MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY 2024 TO MARCH 2025 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 31 MARCH 2025 (2024/25 FINANCIAL YEAR)

1. Introduction

The purpose of this report is to comply with Section 71 and 52(d) 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 Section 52(d) of the MFMA, the Executive Mayor must within 30 days of the end of each quarter submit a report to the Council on the implementation of the budget and the financial state of affairs of the municipality.

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 31 March 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 52(d) 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 52(d) 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. **Recommendations**

10.1 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.

10.2 That the Executive mayor's report on the implementation of the budget and the financial state affairs of the municipality, in accordance with section 52(d) of the MFMA be noted.

10.3 That the monthly budget statements submission to Provincial Treasury as stipulated in Section 71(1) of the MFMA, be noted.

11. **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 April 2025……..

Item prepared by the: 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 March 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 991,262 million, whilst operating expenditure amounted to R1,125,471 million, resulting in an operating deficit of R 134,210.
- Capital expenditure constituted 42.15% of the 2024/25 Approved Adjusted Capital Budget.
- Overdue consumer debts decreased by R 136,224 million (-34.94%) since June 2024.
- An amount of R 49,960 million is owing to creditors, 100.58% 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 143,653,944 (100%) since June 2024, from R 143,659,131 to R 287,313,075.

Below is an analysis of the Investment Portfolio as at 31 March 2025.

	Balance as at 30 June 2024	Invested	Interest	Withdrawals	Adjustments	Balance as at 31 March 2025
Standard Bank	26,516,585	-	1,401,228	8,378,539		19,539,274
ABSA	22,795,366	18,966,265	1,980,730	11,438,447	590	32,303,324
Nedbank	22,593,059	20,509,206	1,443,639	25,000,000		19,545,904
RMB	22,735,812	32,194,174	1,185,713	36,589,518		19,526,181
INVESTEC	22,771,482	20,336,093	1,433,939	25,000,000		19,541,514
Total	**117,412,304**	**92,005,739**	**7,445,248**	**106,406,505**	**590**	**110,456,197**
INVESTMENT	**Balance as at 30 June 2024**	**Invested**	**Interest**	**Withdrawals**	**Adjustments**	**Balance as at 31 March 2025**
General Account	78,621,419	26,852,739	6,232,497	58,945,893	590	52,760,172
Conditional Grants	18,234,929	65,153,000	-	34,542,849	-	48,845,081
Housing Funds	20,555,956		1,212,751	12,917,764	-	8,850,944
Total	**117,412,304**	**92,005,739**	**7,445,248**	**106,406,505**	**590**	**110,456,197**
	Balance as at 30 June 2024	**Invested**	**Interest**	**Withdrawals**	**Adjustments**	**Balance as at 31 March 2025**
Cheque Accounts FNB 52540020791	10,314,768			(9,745,101)		569,667
Cheque Accounts FNB 52540033304	8,553,427	8,811,668				17,365,095
Cheque Accounts FNB 62682103591	3,833			(3,833)		-
Cheque Accounts FNB 63022194441	7,374,799	3,364,620				10,739,419
Cheque Accounts ABSA 4114176482	-	8,454,624				8,454,624
Cheque Accounts ABSA 4114114771	-	134,394,134				134,394,134
Cheque Accounts ABSA 4114176474	-	883,846				883,846
Cheque Accounts ABSA 4114176490		4,450,093				4,450,093
	26,246,827	**160,358,985**	**-**	**(9,748,934)**	**-**	**176,856,878**
Total	**143,659,131**	**252,364,724**	**7,445,248**	**96,657,571**	**590**	**287,313,075**

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

Cash backed Reserves

Bank Balances and Cash	R 176,856,878
Short-term Investment Deposits	R 110,456,197
	R 287,313,075

Application of Cash

Unspent Conditional Grants	R 57,247,836
Unspent borrowings (DBSA)	R100,000,000
Operational commitments	R 21,882,808
Outstanding Creditors Liability	R 49,958,631
	R 229,089,275
Cash Reserves exceed commitments:	**R 58,223,800**

The cash backed reserves exceed commitments at this stage by an amount of R 58,223,800.

It should be noted that the excess of reserves over commitments as at 31 March 2025, is mainly due to an amount of R 48,166 million in respect of the Equitable Share allocation received on 26 March 2025, 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 31 March 2024	Approved Adjusted Budget 2024/25	Actuals as at 28 February 2025	Actuals as at 31 March 2025
Current Ratio	0.91:1	91:1	1.5:1 to 2:1	1.69:1	1.04:1	1.04:1	1.54:1
Liquidity Ratio	0.40:1	0.49:1		1.12:1	0.60:1	0.40:1	0.85:1
Cost Coverage (Excluding unspent conditional grants)	0.98 Months	1.19 Months	1 Month to 3 Months	1.56 Months	1.61 Months	1 Month	2.38 Months
Debtors Collection Rate	86.71%	91.01%	95%	85.62%	95%	88.88%	90.81%
Capital Expenditure	94.66%	71.38%	95%	40.85%	95%	37.01%	42.15%

"ANNEXURE A1"

1. OVERVIEW OF OPERATING REVENUE AND EXPENDITURE PERFORMANCE FOR THE PERIOD JULY 2024 TO MARCH 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	124 241	991 262	1 020 677	(29 415)
Total Expenditure	1 505 474	1 460 993	259 250	1 125 471	1 095 364	30 108
Surplus/(Deficit)	(112 853)	(100 091)	(135 010)	(134 210)	(74 687)	(59 523)

The statement of financial performance reflects an operating deficit of R134,210 million at this stage.

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	311 621	73,23%
Service charges - Water	138 057	80 903	58,60%

Service charges - Waste Water Management	76 014	49 243	64,78%
Service charges - Waste management	62 146	43 905	70,65%
Sale of Goods and Rendering of Services	9 533	4 530	47,52%
Agency services	4 554	–	0,00%
Interest earned from Receivables	32 335	18 259	56,47%
Interest earned from Current and Non-Current Assets	15 498	9 549	61,62%
Rental from Fixed Assets	3 187	3 348	105,07%
Licence and permits	2 851	1 680	58,93%
Operational Revenue	1 955	4 046	206,92%
Non-Exchange Revenue			
Property rates	298 309	237 030	79,46%
Fines, penalties and forfeits	43 859	828	1,89%
Licence and permits	11 772	8 236	69,96%
Transfer and subsidies - Operational	210 105	200 361	95,36%
Interest	5 510	2 084	37,82%
Operational Revenue	19 658	15 639	79,55%
Total Revenue (excluding capital transfers and contributions)	**1 360 902**	**991 262**	**72,84%**

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 31 March 2025, the municipality recognized 58.60% of water revenue, compared to the budget.

- **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.

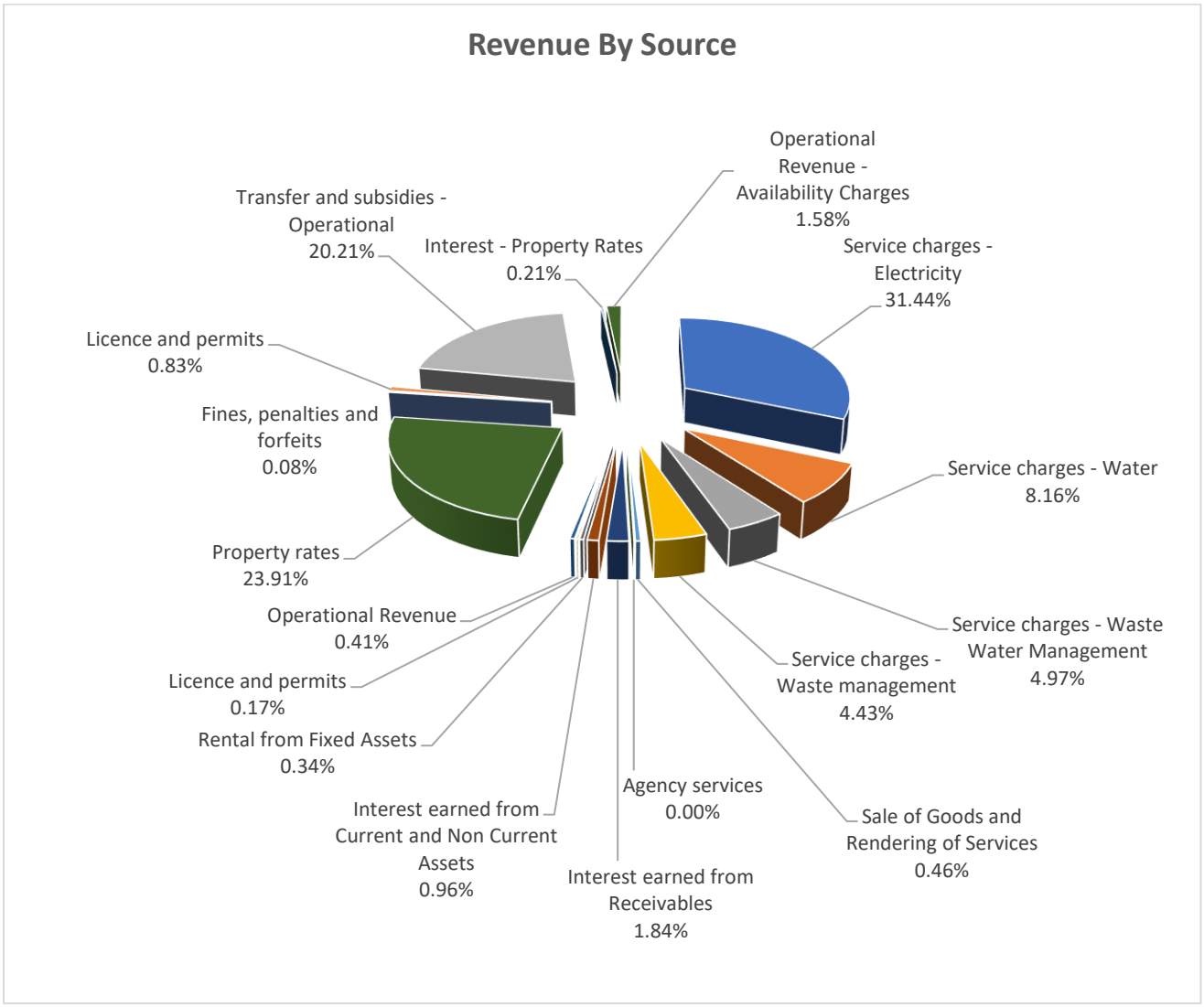
- **Rental from Fixed Assets**
  This relates to the rental of municipal buildings, community halls, caravan parks and camping sites, and other municipal facilities. The revenue is influenced by the extent of rental agreements and seasonal demands.

- **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, as well as the Skills development levy refunds where a higher than anticipated refunds were received.

- **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.

- **Transfer and subsidies - Operational.**
  As at 31 March 2025, the municipality has recognized 95.36% of operational transfer and subsidies revenue, compared to the budget. This is due to the Equitable Share allocation amounting to R 48,166 million received in March 2025.

- **Operational revenue (Non-Exchange Revenue)**
  Operational revenue: non-exchange revenue relates to the availability charges for electricity, water and wastewater management.



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	308 320	63,84%
Remuneration of councillors	15 594	11 797	75,65%
Bulk purchases - electricity	413 349	326 694	79,04%
Inventory consumed	104 522	78 215	74,83%
Debt impairment	59 136	–	0,00%
Depreciation and amortisation	117 798	88 349	75,00%
Interest	13 002	5 578	42,90%
Contracted services	146 032	73 829	50,56%
Transfers and subsidies	400	14	3,58%
Irrecoverable debts written off	10 078	167 151	1658,57%
Operational costs	98 111	65 524	66,79%
Total Expenditure	**1 460 993**	**1 125 471**	**77,03%**

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 79.04% expenditure, compared to the approved budget.

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

Item Description	Adjusted Budget 2024/25	Actuals as at 31 March 2025	%
Inventory Consumed: Consumables	3 918 656	1 871 605	47,76%
Inventory Consumed: Materials and Supplies	41 901 676	24 869 622	59,35%
Inventory Consumed: Fuel & Oil	19 771 072	15 005 133	75,89%
Inventory Consumed: Bulk Water Purchases	38 930 751	36 468 765	93,68%
Total	**104 522 155**	**78 215 125**	**74,83%**

- **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. This includes interest charged on the DBSA loan and the first instalment is due on 30 June 2025.

- **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. An amount of R 167 million has been written off as at 31 March 2025.

