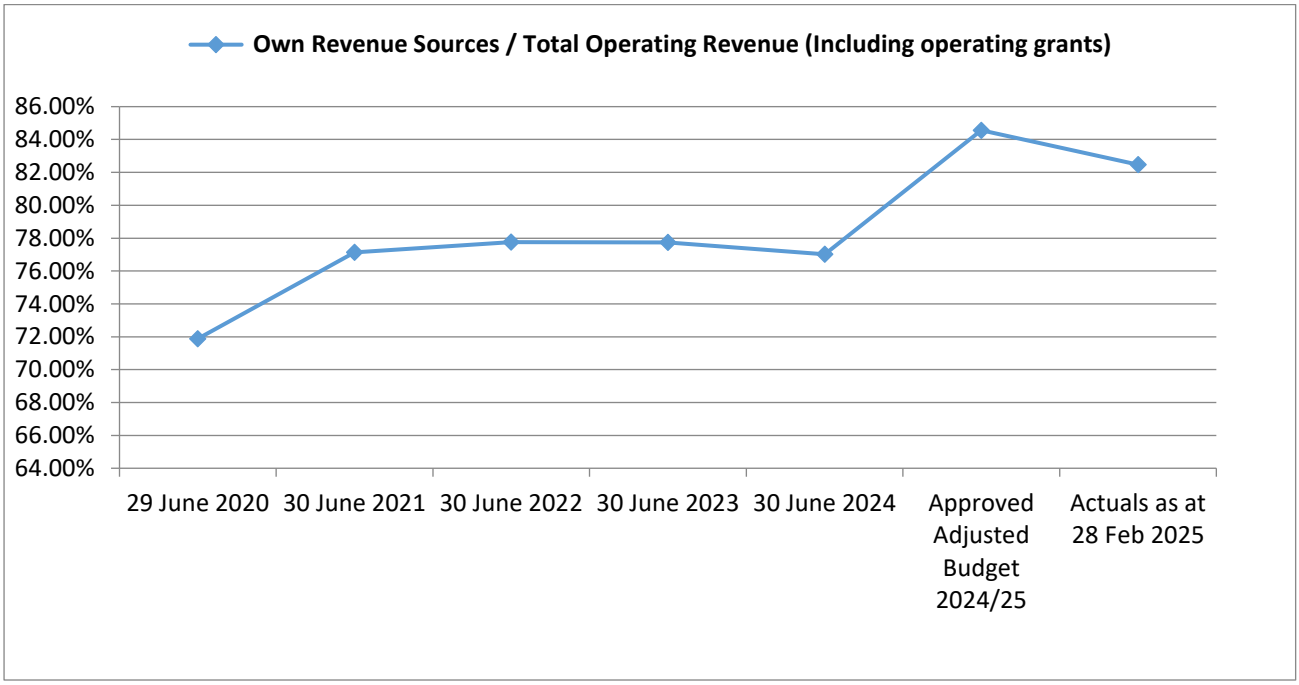
Own Revenue Generation

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 28 February 2025, the Municipality's own revenue sources constituted 82.48% of its total Operating Income, compared to the approved adjusted budget ratio of 84.56%.



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 28 February 2025 amounted to 37.01%, compared to the approved adjusted budget ratio of 95%.