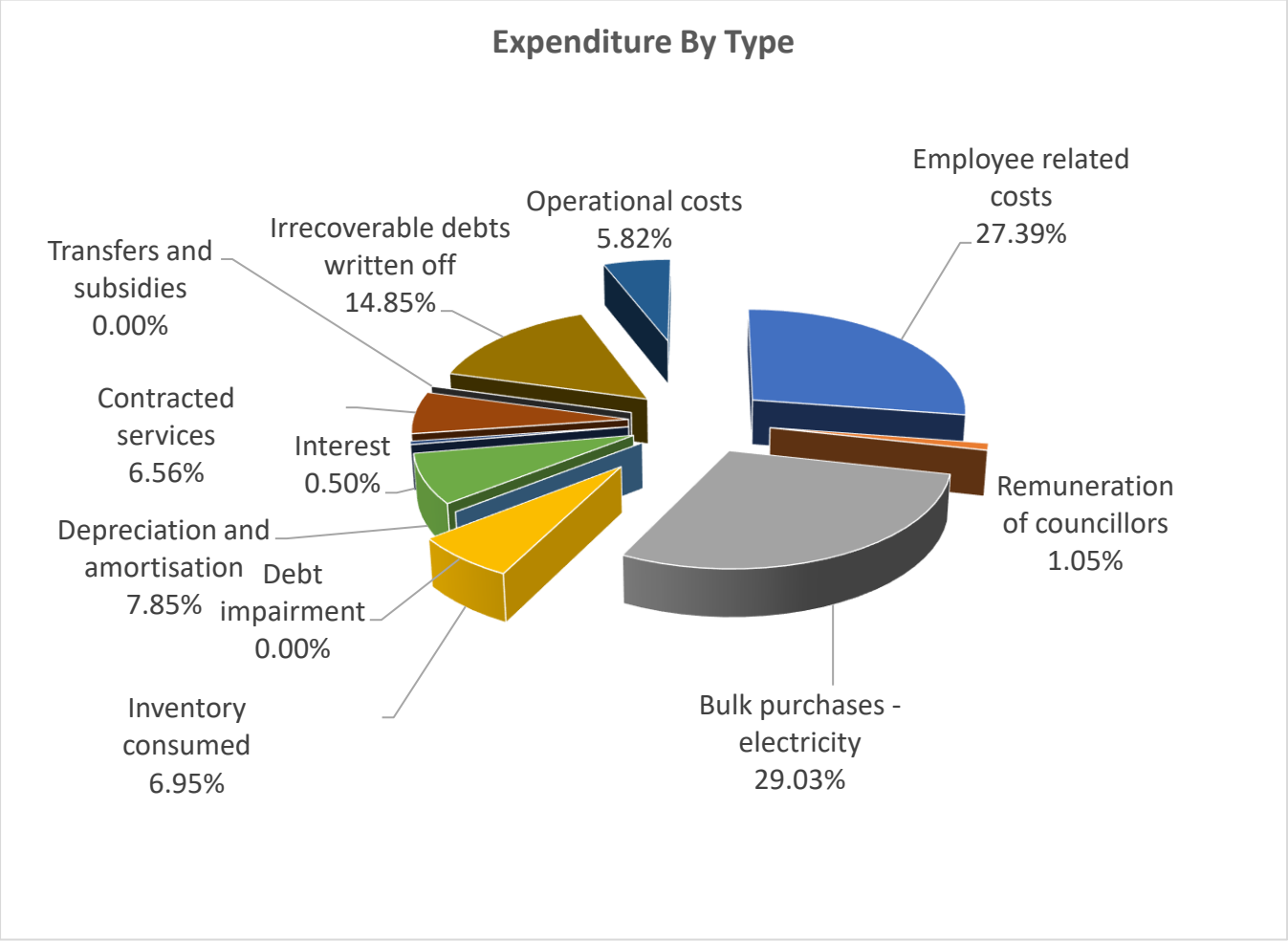
Contracted services are broken down as follows:

Item Description	Adjusted Budget 2024/25	Actuals as at 31 March 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	1,294,000	225,271	17.41%
Burial Services	76,400	42,500	55.63%
Calamari Festival	200,000	200,000	100.00%
Catering Services	755,479	359,360	47.57%
Clean up Operation	623,004	287,168	46.09%
Clearing and Grass Cutting Services	1,440,000	783,469	54.41%
Conducting of feasibility studies (EIA)	2,200,000	586,990	26.68%
Connection/Dis-connection:Electricity	580,000	-	0.00%
Consultants and Professional Services	10,106,985	2,313,487	22.89%
Destination Marketing and Promotion	670,000	167,302	24.97%
Drivers Licence Cards	500,000	313,156	62.63%
Dune Stabilisation	1,969,000	488,677	24.82%
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	25,878	25.88%
Family Challenge	700,000	866,522	123.79%
Heritage Restoration	200,000	-	0.00%
Internal Auditors	200,000	29,000	14.50%
KLTO	905,000	283,198	31.29%
Laboratory Services:Water	709,000	358,146	50.51%
Legal Advice and Litigation	1,000,000	813,043	81.30%
Legal Cost:Collection	1,300,000	790,529	60.81%
Maintenance of Buildings and Facilities	7,625,140	3,963,962	51.99%
Maintenance of Electrical Infrastructure	1,000,000	890,501	89.05%
Maintenance of Equipment	858,800	229,196	26.69%
Maintenance of Vehicles	39,429,408	23,138,375	58.68%
Mscoa Alignment	283,136	245,893	86.85%
Media Monitoring	120,004	77,110	64.26%
Occupational Health and Safety	900,000	583,782	64.86%
Other Contracted Services	9,577,900	3,204,733	33.46%
PGA Golf Tournament	275,000	-	0.00%
Personnel and Labour	18,181,150	11,020,401	60.61%
Precinct Plans Project Hankey and St Francis Bay C	100,000	-	0.00%
Private Plots_Alien Vegetation Control	400,000	226,171	56.54%
Qualification Verification	400,000	43,445	10.86%
Restricted Water Flow	400,000	-	0.00%
Revision of SDF	300,000	63,900	21.30%
Security Services	10,407,733	8,098,237	77.81%
SA Longboard Championship	300,000	300,000	100.00%
Special Rating Area	2,159,735	1,244,158	57.61%
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	53,443	27.31%
Valuer	17,438,721	9,482,862	54.38%
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%
	146,031,939	**73,829,208**	**50.56%**

- **Other Expenditure**

The other expenditure is broken down as follows:

Item Description	Adjusted Budget 2024/25	Actuals as at 31 March 2025	%
Achievements and Awards	2,177,701	1,405,094	64.52%
Advertising, Publicity and Marketing	4,370,317	2,215,356	50.69%
Bank Charges	800,000	958,527	119.82%
Bargaining Council	4,619,580	-	0.00%
Cellular Contract (Subscription and Calls)	4,031,889	2,748,226	68.16%
Claims paid to Third Parties	200,000	137,047	68.52%
External Audit Fees	4,500,000	3,973,881	88.31%
External Computer Service:Internet Charge	5,400,000	6,785,535	125.66%
Hire Charges	7,349,662	4,246,555	57.78%
Insurance Claims	1,000,000	497,796	49.78%
Insurance Underwriting:Premiums	3,844,283	3,606,369	93.81%
Leases:Furniture and Office Equipment	4,068,744	1,951,978	47.97%
Leases:Other Assets	4,041,468	4,041,343	100.00%
Motor Vehicle Licence and Registrations	1,644,488	597,163	36.31%
Other	1,230,788	246,997	20.07%
Postage/Stamps/Franking Machines	2,661,000	1,195,080	44.91%
Registration Fees:Professional and Regulatory Bodies	525,112	103,473	19.70%
Registration Fees:Seminars, Conferences, Workshops	2,327,682	1,029,249	44.22%
Remuneration to Ward Committees	2,862,000	1,518,000	53.04%
Riparian Levies	7,911,471	7,013,815	88.65%
Signage	1,136,216	224,400	19.75%
Skills Development Fund Levy	4,202,076	3,104,162	73.87%
Software Licences	11,475,000	8,894,352	77.51%
Storage of Files (Archiving)	199,600	52,459	26.28%
Supplier Development Programme	100,000	-	0.00%
Third Party Vendors	3,550,000	2,056,310	57.92%
Travel and Subsistence	4,908,130	2,167,654	44.16%
Uniform and Protective Clothing	3,859,338	2,401,716	62.23%
Vehicle Tracking	804,742	718,710	89.31%
Workmen's Compensation Fund	2,288,376	1,632,467	71.34%
	98,110,663	**65,523,715**	**66.79%**



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 31 March 2025	%
Repairs and Maintenance by Expenditure Items			
Employee related costs	156 532 538	65 682 051	41,96%
Other materials	29 353 864	15 777 351	53,75%
Contracted Services	50 127 348	26 171 452	52,21%
Other expenditure	6 912 250	4 321 291	62,52%
Total	**242 926 000**	**111 952 146**	**46,08%**

It is to be noted that actual repairs and maintenance expenditure constituted 46,08% 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	311 621	73.23%
Interest earned from Receivables	2 214	1 668	75,35%
Operational Revenue	–	206	0,00%
Non-Exchange Revenue			
Transfer and subsidies - Operational	1 990	4 654	233,89%
Operational Revenue	10 103	8 046	79,64%
Total Revenue (excluding capital transfers and contributions)	**439 865**	**326 195**	**74,16%**
Expenditure By Type			
Employee related costs	25 959	14 047	54,11%
Bulk purchases - electricity	413 349	326 694	79,04%
Inventory consumed	9 985	6 937	69,48%
Debt impairment	13 434	–	0,00%
Depreciation and amortisation	8 909	10,360	116,28%
Contracted services	15 892	6 681	42,04%
Irrecoverable debts written off	3 571	277	7,77%
Operational costs	4 644	2 514	54,14%
Total Expenditure	**495 743**	**367 511**	**74,13%**
Surplus/(Deficit)	**(55 878)**	**(41 316)**	

1.5.1.1 Revenue

- The electricity service charges revenue reflects 73.23% of budget as at 31 March, and this is in line with the projected budget ratio of 75% as at 31 March 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 79.04% of budget expenditure as at 31 March 2025.

1.5.1.3 Net surplus/deficit of electricity ratio

- Electricity reflects a deficit of R 41,316 million as at 31 March 2025 and the deficit amount equates to 12.67%, compared to the revenue. The adjusted budget deficit for the 2024/25 amount to R 55,878million and equates to 12.70%, 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	80 903	58,60%
Interest earned from Receivables	15 537	8 535	54,93%
Operational Revenue	–	678	
Non-Exchange Revenue			
Transfer and subsidies - Operational	21 487	17 694	82,35%
Operational Revenue	6 352	5 086	80,06%
Total Revenue (excluding capital transfers and contributions)	**181 433**	**112 895**	**62,22%**
Expenditure By Type			
Employee related costs	28 298	21 219	74,99%
Inventory consumed	49 394	43 822	88,72%
Debt impairment	6332	–	0,00%
Depreciation and amortisation	17 074	11,984	70,19%
Contracted services	4 680	1 378	29,44%
Irrecoverable debts written off	1 683	88 599	5263,97%
Operational costs	1 577	1,075	68,21%
Total Expenditure	**109 037**	**168 077**	**154,15%**
Surplus/(Deficit)	**72 396**	**(55 182)**	

1.5.2.1 Revenue

- The water service charges revenue reflects 58.60% of budget as at 31 March 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 36,469million (93.68% of budget).

1.5.2.3 Net surplus/deficit of water ratio

- The water reflects a deficit of R 55,182 million as at 31 March 2025 and equates to 48,88% 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	49 243	64,78%
Interest earned from Receivables	5 673	3 140	55,34%
Non-Exchange Revenue			
Transfer and subsidies - Operational	13 673	11 844	86,62%
Operational Revenue	3 204	2 508	78,28%
Total Revenue (excluding capital transfers and contributions)	**98 565**	**66 735**	**67,71%**
Expenditure By Type			
Employee related costs	26 614	18 801	70,64%
Inventory consumed	12 132	6 763	55,74%
Debt impairment	3 353	–	0,00%
Depreciation and amortisation	32 226	21 400	66,41%
Contracted services	7 395	1 555	21,02%
Irrecoverable debts written off	891	28 761	3 226,62%
Operational costs	7 666	5 068	66,10%
Total Expenditure	**90 277**	**82 348**	**91,22%**
Surplus/(Deficit)	**8 287**	**(15 613)**	

1.5.3.1 Revenue

- The wastewater service charges revenue reflects 64.78% of budget as at 31 March, and this is in line with the projected budget ratio of 75% as at 31 March 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 deficit of R 15,613 million as at 31 March 2025 and equates to 23.40% of total revenue. This deficit is largely influenced by the Irrecoverable debts written off amounting to R28,761million. 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	43 905	70,65%
Sale of Goods and Rendering of Services	9	–	
Interest earned from Receivables	8 560	4 660	54,45%
Non-Exchange Revenue			
Transfer and subsidies - Operational	24 319	21 409	88,03%
Total Revenue (excluding capital transfers and contributions)	**95 034**	**69 974**	**73,63%**
Expenditure By Type			
Employee related costs	38 643	30 798	79,70%
Inventory consumed	8 154	6 263	76,63%
Debt impairment	2 793	–	
Depreciation and amortisation	3 195	1 989	62,23%
Interest			
Contracted services	15 653	7 518	48,03%
Transfers and subsidies			
Irrecoverable debts written off	742	48 135	6483,55%
Operational costs	3 807	2 194	57,63%
Losses on Disposal of Assets			
Other Losses			
Total Expenditure	**72 987**	**96 896**	**132,76%**
Surplus/(Deficit)	**22 046**	**(26,922)**	

1.5.4.1 Revenue

- The waste service charges revenue reflects 70.65% of budget as at 31 March, and this is in line with the projected budget ratio of 75% as at 31 March 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 deficit of R 26,922 million as at 31 March 2025 and equates to 38.47% of total revenue. This deficit is largely influenced by the Irrecoverable debts written off amounting to R48,135 million. 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	17,656	10,945	13,242	(2,298)
2. Travel claims	4,861	2,140	3,646	(1,506)
4. Overtime	20,000	14,971	15,000	(29)
5. Catering Costs	705	323	529	(207)
6. Events, Advertising and sponsorships	5,055	2,855	3,791	(936)
7. Attendance of Conferences, Seminars & Workshops	2,280	1,008	1,710	(702)
8. Municipal Workshops, Retreats, Strategic Sessions and Internal training	2,068	101	1,551	(1,449)
9. Projects /Programme Launches	–	–	–	–
10. Essential User Scheme	**2,161**	**2,161**	**2,161**	**–**
Total	**54,786**	**34,502**	**41,630**	**(7,128)**

A comparison of the year-to-date actuals to the adjusted budget reflects savings, amounting to R 7,128 million as at 31 March 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 31 March 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	167,517	496,536	326,646	45,451	372,097	–
Community Services	290,682	1,634	292,316	218,788	209	218,997	–
Electro & Mechanical Services	507,837	88,835	596,673	378,009	64,639	442,648	–
Finance and Economic Development	136,835	992	137,827	72,789	413	73,202	–
Office of the DMM	128,858	1,933	130,790	88,084	1,176	89,260	–
Office of the MM	29,212	28	29,240	20,819	–	20,819	–
Planning and Development	38,549	21,956	60,505	20,338	7,363	27,700	–
Total Expenditure by Vote	**1,460,993**	**282,894**	**1,743,887**	**1,125,471**	**119,251**	**1,244,722**	-

No unauthorised expenditure reported for the period ended 31 March 2025.

"Annexure A2"

1. CAPITAL BUDGET PERFORMANCE

1.1 Summary Capital Expenditure and Funding

The capital expenditure as at 31 March 2025, constituted 42.15% of approved adjusted capital budget and the funding is broken down as follows:

- Grant funding is 36.09% of approved grant funding budget.
- Borrowing funding is53.98% of approved borrowing funding budget.
- Internally generated funds are 36.95% 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	1 176	60.85%
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	–	992	413	41.66%
Vote 4 - COMMUNITY SERVICES	1 391	1 634	209	12.79%
Vote 5 - CIVIL AND WATER SERVICES	80 868	167 517	45 451	27.13%
Vote 6 - ELECTRO/MECHANICAL SERVICES	68 103	88 835	64 639	72.76%
Vote 7 - PLANNING AND DEVELOPMENT	–	21 956	7 363	33.53%
Total Capital Multi-year expenditure	**150 362**	**282 894**	**119 251**	**42.15%**

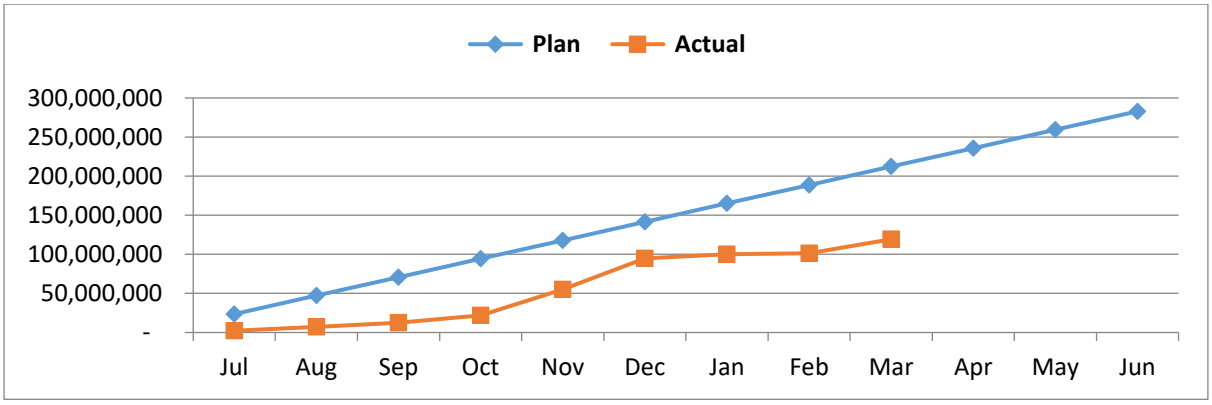
The capital expenditure as at 31 March 2025, constituted 42.15% of approved adjusted capital budget.

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 60.85% of R 1,933 million budget.
- Finance And Economic Development is 41.66% of R 0,992 million budget.
- Community Services is 12.79% of R 1,634 million budget.
- Civil & Water Services 27.13% of R 167,517million budget.
- Electro and Mechanical Services is 72.76% of R 88,835 million budget.
- Planning And Development is 33.53% of R 21,956 million budget.

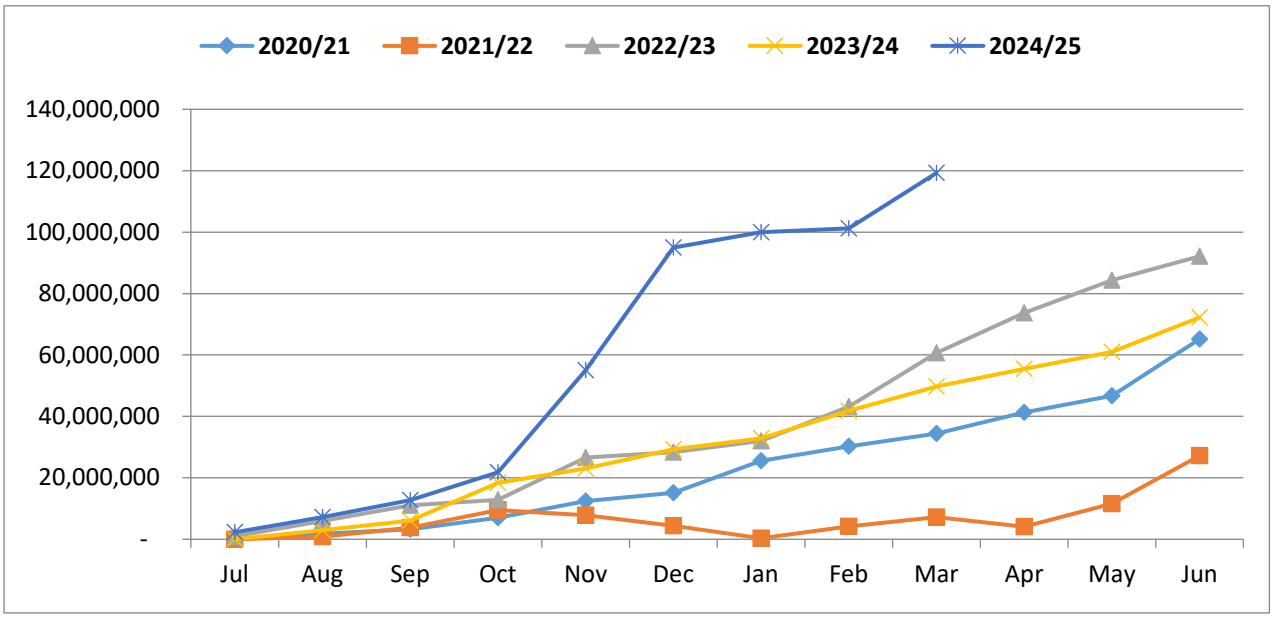
1.2 Monthly capital expenditure

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 31 March 2025.

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals as at 31 March 2025	%
CIVIL AND WATER SERVICES					
PROJECT MANAGEMENT UNIT (PMU)	Internal	PAVING OF MAIN BEACH	176 117	132 088	75,00%
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	201 102	17,94%
PROJECT MANAGEMENT UNIT (PMU)	MIG	UPGRADE OF PHILLIPSVILLE SPORTS FIELD	500 000	264 570	52,91%
PROJECT MANAGEMENT UNIT (PMU)	UISP	Electricity Transfer from NMBM to KLM	62 198	-	
ROADS AND STORMWATER	Borrowing	ROADS INFRASTRUCTURE IN KOUGA	43 478 261	-	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 Reconstruction	1 615 427	1 570 161	97,20%
ROADS AND STORMWATER	MDRG	Aston Bay to Paradise Beach - Seekoei Estuary Causeway reconstruction	6 478 261	101 225	1,56%
ROADS AND STORMWATER	MDRG	Paradise Beach - Botha Street Stormwater Infrastructure	424 348	414 935	97,78%
ROADS AND STORMWATER	MIG	UPGRADING KOUGA GRAVEL ROADS	52 608	-	0,00%
ROADS AND STORMWATER	MDRG	Re-instatement of Sherley Street	1 608 696	-	
ROADS AND STORMWATER	MDRG	Re-instatement of Mountain Road and upgrade of stormwater culvert	1 565 217	-	
ROADS AND STORMWATER	MDRG	Re-instatement of Da Gama Road in the Kabeljous area and stormwater infrastructure re-instatement	1 086 957	-	
ROADS AND STORMWATER	MDRG	George Road, Re-instatement of Embankment, Water & Stormwater network	782 609	-	
ROADS AND STORMWATER	MDRG	Re-instatement of Phillip Street low level water crossing bridge	1 173 913	-	
ROADS AND STORMWATER	MDRG	Sea Vista Access ring road damaged pavement layers	800 000	-	
ROADS AND STORMWATER	MDRG	Re-instatement of Ketse Street and stormwater infrastructure	1 186 957	-	
ROADS AND STORMWATER	MDRG	Re-instatement of Nanto Street and stormwater infrastructure	1 339 130	-	
ROADS AND STORMWATER	MDRG	Re-instatement of Meyer Street and stormwater infrastructure	1 047 826	-	
SEWERAGE	UISP	Apiesdraai Pump Station	1 980 261	506 905	25,60%
SEWERAGE	UISP	Phase 1 Upgrade of Thornhill Sewer Treatment Works	331 320	-	0,00%
SEWERAGE	UISP	Kruisfontein Bulk Sewer -Link Line	1 395 837	230 108	16,49%
SEWERAGE	UISP	Kwanomzamo Bulk Sanitation -Pump Station & Rising Main	4 511 687	533 404	11,82%
SEWERAGE	UISP	DESIGN: UPGRADING WESTON WWTW OUTFALL AND RETICULATION	167 175	166 306	99,48%

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals as at 31 March 2025	%
CIVIL AND WATER SERVICES					
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	3 898 272	81,83%
SEWERAGE	MIG	DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANVIEW	80 500	51 300	63,73%
SEWERAGE	MIG	UPGRADING KWANOMZAMO WWTW	29 169 586	21 375 501	73,28%
SEWERAGE	MIG	DESIGN: LA MER NEW SEWER RISING MAIN	200 000	147 670	73,84%
SEWERAGE	WSIG	Beach Sewer Pump Station and New Sewer Bypass	140 000	-	0,00%
SEWERAGE	WSIG	Loerie Sewer Pump Station upgrade and new sewer rising main	20 000	5 808	29,04%
WATER	UISP	Ramaphosa Village New Reservoir	735 065	-	
WATER	UISP	Kwanomzamo Bulk Water : New Pipeline	3 047 557	3 700 383	121,42%
WATER	UISP	Kruisfontein Bulk Water -Gill Marcus Reservoir and pipeline upgrade	3 196 225	540 860	16,92%
WATER	DOHS-FOIS	Humansdorp: Upgrading of informal settlements in Kwanomzamo (Bungalows, Polar Parks & Shukushukuma)	8 118 775	-	0,00%
WATER	DOHS-FOIS	Jeffreys Bay: Upgrading of Oceanview Informal Settlements	4 125 000	-	0,00%
WATER	DOHS-FOIS	Patensie: Upgrading of Informal Settlement (Cyril Ramaphosa)	2 629 602	-	0,00%
WATER	DOHS-FOIS	Humansdorp: Upgrading of Kruisfontein Settlement (Donkerhoek)	1 898 033	-	0,00%
WATER	DOHS-FOIS	Thornhill : Upgrading of Informal Settlement	1 399 200	-	0,00%
WATER	UISP	New Reservoir on Pnt 2 of the Farm Thornhill	2 440 926	574 659	23,54%
WATER	Internal	JILL MARCUS WATER SUPPLY	4 347 000	3 110 115	71,55%
WATER	Internal	Construction of Civil Services in Donkerhoek & Humansdorp	3 000 000	817 187	27,24%
WATER	Internal	HUMANSDORP GROUNDWATER SUPPLY	637 410	-	0,00%
WATER	WSIG	ST FRANCIS BAY: BOREHOLES	8 940 388	2 568 062	28,72%
WATER	WSIG	RETICULATION REPLACE PIPELINES	3 478 260	-	0,00%
WATER	WSIG	Replace Ageing Water Infrastructure in St Francis Bay	80 000	75 904	94,88%
WATER	WSIG	Replace Main Waterline Sout Rivier Bridge Crossing	100 000	64 000	64,00%
WATER	WSIG	PARADISE BEACH WATER TOWER	2 021 548	1 737 069	85,93%
WATER	WSIG	MIMOSA STREET PIPELINE REPLACEMENT	3 575 354	1 180 639	33,02%
			167 516 616	**45 451 237**	**27,13%**

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals as at 31 March 2025	%
COMMUNITY SERVICES					
FIRE SERVICES	DISTRICT	Fire Services - Vehicle (DISTRICT)	1 391 304	-	0,00%
LAW ENFORCEMENT	Internal	Computer Equipment - Operatons Room	242 320	208 874	86,20%
			1 633 624	**208 874**	**12,79%**
ELECTRO/MECHANICAL SERVICES					
ELECTRICITY	UISP	Oceanview Substation Upgrade	9 913 043	2 562 184	25,85%
ELECTRICITY	UISP	Kwanomzamo Bulk Electrical - Boskloof Secondary Feeder line & substation	18 347 420	9 767 724	53,24%
ELECTRICITY	UISP	Computer Equipment (UISP FUNDING)	217 391	-	0,00%
ELECTRICITY	INEP	OCEAN VIEW 1250 ELECTRIFICATION	4 251 567	1 303 321	30,66%
ELECTRICITY	Internal	Electrical Oil circuit breakers replacement with vacuum SCADA ready breakers	5 000 000	-	0,00%
ELECTRICITY	MIG	DESIGN: HIGH MAST LIGHTS	100 000	-	0,00%
FLEET AND WORKSHOP	Finance Lease	Vehicle	51 005 878	51 005 878	100,00%
			88 835 299	**64 639 107**	**72,76%**
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	Office Furniture	106 453	30 044	28,22%
REVENUE	Internal	Computer Equipment	22 477	-	0,00%
SUPPLY CHAIN MANAGEMENT	Internal	Computer Equipment	385 414	7 210	1,87%
			991 861	**413 176**	**41,66%**
OFFICE OF THE MUNICIPAL MANAGER					
RISK AND INTERNAL AUDIT UNITY	Internal	Furniture & Equipment	28 000	-	0,00%
			28 000	**-**	**0,00%**
OFFICE OF THE DEPUTY MUNICIPAL MANAGER					
ADMINISTRATION AND AUXILIARY SERVICES	Internal	Foyer - Furniture & Equipment	90 000	-	0,00%
COUNCIL	Internal	Ward Offices - Furniture & Equipment	150 000	-	0,00%
HUMAN RESOURCES	Internal	Furniture & Equipment	80 000	6 400	8,00%
INFORMATION TECHNOLOGY	Internal	Computer Equipment	1 412 789	1 169 614	82,79%
LEGAL SERVICES	Internal	Furniture & Equipment	50 000	-	0,00%
OFFICE OF THE DMM	Internal	DMM Office furniture	150 000	-	0,00%
			1 932 789	**1 176 014**	**60,85%**
PLANNING AND DEVELOPMENT					
HUMAN SETTLEMENT	Internal	HOMELESS SHELTER	1 400 000	-	0,00%
HUMAN SETTLEMENT	DOHS	HANKEY 990-PHASE 2	16 346 963	7 362 512	45,04%
HUMAN SETTLEMENT	DOHS	HANKEY 990-PHASE 3	4 208 993	-	0,00%
			21 955 956	**7 362 512**	**33,53%**
		Total	**282 894 145**	**119 250 921**	**42,15%**

"Annexure A3"

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

1.1 Projected Cash Flow Statement as at 31 March 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 – M09 March 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	22,098	229,359	216,471	12,888	6%	288,628
Service charges		255,325	761,922	823,774	55,888	441,764	617,831	(176,067)	-28%	823,774
Other revenue		16,788	93,666	115,947	26,376	305,502	86,960	218,542	251%	115,947
Transfers and Subsidies - Operational		184,436	202,153	210,105	48,411	201,984	157,578	44,406	28%	210,105
Transfers and Subsidies - Capital		1,586	123,443	140,736	23,574	73,120	97,513	(24,393)	-25%	140,736
Interest		914,663	13,998	15,498	413	9,549	11,623	(2,074)	-18%	15,498
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		771,377	(1,356,179)	(1,460,241)	(15,340)	(961,607)	(1,095,181)	(133,574)	12%	(1,460,241)
Interest		-	(16,159)	(11,097)	(1,581)	(6,496)	(8,322)	(1,827)	22%	(11,097)
Transfers and Subsidies		-	(400)	(400)	-	-	(300)	(300)	100%	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**2,506,902**	**109,901**	**122,951**	**159,839**	**293,177**	**84,174**	**(209,003)**	**-248%**	**122,951**
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)	(231,888)	(20,708)	(137,274)	(166,926)	(29,651)	18%	(231,888)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(83,038)**	**(116,362)**	**(231,888)**	**(20,708)**	**(137,274)**	**(166,926)**	**(29,651)**	**18%**	**(231,888)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	100,000	-	-	75,000	(75,000)	-100%	100,000
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		-
Payments										
Repayment of borrowing		-	-	-	(1,938)	(12,248)	-	12,248	0%	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		**-**	**-**	**100,000**	**(1,938)**	**(12,248)**	**75,000**	**87,248**	**116%**	**100,000**
NET INCREASE/ (DECREASE) IN CASH HELD		**2,423,864**	**(6,461)**	**(8,937)**	**137,193**	**143,654**	**(7,752)**			**(8,937)**
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	134,722		287,313	135,907			134,722

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

Table C1 Monthly Budget Statement Summary – M09 March 2025

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	20,291	237,030	223,732	13,299	6%	298,309
Service charges	607,369	599,522	701,777	49,873	485,672	526,332	(40,660)	-8%	701,777
Investment revenue	12,962	13,998	15,498	413	9,549	11,623	(2,074)	-18%	15,498
Transfers and subsidies - Operational	198,630	202,153	210,105	48,425	200,361	157,578	42,782	27%	210,105
Other own revenue	110,770	279,872	135,214	5,239	58,649	101,411	(42,762)	-42%	135,214
Total Revenue (excluding capital transfers and	**1,209,934**	**1,392,621**	**1,360,902**	**124,241**	**991,262**	**1,020,677**	**(29,415)**	**-3%**	**1,360,902**
Employee costs	398,878	471,743	482,971	29,366	308,320	362,228	(53,908)	-15%	482,971
Remuneration of Councillors	14,976	15,594	15,594	1,244	11,797	11,696	101	1%	15,594
Depreciation and amortisation	102,539	117,798	117,798	9,817	88,349	88,349	(1)	-0%	117,798
Interest	10,038	17,404	13,002	663	5,578	9,751	(4,173)	-43%	13,002
Inventory consumed and bulk purchases	454,301	495,318	517,871	41,514	404,909	388,403	16,506	4%	517,871
Transfers and subsidies	920	400	400	12	14	300	(286)	-95%	400
Other expenditure	327,630	387,217	313,357	176,635	306,504	234,637	71,868	31%	313,357
Total Expenditure	**1,309,281**	**1,505,474**	**1,460,993**	**259,250**	**1,125,471**	**1,095,364**	**30,108**	**3%**	**1,460,993**
Surplus/(Deficit)	**(99,347)**	**(112,853)**	**(100,091)**	**(135,010)**	**(134,210)**	**(74,687)**	**(59,523)**	**80%**	**(100,091)**
Transfers and subsidies - capital (monetary allocations)	85,140	133,816	179,527	7,937	55,766	134,645	(78,879)	-59%	179,527
Transfers and subsidies - capital (in-kind)	18,000	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**3,792**	**20,963**	**79,436**	**(127,072)**	**(78,444)**	**59,958**	**(138,402)**	**-231%**	**79,436**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**3,792**	**20,963**	**79,436**	**(127,072)**	**(78,444)**	**59,958**	**(138,402)**	**-231%**	**79,436**
Capital expenditure & funds sources									
Capital expenditure	**92,915**	**150,362**	**282,894**	**18,007**	**119,251**	**212,170**	**(92,919)**	**-44%**	**282,894**
Capital transfers recognised	3,157	116,362	158,792	15,137	57,302	119,094	(61,792)	-52%	158,792
Borrowing	–	34,000	94,484	–	51,006	70,863	(19,857)	-28%	94,484
Internally generated funds	89,757	–	29,618	2,870	10,943	22,214	(11,271)	-51%	29,618
Total sources of capital funds	**92,915**	**150,362**	**282,894**	**18,007**	**119,251**	**212,170**	**(92,919)**	**-44%**	**282,894**
Financial position									
Total current assets	266,448	213,837	293,425		354,829				293,425
Total non current assets	2,312,828	2,369,948	2,477,924		2,343,730				2,477,924
Total current liabilities	293,952	225,392	282,905		338,573				282,905
Total non current liabilities	243,291	270,953	366,975		391,708				366,975
Community wealth/Equity	**2,042,032**	**2,087,440**	**2,121,469**		**1,968,278**				**2,121,469**
Cash flows									
Net cash from (used) operating	2,506,902	109,901	122,951	159,839	293,177	84,174	(209,003)	-248%	122,951
Net cash from (used) investing	(83,038)	(116,362)	(231,888)	(20,708)	(137,274)	(166,926)	(29,651)	18%	(231,888)
Net cash from (used) financing	–	–	100,000	(1,938)	(12,248)	75,000	87,248	116%	100,000
Cash/cash equivalents at the month/year end	**2,599,414**	**37,204**	**134,722**	**–**	**287,313**	**135,907**	**(151,406)**	**-111%**	**134,722**
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	73,375	12,584	9,312	8,194	7,315	6,668	36,688	172,925	327,061
Creditors Age Analysis									
Total Creditors	50,247	156	31	18	48	16	400	(957)	49,959

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) – M09 March 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**	**69,851**	**385,640**	**374,474**	11,166	3%	**499,299**
Executive and council		46	142	142	–	53	106	(54)	-50%	142
Finance and administration		489,263	590,608	499,157	69,851	385,588	374,368	11,220	3%	499,157
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**51,001**	**87,286**	**120,969**	**2,233**	**34,279**	**90,727**	(56,448)	-62%	**120,969**
Community and social services		2,415	2,460	3,365	23	3,220	2,523	697	28%	3,365
Sport and recreation		7,682	11,504	11,504	475	8,550	8,628	(78)	-1%	11,504
Public safety		1,792	1,857	1,857	5	20	1,393	(1,373)	-99%	1,857
Housing		35,790	68,969	101,747	1,722	21,499	76,310	(54,812)	-72%	101,747
Health		3,322	2,496	2,496	7	989	1,872	(883)	-47%	2,496
Economic and environmental services		**48,168**	**56,136**	**61,166**	**2,410**	**27,491**	**45,875**	(18,383)	-40%	**61,166**
Planning and development		8,375	10,252	10,252	1,084	6,087	7,689	(1,601)	-21%	10,252
Road transport		16,518	19,972	32,160	356	5,698	24,120	(18,421)	-76%	32,160
Environmental protection		23,276	25,912	18,755	970	15,706	14,066	1,640	12%	18,755
Trading services		**724,595**	**792,266**	**858,995**	**57,684**	**599,617**	**644,246**	(44,629)	-7%	**858,995**
Energy sources		398,034	409,585	444,755	35,462	327,394	333,566	(6,172)	-2%	444,755
Water management		156,102	177,913	202,542	8,489	119,371	151,907	(32,536)	-21%	202,542
Waste water management		106,410	123,062	133,183	10,501	96,501	99,887	(3,386)	-3%	133,183
Waste management		64,049	81,707	78,516	3,233	56,351	58,887	(2,535)	-4%	78,516
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1,313,073**	**1,526,437**	**1,540,430**	**132,178**	**1,047,028**	**1,155,322**	**(108,294)**	**-9%**	**1,540,430**
Expenditure - Functional										
Governance and administration		**328,779**	**362,481**	**366,409**	**24,127**	**229,672**	**274,427**	(44,755)	-16%	**366,409**
Executive and council		57,143	61,996	61,189	4,190	42,220	45,891	(3,671)	-8%	61,189
Finance and administration		271,580	299,963	304,803	19,929	187,366	228,223	(40,856)	-18%	304,803
Internal audit		57	523	418	7	86	313	(227)	-73%	418
Community and public safety		**104,281**	**140,104**	**138,745**	**9,751**	**82,472**	**104,058**	(21,586)	-21%	**138,745**
Community and social services		9,188	13,952	13,796	806	7,134	10,347	(3,213)	-31%	13,796
Sport and recreation		52,608	75,205	72,073	5,685	42,650	54,055	(11,405)	-21%	72,073
Public safety		28,701	33,254	33,342	2,063	21,990	25,007	(3,017)	-12%	33,342
Housing		5,817	9,703	11,670	613	5,082	8,753	(3,671)	-42%	11,670
Health		7,968	7,991	7,863	585	5,616	5,897	(281)	-5%	7,863
Economic and environmental services		**126,118**	**288,532**	**198,200**	**12,465**	**103,574**	**148,649**	(45,075)	-30%	**198,200**
Planning and development		27,163	32,149	37,410	2,599	19,129	28,057	(8,928)	-32%	37,410
Road transport		86,718	246,274	151,912	9,480	80,521	113,934	(33,413)	-29%	151,912
Environmental protection		12,237	10,109	8,878	386	3,925	6,658	(2,734)	-41%	8,878
Trading services		**743,328**	**714,357**	**757,639**	**212,907**	**709,749**	**568,229**	141,520	25%	**757,639**
Energy sources		426,149	453,172	494,191	36,370	366,334	370,643	(4,309)	-1%	494,191
Water management		161,924	108,542	109,037	92,807	168,077	81,778	86,299	106%	109,037
Waste water management		103,926	88,779	90,277	33,053	82,348	67,708	14,640	22%	90,277
Waste management		51,329	63,864	64,133	50,676	92,991	48,100	44,891	93%	64,133
Other		**6,775**	–	–	–	**3**	–	**3**		–
Total Expenditure - Functional	3	**1,309,281**	**1,505,474**	**1,460,993**	**259,250**	**1,125,471**	**1,095,364**	**30,108**	**3%**	**1,460,993**
Surplus/ (Deficit) for the year		**3,792**	**20,963**	**79,436**	**(127,072)**	**(78,444)**	**59,958**	**(138,402)**	**-231%**	**79,436**

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 – M09 March 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	403	1,703	836	867	103.7%	1,115
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		449,050	446,890	454,924	69,385	389,528	341,193	48,334	14.2%	454,924
Vote 4 - COMMUNITY SERVICES		148,611	276,782	167,855	4,941	86,970	125,891	(38,921)	-30.9%	167,855
Vote 5 - CIVIL AND WATER SERVICES		274,288	314,671	361,609	19,252	214,894	271,206	(56,312)	-20.8%	361,609
Vote 6 - ELECTRO/MECHANICAL SERVICES		398,035	409,586	444,756	35,498	327,753	333,567	(5,815)	-1.7%	444,756
Vote 7 - PLANNING AND DEVELOPMENT		41,392	77,392	110,171	2,698	26,180	82,628	(56,448)	-68.3%	110,171
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**	**1,540,430**	**132,178**	**1,047,028**	**1,155,322**	**(108,294)**	**-9.4%**	**1,540,430**
Expenditure by Vote	1									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		27,222	31,456	31,803	1,903	21,842	23,852	(2,010)	-8.4%	31,803
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		114,919	128,955	126,253	8,742	87,038	94,310	(7,272)	-7.7%	126,253
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		133,949	141,869	136,835	8,486	72,789	102,626	(29,837)	-29.1%	136,835
Vote 4 - COMMUNITY SERVICES		218,052	386,594	290,666	64,842	218,788	217,999	789	0.4%	290,666
Vote 5 - CIVIL AND WATER SERVICES		348,309	316,288	329,020	135,034	326,646	246,764	79,882	32.4%	329,020
Vote 6 - ELECTRO/MECHANICAL SERVICES		442,656	466,160	507,837	37,541	378,010	380,878	(2,868)	-0.8%	507,837
Vote 7 - PLANNING AND DEVELOPMENT		23,509	34,152	38,579	2,702	20,359	28,934	(8,575)	-29.6%	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**	**259,250**	**1,125,471**	**1,095,364**	**30,108**	**2.7%**	**1,460,993**
Surplus/ (Deficit) for the year	2	**4,447**	**20,963**	**79,436**	**(127,072)**	**(78,444)**	**59,958**	**(138,402)**	**-230.8%**	**79,436**

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) – M09 March 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	53,251	527,084	578,767	(51,683)	-9%	771,689
Service charges - Electricity		380,376	381,991	425,559	33,243	311,621	319,169	(7,548)	-2%	425,559
Service charges - Water		109,873	82,323	138,057	7,669	80,903	103,543	(22,640)	-22%	138,057
Service charges - Waste Water Management		59,633	64,086	76,014	5,089	49,243	57,011	(7,768)	-14%	76,014
Service charges - Waste management		57,488	71,123	62,146	3,873	43,905	46,610	(2,704)	-6%	62,146
Sale of Goods and Rendering of Services		7,442	9,533	9,533	727	4,530	7,150	(2,620)	-37%	9,533
Agency services		3,615	4,554	4,554	–	–	3,416	(3,416)	-100%	4,554
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		21,854	32,335	32,335	1,424	18,259	24,251	(5,992)	-25%	32,335
Interest earned from Current and Non Current Assets		12,962	13,998	15,498	413	9,549	11,623	(2,074)	-18%	15,498
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		3,550	3,187	3,187	273	3,348	2,390	958	40%	3,187
Licence and permits		2,368	2,851	2,851	167	1,680	2,138	(458)	-21%	2,851
Operational Revenue		11,654	1,955	1,955	374	4,046	1,466	2,579	176%	1,955
Non-Exchange Revenue		539,119	724,686	589,213	70,990	464,178	441,910	22,268	5%	589,213
Property rates		280,203	297,076	298,309	20,291	237,030	223,732	13,299	6%	298,309
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		40,084	143,343	43,859	323	828	32,894	(32,066)	-97%	43,859
Licence and permits		7,421	11,772	11,772	343	8,236	8,829	(593)	-7%	11,772
Transfer and subsidies - Operational		198,630	202,153	210,105	48,425	200,361	157,578	42,782	27%	210,105
Interest		5,519	5,510	5,510	391	2,084	4,133	(2,049)	-50%	5,510
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	64,831	19,658	1,217	15,639	14,744	895	6%	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**	**124,241**	**991,262**	**1,020,677**	**(29,415)**	**-3%**	**1,360,902**
Expenditure By Type										
Employee related costs		398,878	471,743	482,971	29,366	308,320	362,228	(53,908)	-15%	482,971
Remuneration of councillors		14,976	15,594	15,594	1,244	11,797	11,696	101	1%	15,594
Bulk purchases - electricity		351,702	386,299	413,349	31,238	326,694	310,012	16,682	5%	413,349
Inventory consumed		102,599	109,019	104,522	10,276	78,215	78,391	(176)	0%	104,522
Debt impairment		87,369	158,246	59,136	–	–	44,352	(44,352)	-100%	59,136
Depreciation and amortisation		102,539	117,798	117,798	9,817	88,349	88,349	(1)	0%	117,798
Interest		10,038	17,404	13,002	663	5,578	9,751	(4,173)	-43%	13,002
Contracted services		93,766	125,372	146,032	10,597	73,829	109,523	(35,694)	-33%	146,032
Transfers and subsidies		920	400	400	12	14	300	(286)	-95%	400
Irrecoverable debts written off		62,860	9,359	10,078	158,051	167,151	7,559	159,593	2111%	10,078
Operational costs		81,923	94,240	98,111	7,987	65,524	73,203	(7,679)	-10%	98,111
Losses on Disposal of Assets		1,713	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**1,309,281**	**1,505,474**	**1,460,993**	**259,250**	**1,125,471**	**1,095,364**	**30,108**	**3%**	**1,460,993**
Surplus/(Deficit)		**(99,347)**	**(112,853)**	**(100,091)**	**(135,010)**	**(134,210)**	**(74,687)**	**(59,523)**	**0**	**(100,091)**
Transfers and subsidies - capital (monetary allocations)		85,140	133,816	179,527	7,937	55,766	134,645	(78,879)	**(0)**	179,527
Transfers and subsidies - capital (in-kind)		18,000	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**3,792**	**20,963**	**79,436**	**(127,072)**	**(78,444)**	**59,958**			**79,436**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**3,792**	**20,963**	**79,436**	**(127,072)**	**(78,444)**	**59,958**			**79,436**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**3,792**	**20,963**	**79,436**	**(127,072)**	**(78,444)**	**59,958**			**79,436**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**3,792**	**20,963**	**79,436**	**(127,072)**	**(78,444)**	**59,958**			**79,436**

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) – M09 March 2025

EC108 Kouga - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) -

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands	1								%	
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	25	1,176	1,450	(274)	-19%	1,933
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		810	–	992	6	413	744	(331)	-44%	992
Vote 4 - COMMUNITY SERVICES		3,914	1,391	1,634	–	209	1,225	(1,016)	-83%	1,634
Vote 5 - CIVIL AND WATER SERVICES		50,070	80,868	167,517	8,096	45,451	125,637	(80,186)	-64%	167,517
Vote 6 - ELECTRO/MECHANICAL SERVICES		167	68,103	88,835	9,221	64,639	66,626	(1,987)	-3%	88,835
Vote 7 - PLANNING AND DEVELOPMENT		(23)	–	21,956	658	7,363	16,467	(9,104)	-55%	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**	**282,866**	**18,007**	**119,251**	**212,149**	**(92,898)**	**-44%**	**282,866**
Single Year expenditure appropriation	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		39	–	28	–	–	21	(21)	-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	–	–	21	**(21)**	**-100%**	28
Total Capital Expenditure	3	**92,915**	**150,362**	**282,894**	**18,007**	**119,251**	**212,170**	**(92,919)**	**-44%**	**282,894**
Capital Expenditure - Functional Classification										
Governance and administration		**2,644**	**34,000**	**54,101**	**31**	**52,804**	**40,576**	12,228	30%	**54,101**
Executive and council		336	–	300	–	–	225	(225)	-100%	300
Finance and administration		2,270	34,000	53,773	31	52,804	40,330	12,474	31%	53,773
Internal audit		39	–	28	–	–	21	(21)	-100%	28
Community and public safety		**9,879**	**1,391**	**21,947**	**658**	**7,363**	**16,460**	(9,098)	-55%	**21,947**
Community and social services		6,562	–	–	–	–	–	–		–
Sport and recreation		506	–	–	–	–	–	–		–
Public safety		2,810	1,391	1,391	–	–	1,043	(1,043)	-100%	1,391
Housing		–	–	20,556	658	7,363	15,417	(8,054)	-52%	20,556
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**29,125**	**9,670**	**66,646**	**83**	**3,284**	**49,984**	(46,701)	-93%	**66,646**
Planning and development		14	500	3,497	38	701	2,623	(1,922)	-73%	3,497
Road transport		28,869	9,170	63,149	45	2,583	47,362	(44,778)	-95%	63,149
Environmental protection		242	–	–	–	–	–	–		–
Trading services		**51,267**	**105,300**	**140,200**	**17,234**	**55,801**	**105,150**	(49,349)	-47%	**140,200**
Energy sources		5,703	34,103	37,829	9,221	13,633	28,372	(14,739)	-52%	37,829
Water management		21,197	29,008	53,770	895	14,369	40,328	(25,959)	-64%	53,770
Waste water management		22,809	42,190	48,600	7,118	27,799	36,450	(8,652)	-24%	48,600
Waste management		1,557	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**92,915**	**150,362**	**282,894**	**18,007**	**119,251**	**212,170**	**(92,919)**	**-44%**	**282,894**
Funded by:										
National Government		347	54,997	72,328	5,953	31,357	54,246	(22,889)	-42%	72,328
Provincial Government		–	59,973	85,073	9,183	25,945	63,804	(37,859)	-59%	85,073
District Municipality		2,810	1,391	1,391	–	–	1,043	(1,043)	-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**	**158,792**	**15,137**	**57,302**	**119,094**	**(61,792)**	**-52%**	**158,792**
Borrowing	6	–	34,000	94,484	–	51,006	70,863	(19,857)	-28%	94,484
Internally generated funds		89,757	–	29,618	2,870	10,943	22,214	(11,271)	-51%	29,618
Total Capital Funding	7	**92,915**	**150,362**	**282,894**	**18,007**	**119,251**	**212,170**	**(92,919)**	**-44%**	**282,894**

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 – M09 March 2025

EC108 Kouga - Table C6 Monthly Budget Statement - Financial Position -						
Description	Ref	2023/24	Budget Year 2024/25			
R thousands		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
ASSETS	1					
Current assets						
Cash and cash equivalents		143,659	43,640	170,463	287,313	170,463
Trade and other receivables from exchange transactions		58,750	77,030	59,899	(61,367)	59,899
Receivables from non-exchange transactions		26,651	29,014	26,651	13,548	26,651
Current portion of non-current receivables		–	–	–	–	–
Inventory		22,450	18,598	22,623	25,423	22,623
VAT		12,790	45,445	12,790	87,772	12,790
Other current assets		2,149	109	999	2,139	999
Total current assets		**266,448**	**213,837**	**293,425**	**354,829**	**293,425**
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	2,226,712	2,092,958	2,226,712
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		419	603	419	(21)	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**	**2,477,924**	**2,343,730**	**2,477,924**
TOTAL ASSETS		**2,579,276**	**2,583,785**	**2,771,349**	**2,698,559**	**2,771,349**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		11,144	23,564	38,274	(1,923)	38,274
Consumer deposits		31,660	29,060	31,660	34,035	31,660
Trade and other payables from exchange transactions		143,222	124,413	143,395	115,835	143,395
Trade and other payables from non-exchange transactions		38,791	–	0	57,248	0
Provision		54,427	48,355	54,868	54,427	54,868
VAT		14,707	(0)	14,707	78,951	14,707
Other current liabilities		–	–	–	–	–
Total current liabilities		**293,952**	**225,392**	**282,905**	**338,573**	**282,905**
Non current liabilities						
Financial liabilities		12,231	11,333	120,843	160,648	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**	**391,708**	**366,975**
TOTAL LIABILITIES		**537,243**	**496,345**	**649,880**	**730,281**	**649,880**
NET ASSETS	2	**2,042,032**	**2,087,440**	**2,121,469**	**1,968,278**	**2,121,469**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		2,036,273	2,087,440	2,121,469	1,962,519	2,121,469
Reserves and funds		5,759	–	–	5,759	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**2,042,032**	**2,087,440**	**2,121,469**	**1,968,278**	**2,121,469**

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 – M09 March 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	22,098	229,359	216,471	12,888	6%	288,628
Service charges		255,325	761,922	823,774	55,888	441,764	617,831	(176,067)	-28%	823,774
Other revenue		16,788	93,666	115,947	26,376	305,502	86,960	218,542	251%	115,947
Transfers and Subsidies - Operational		184,436	202,153	210,105	48,411	201,984	157,578	44,406	28%	210,105
Transfers and Subsidies - Capital		1,586	123,443	140,736	23,574	73,120	97,513	(24,393)	-25%	140,736
Interest		914,663	13,998	15,498	413	9,549	11,623	(2,074)	-18%	15,498
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		771,377	(1,356,179)	(1,460,241)	(15,340)	(961,607)	(1,095,181)	(133,574)	12%	(1,460,241)
Interest		–	(16,159)	(11,097)	(1,581)	(6,496)	(8,322)	(1,827)	22%	(11,097)
Transfers and Subsidies		–	(400)	(400)	–	–	(300)	(300)	100%	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		2,506,902	109,901	122,951	159,839	293,177	84,174	(209,003)	-248%	122,951
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)	(231,888)	(20,708)	(137,274)	(166,926)	(29,651)	18%	(231,888)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(83,038)	(116,362)	(231,888)	(20,708)	(137,274)	(166,926)	(29,651)	18%	(231,888)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	100,000	–	–	75,000	(75,000)	-100%	100,000
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	(1,938)	(12,248)	–	12,248	0%	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	100,000	(1,938)	(12,248)	75,000	87,248	116%	100,000
NET INCREASE/ (DECREASE) IN CASH HELD		2,423,864	(6,461)	(8,937)	137,193	143,654	(7,752)			(8,937)
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	134,722		287,313	135,907			134,722

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 31 March 2025, compared to the position as at 30 June 2024.

Debtors' Age Analysis (Inclusive of VAT) as at 31 March 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	23,627	4,200	3,447	2,971	2,787	2,593	9,921	40,374	89,918
Trade and Other Receivables from Exchange Transactions - Electricity	34,754	2,260	1,672	1,286	1,047	915	3,866	13,038	58,836
Receivables from Non-exchange Transactions - Property Rates	21,954	2,300	1,894	1,719	1,423	1,276	11,645	29,476	71,688
Receivables from Exchange Transactions - Waste Water Management	11,551	1,829	1,091	985	935	806	3,479	15,901	36,577
Receivables from Exchange Transactions - Waste Management	8,282	1,328	731	658	620	569	3,098	20,836	36,123
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	3,619	263	260	303	313	340	2,711	40,766	48,575
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(30,412)	404	219	271	190	169	1,968	12,534	(14,657)
Total By Income Source	**73,375**	**12,584**	**9,312**	**8,194**	**7,315**	**6,668**	**36,688**	**172,925**	**327,061**
Debtors Age Analysis By Customer Group									
Organs of State	1,707	539	392	414	287	231	1,915	7,174	12,659
Commercial	10,378	552	369	355	330	322	1,161	7,516	20,984
Households	61,286	11,493	8,550	7,424	6,698	6,114	33,606	158,222	293,393
Other	4	1	1	1	1	1	5	12	25
Total By Customer Group	**73,375**	**12,584**	**9,312**	**8,194**	**7,315**	**6,668**	**36,688**	**172,925**	**327,061**

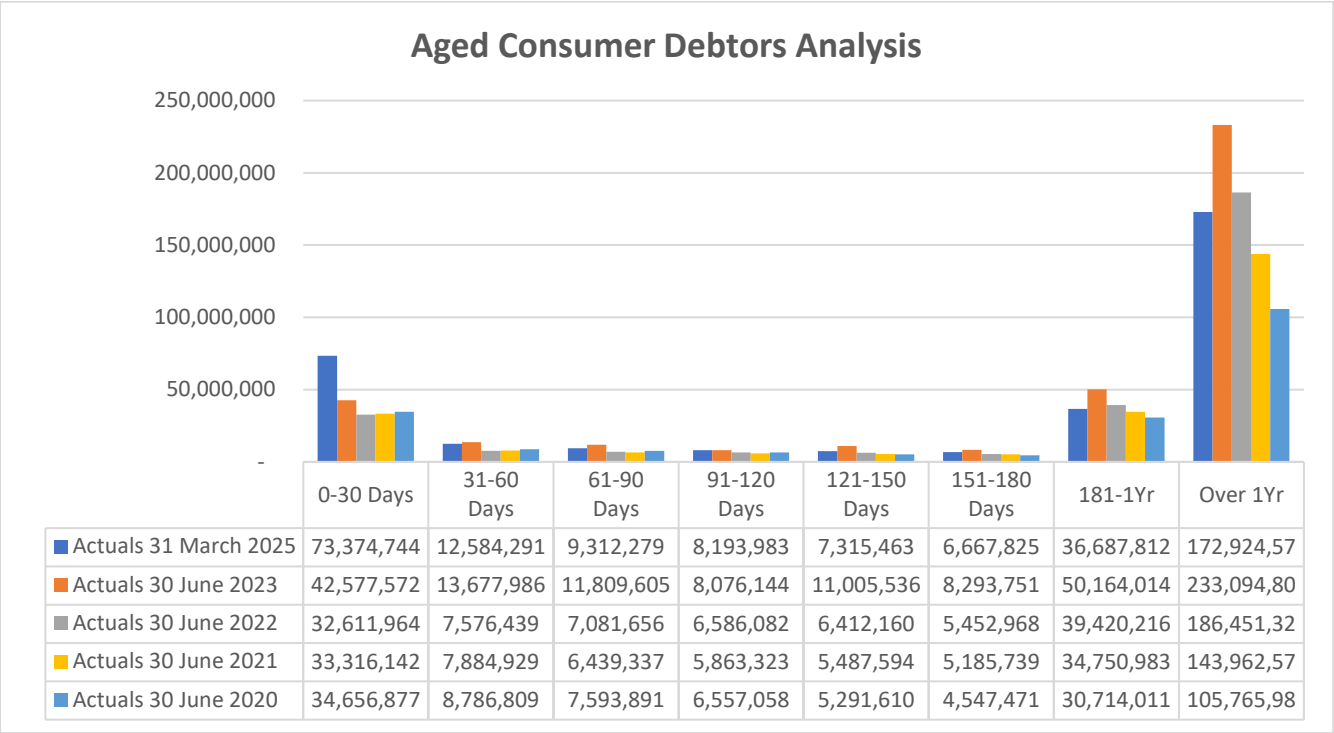
Debtors' Age Analysis (Inclusive of VAT) as at 30 June 2024

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 31 March 2025, the overdue debts have decreased by R 136,224 million from R 389,910 million to R 253,686 million, as follows:

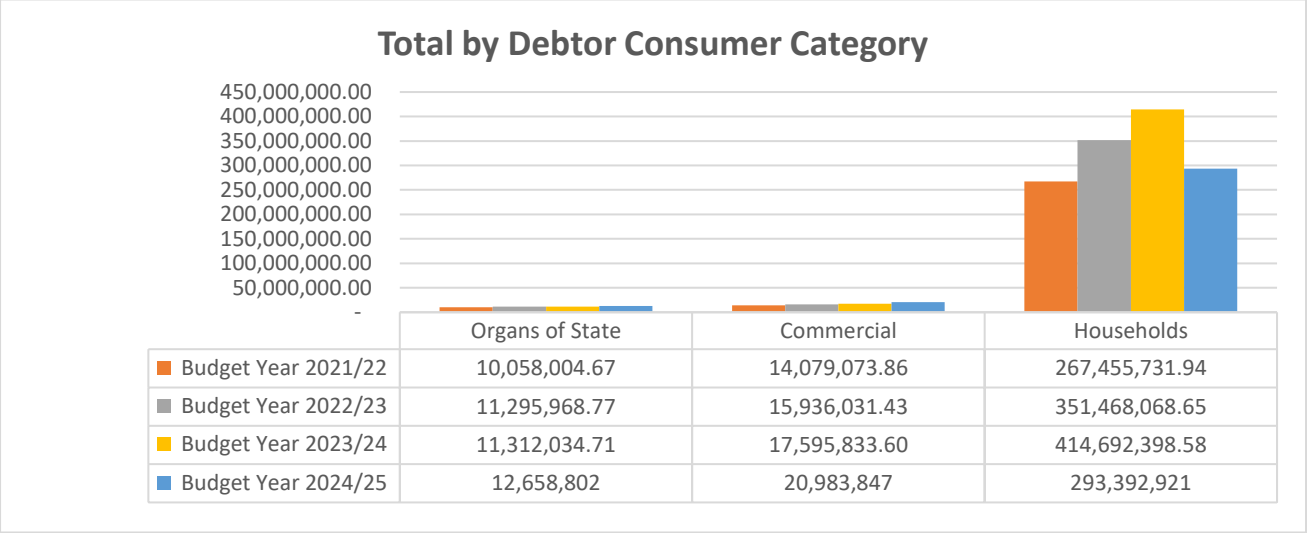
R thousands	OVERDUE AMOUNTS AS AT		
Debtors Age Analysis By Income Source	**30-Jun-24**	**31-Mar-25**	**DIFFERENCE**
Trade and Other Receivables from Exchange Transactions - Water	122,756	66,291	(56,465)
Trade and Other Receivables from Exchange Transactions - Electricity	24,488	24,083	(405)
Receivables from Non-exchange Transactions - Property Rates	47,751	49,734	1,983
Receivables from Exchange Transactions - Waste Water Management	43,719	25,026	(18,692)
Receivables from Exchange Transactions - Waste Management	57,269	27,841	(29,428)
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–
Interest on Arrear Debtor Accounts	72,437	44,956	(27,481)
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–
Other	21,492	15,755	(5,737)
Total By Income Source	**389,910**	**253,686**	**(136,224)**
Debtors Age Analysis By Customer Group			
Organs of State	9,907	10,952	1,045
Commercial	9,975	10,606	631
Households	370,015	232,107	(137,909)
Other	14	22	8
Total By Customer Group	**389,910**	**253,686**	**(136,224)**

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 31 March 2025	73,374,744	12,584,291	9,312,279	8,193,983	7,315,463	6,667,825	36,687,812	172,924,57
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	12,658,802	20,983,847	293,392,921

1.2 Overview of Creditors position

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

Description	Budget Year 2024/25								
R thousands	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type									
Bulk Electricity	35,824	–	–	–	–	–	–	–	**35,824**
Bulk Water	3,416	(220)	14	18	18	16	42	(1,021)	**2,282**
PAYE deductions	5,724								**5,724**
VAT (output less input)									**–**
Pensions / Retirement deductions									**–**
Loan repayments									**–**
Trade Creditors	5,283	376	17	–	30	–	358	65	**6,129**
Auditor General									**–**
Other									**–**
Total By Customer Type	**50,247**	**156**	**31**	**18**	**48**	**16**	**400**	**(957)**	**49,959**

The above amounts represent invoices still to be paid. The major creditors as at 31 March 2025 are as follows:

Eskom	R 35,824 million
NMBM	R 2,282 million
PAYE	R 5,724 million
Other Creditors	R 6,129 million
Total	**R 49,959 million**

It must be noted that the Eskom amount of R 35,824million, represents the current account for March 2025, which was due on 23 April 2025.

It is to be noted that the SARS amount of R 5,724million, represents the current account for March 2025 which was paid on 04 April 2025.

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

Supporting Table SC6 Monthly Budget Statement – transfers and grant receipts – M09 March 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	48,411	197,696	197,710	14	0%	197,710
Operational Revenue:General Revenue:Equitable Share	192,664	192,664	48,166	192,656	192,664	8	0%	192,664
Expanded Public Works Programme Integrated Grant for Municipalities [Sched	1,495	1,495	-	1,495	1,495	-	0%	1,495
Local Government Financial Management Grant [Schedule 5B]	1,723	1,723	-	1,723	1,723	-	0%	1,723
Municipal Infrastructure Grant [Schedule 5B]	1,828	1,828	245	1,822	1,828	6	0%	1,828
Provincial Government:	2,050	9,952	-	2,955	9,952	6,997	70.31%	5,498
Humam 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	-	2,497	2,393	(105)	-4.37%	2,393
Environmental health subsidy	2,393	2,393	-	2,497	2,393	(105)	-4.37%	2,393
Other grant providers:	-	50	-	-	50		-	50
Departmental Agencies and Accounts	-	50	-	-	50	50	100.00%	50
Total Operating Transfers and Grants	202,153	210,105	48,411	203,149	210,105	6,956	3.31%	205,601
Capital Transfers and Grants								
National Government:	52,874	63,325	21,684	63,331	63,325	(6)	0%	63,325
Municipal Disaster Relief Grant	-	12,180	12,180	12,180	12,180	-	0%	12,180
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4,203	2,586	2,586	2,586	2,586	-	0%	2,586
Municipal Infrastructure Grant [Schedule 5B]	34,730	34,618	4,662	34,624	34,618	(6)	0%	34,618
Water Services Infrastructure Grant	13,941	13,941	2,256	13,941	13,941	-	0%	13,941
Provincial Government:	68,969	75,655	2,343	9,790	75,655	65,866	87%	75,655
Human Settlement Grant	68,969	75,655	2,343	9,790	75,655	65,866	87%	75,655
District Municipality:	1,600	1,600	-	-	1,600		0%	1,600
Fire Services Subsidy	1,600	1,600	-	-	1,600	1,600	100%	1,600
Total Capital Transfers and Grants	123,443	138,980	24,027	73,120	140,580	65,860	47%	140,580
TOTAL RECEIPTS OF TRANSFERS & GRANTS	325,596	349,085	72,438	276,269	350,685	72,816	20.76%	346,182

Below is an analysis of the spending associated with the grants as at 31 March 2025:

Supporting Table SC7 Monthly Budget Statement – transfers and grants expenditure – M09 March 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	48,425	196,073	196,440	368	0	197,710
Operational Revenue:General Revenue:Equitable Share	192,664	192,664	48,166	192,656	192,656	–	0%	192,664
Expanded Public Works Programme Integrated Grant for Municipalities [Sched	1,495	1,495	96	786	1,121	335	30%	1,495
Local Government Financial Management Grant [Schedule 5B]	1,723	1,723	56	1,421	1,292	(129)	-10%	1,723
Municipal Infrastructure Grant [Schedule 5B]	1,828	1,828	108	1,209	1,371	161	12%	1,828
Provincial Government:	2,050	9,952	–	3,455	8,203	4,747	0	9,952
Human Settlement Grant	–	6,997	–	500	5,248			6,997
Library grant	2,050	2,955	–	2,955	2,955	–		2,955
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	–	30	50	20		50
Departmental Agencies and Accounts	–	50	–	30	50			50
Total operating expenditure of Transfers and Grants:	202,153	210,105	48,425	200,391	207,086	6,695	155%	210,105
Capital expenditure of Transfers and Grants								
National Government:	52,874	80,874	6,215	34,768	60,655	25,888	0.43	80,874
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4,203	2,586	1,434	1,499	1,940	441	23%	2,586
Municipal Infrastructure Grant [Schedule 5B]	34,730	34,618	4,851	23,822	25,964	2,142	8%	34,618
Water Services Infrastructure Grant	13,941	21,109	(122)	6,476	15,832	9,355	59%	21,109
Municipal Disaster Relief Grant	–	22,561	52	2,971	16,921	13,950	82%	22,561
Provincial Government:	68,969	94,750	1,722	20,998	71,063	50,064	70%	94,750
Human Settlement	68,969	94,750	1,722	20,998	71,063	50,064	70%	94,750
District Municipality:	1,600	1,600	–	–	1,600	1,600		1,600
Fire Services Subsidy	1,600	1,600	–	–	1,600	1,391		1,600
Total capital expenditure of Transfers and Grants	123,443	177,224	7,937	55,766	133,318	77,552	58%	177,224
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	325,596	387,329	56,362	256,157	340,404	84,247	25%	387,329

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 1,421,253
Unspent as at 31 March 2025:	R 301,747

The spending of the grant amounted to 82.49% as at 31 March 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 806,517
Unspent as at 31 March 2025:	R 688,483

The spending of the grant amounted to 53.95% as at 31 March 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 36,446,000
Amount of Grant Received:	R 36,446,000
Expenditure to date:	R 25,031,540
Unspent as at 31 March 2025:	R 11,414,460

The spending of the grant amounted to 68.68% as at 31 March 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 2,586,000
Current Year Receipts:	R 2,586,000
Prior Year Unspent:	R 686,303
Expenditure to date:	R 1,498,820
Unspent as at 31 March 2025:	R 1,773,483

The spending of the grant amounted to 45.80% as at 31 March 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 13,941,000
Prior Year Unspent:	R 7,167,886
Amount of Grant Received:	**R 21,108,886**
Expenditure to date:	R 6,476,205
Unspent as at 31 March 2025:	R 14,632,681

The spending of the grant amounted to 30.68% as at 31 March 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
Current Year Receipts:	R 12,180,000
Expenditure to date:	R 2,970,638
Unspent as at 31 March 2025:	R 19,590,104

The spending of the grant amounted to 13.17% as at 31 March 2025, compared to the amount of the grant received.

Other Conditional Grants

Conditional Grant	Prior Year Unspent	Current Year Receipts	Interest	Expenditure	%	Unspent as at 31 March 2025
Human Settlement Grant	20,555,956	8,833,703	955,973	21,498,750	70.85%	8,846,881

1.4 Councillor and employee benefits

Below is an analysis of Councillor and employee benefits:

Table SC8 Monthly Budget Statement – Councillor and staff benefits – M09 March 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	832	7,959	7,810	149	2%	10,414
Pension and UIF Contributions	–	–	–	–	–	–		–
Medical Aid Contributions	–	–	12	101	–	101		–
Motor Vehicle Allowance	3,503	3,503	282	2,679	2,627	52	2%	3,503
Cellphone Allowance	1,678	1,678	118	1,058	1,258	(201)	-16%	1,678
Housing Allowances	–	–	–	–	–	–		–
Sub Total - Councillors	**15,594**	**15,594**	**1,244**	**11,797**	**11,696**	**101**	**1%**	**15,594**
Senior Managers of the Municipality								
Basic Salaries and Wages	9,681	9,681	591	5,362	7,261	(1,899)	-26%	9,681
Pension and UIF Contributions	123	123	1	14	93	(78)	-85%	123
Medical Aid Contributions	56	56	–	3	42	(39)	-93%	56
Performance Bonus	1,798	1,798	–	159	1,348	(1,189)	-88%	1,798
Motor Vehicle Allowance	2,196	2,196	205	1,715	1,647	68	4%	2,196
Cellphone Allowance	11	11	1	9	8	1	12%	11
Other benefits and allowances	5	5	0	1	4	(3)	-86%	5
Sub Total - Senior Managers of Municipality	**13,870**	**13,870**	**798**	**7,262**	**10,402**	**(3,140)**	**-30%**	**13,870**
Other Municipal Staff								
Basic Salaries and Wages	295,150	307,084	20,720	183,163	230,313	(47,150)	-20%	307,084
Pension and UIF Contributions	38,991	40,624	3,131	27,522	30,468	(2,947)	-10%	40,624
Medical Aid Contributions	19,915	20,842	1,872	15,718	15,631	87	1%	20,842
Overtime	29,255	29,335	(282)	21,638	22,001	(363)	-2%	29,335
Performance Bonus	26	26	–	–	20	(20)	-100%	26
Motor Vehicle Allowance	12,091	12,182	887	7,926	9,136	(1,210)	-13%	12,182
Cellphone Allowance	59	59	–	2	44	(42)	-95%	59
Housing Allowances	1,308	1,467	59	511	1,100	(589)	-54%	1,467
Other benefits and allowances	37,715	39,121	1,525	29,672	29,341	331	1%	39,121
Long service awards	–	–	–	243	–	243		–
Post-retirement benefit obligations	23,361	18,361	656	14,662	13,771	892	6%	18,361
Sub Total - Other Municipal Staff	**457,873**	**469,101**	**28,568**	**301,058**	**351,826**	**(50,768)**	**-14%**	**469,101**
Total Parent Municipality	**487,337**	**498,565**	**30,610**	**320,117**	**373,923**	**(53,806)**	**-14%**	**498,565**
TOTAL SALARY, ALLOWANCES & BENEFITS	**487,337**	**498,565**	**30,610**	**320,117**	**373,923**	**(53,806)**	**-14%**	**498,565**
TOTAL MANAGERS AND STAFF	**471,743**	**482,971**	**29,366**	**308,320**	**362,228**	**(53,908)**	**-15%**	**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 31 March 2025**
Capital Charges to Operating Expenditure	Interest & principal paid/Total Operating Expenditure	1.13%	1.04%	0.32%	1.37%	1.80%	1.58%
Borrowed funding of "own" capital expenditure	Borrowings/Capital expenditure excl. transfers & grants	0%	0%	0%	0%	76.13%	82.34 %
Debt Servicing Costs to Operating Revenue	Debt Servicing Costs / Total Operating Revenue - Conditional Grants	0.01	0.01	0.00	0.01	0.02	0.02
Liquidity							
Current Ratio	Current assets / current liabilities	1.07	0,51	0.91	0.91:1	1.04:1	1.54:1
Liquidity Ratio	Monetary assets / current liabilities	0.34	0,15	0.40	0.49:1	0.60:1	0.85:1
Revenue Management							
Annual Debtors Collection Rate	Billed Revenue / Receipted Revenue	94.41 %	94.32 %	86.71 %	91.01 %	95%	90.81 %

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 31 March 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	1.61 Months	2.38 Months
Employee Costs	Employee Costs / Total Operating Expenditure	34.22%	31,69%	29.47%	30.46%	33.06%	27.39 %
Capital Expenditure	Capital Expenditure / Capital Budget	71.67%	123,92 %	94.66%	71.38%	95%	42.15 %
Repairs and Maintenance as % of Total Operating Expenditure	Repairs and Maintenance / Total Operating Expenditure	6.99%	4,32%	3.86%	4.15%	16.59%	9.95 %
Repairs and Maintenance as % of PPE (Book Value)	Repairs and Maintenance / Net PPE	3.33%	2,26%	2.32%	2.64%	10.88%	5.35 %
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%	79.79 %

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 1.58% as at 31 March 2025, compared to the approved adjusted budget ratio of 1.80%.

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 31 March 2025, the ratio indicates 82.34% 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 31 March 2025, the ratio indicates 0.02, compared to the approved adjusted budget of 0.02.

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:

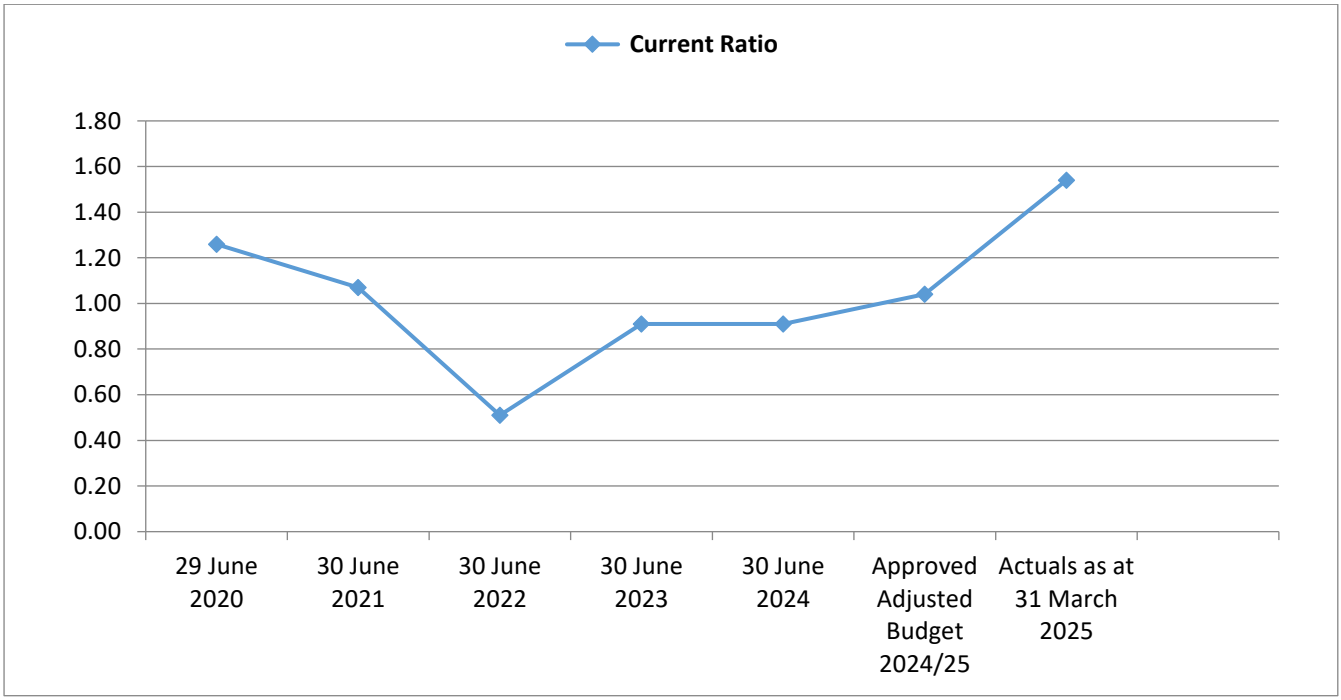
Current assets/Current liabilities

The ratio as at 31 March 2025 was 1.54:1, compared to the approved adjusted budget ratio of 1.04:1. The calculation of the current ratio, includes an adjustment of R 167 million for the reversal of bad debt provision on the debtors. Trade and other receivables were sitting with a credit balance of R 61 million prior the adjustment.

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

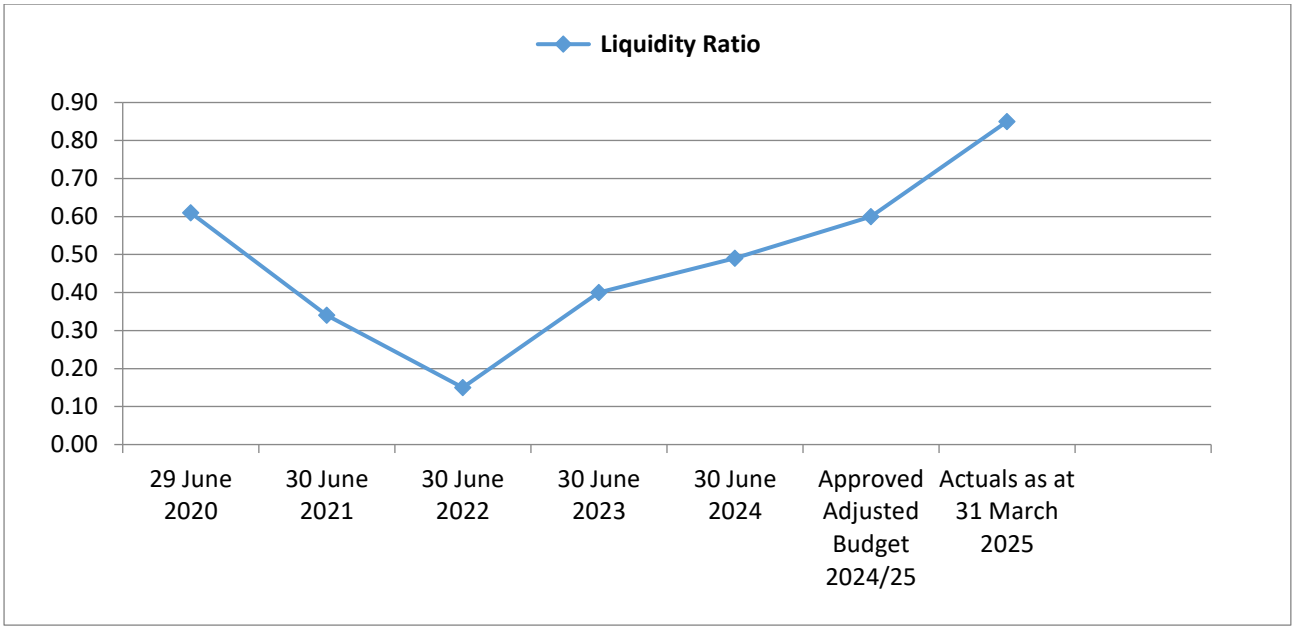
The liquidity ratio assesses a Municipality's ability to meet its short-term commitments from Monetary Assets.

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 31 March 2025 was 0.85:1 compared to the approved budget ratio of 0.60:1.

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


Liquidity Ratio
0.90
0.80
0.70
0.60
0.50
0.40
0.30
0.20
0.10
0.00
29 June 2020
30 June 2021
30 June 2022
30 June 2023
30 June 2024
Approved Adjusted Budget 2024/25
Actuals as at 31 March 2025

1.2. Revenue Management

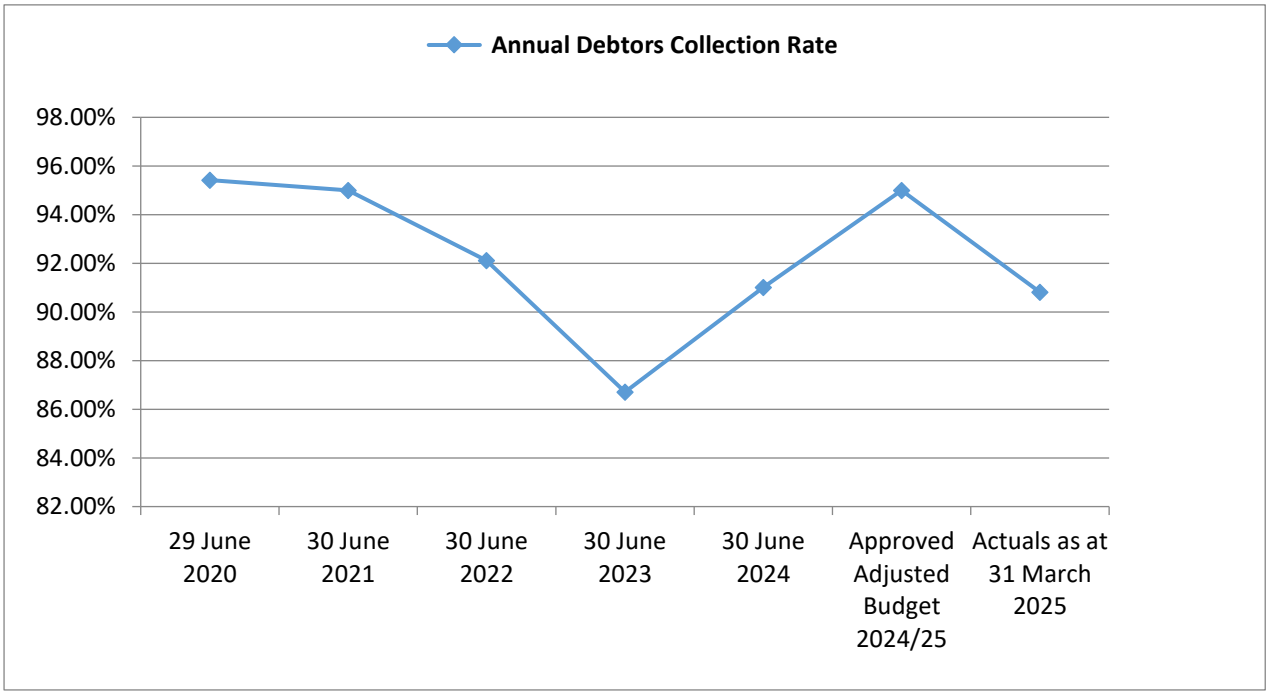
1.2.1. Annual Debtors Collection Rate

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 31 March 2025 was 90.81%, compared to the approved adjusted budget collection rate of 95%. The actual collection rate for March is 108.54%.



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.

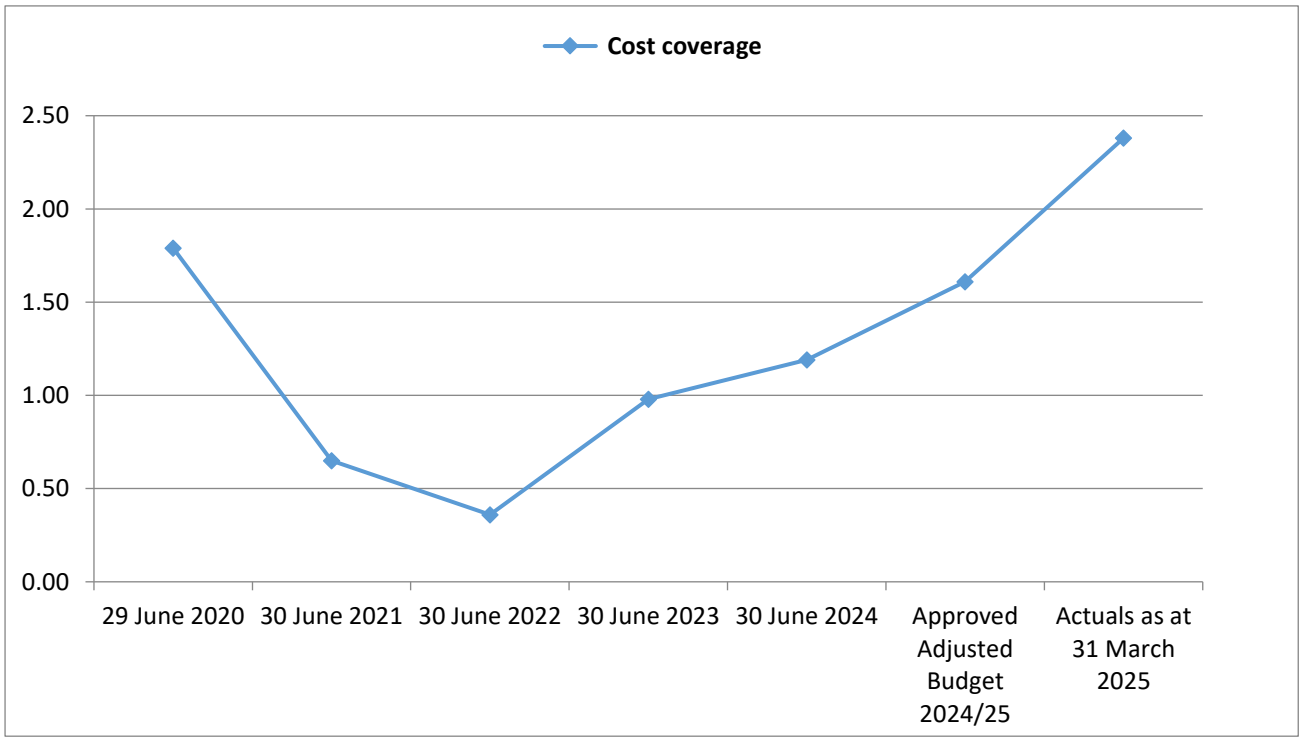
The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal day-to-day operational expenditure but rather reserved for Grant related expenditure.

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 31 March 2025, the Ratio was 2.38 months, compared to the approved adjusted budget ratio of 1.61 months. The cost coverage ratio of 2.38 months is largely influenced by an amount of R 100,000 million received at end of March 2025 from the Development Bank of South Africa (DBSA) for the first instalment of the R 200 million loan, otherwise, the ratio could have been 1.35 months.

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



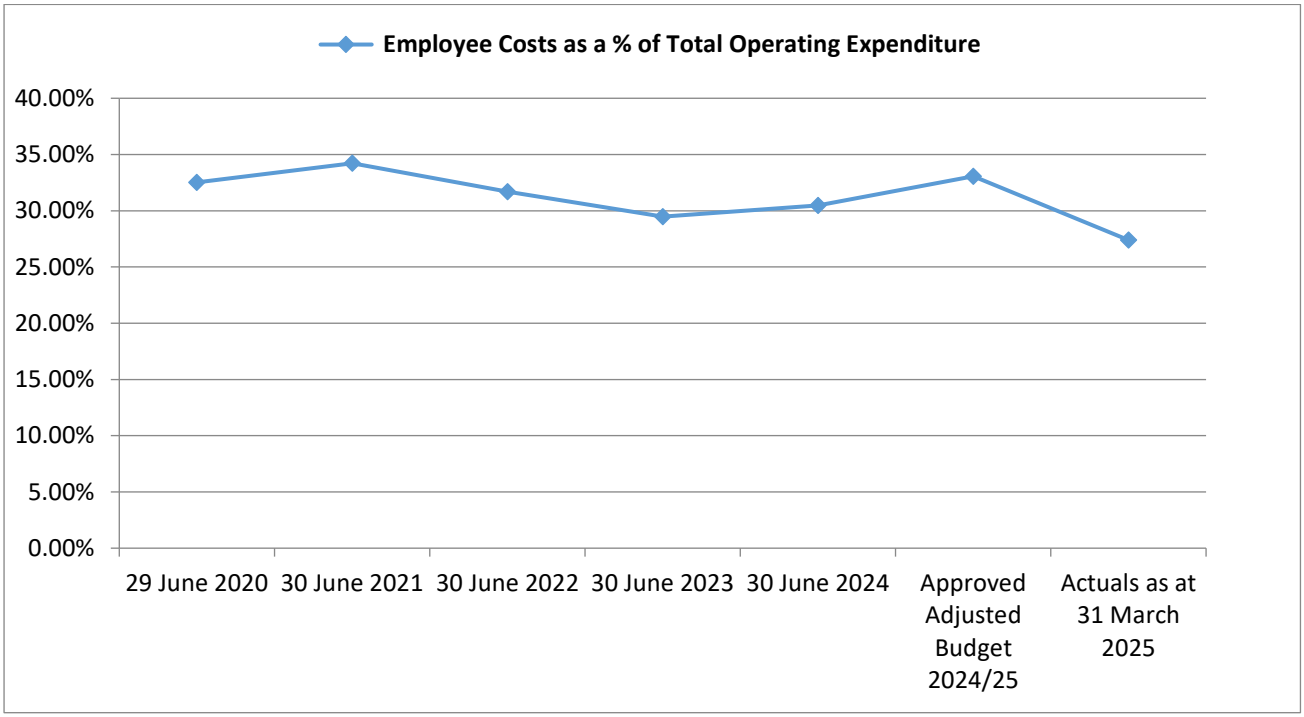
1.3.2. Employee costs as a % of Total Operating Expenditure

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 31 March 2025, Employee Related Costs constituted 27.39% of the Total Operating Expenditure, compared to the approved adjusted budget ratio 33.06%.



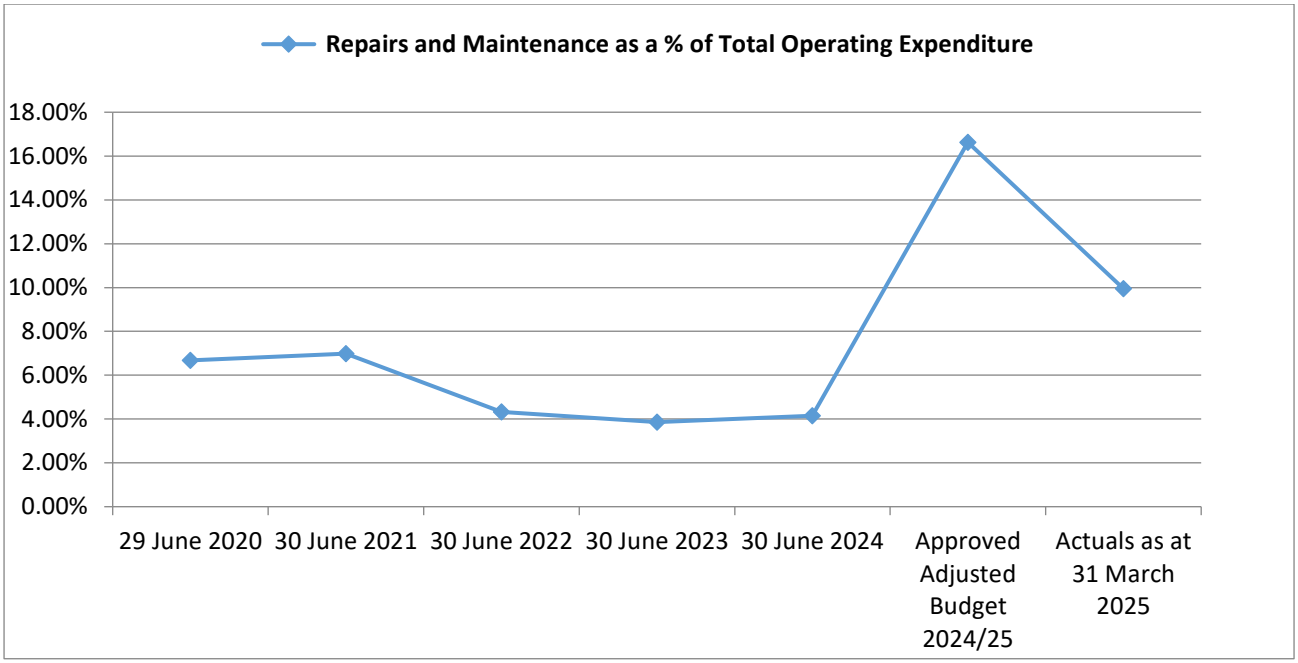
1.3.3. Repairs and Maintenance as a % of Total Operating Expenditure

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 31 March 2025, the ratio was 9.95%, compared to the approved adjusted budget ratio of 16.63%.



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

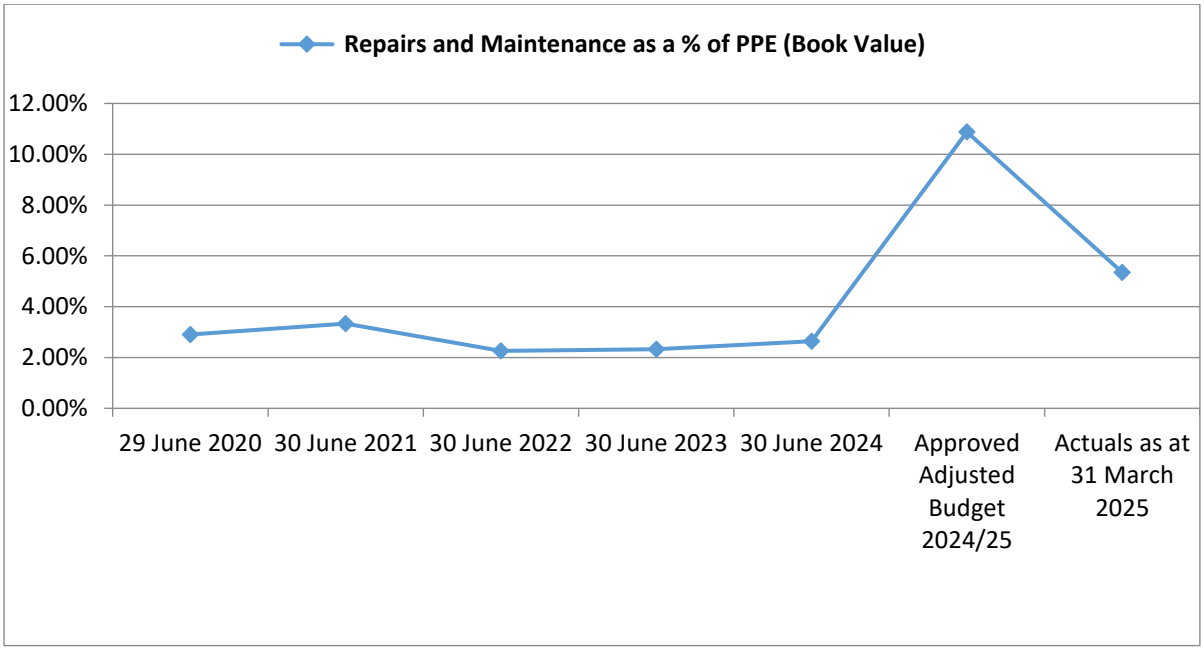
The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to minimise breakdowns and interruptions in service delivery.

The ratio is determined as follows:

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

As at 31 March 2025, repairs and maintenance expenditure constituted 5.35% of the book value of PPE, compared to the approved adjusted budget ratio of 10.88%.

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



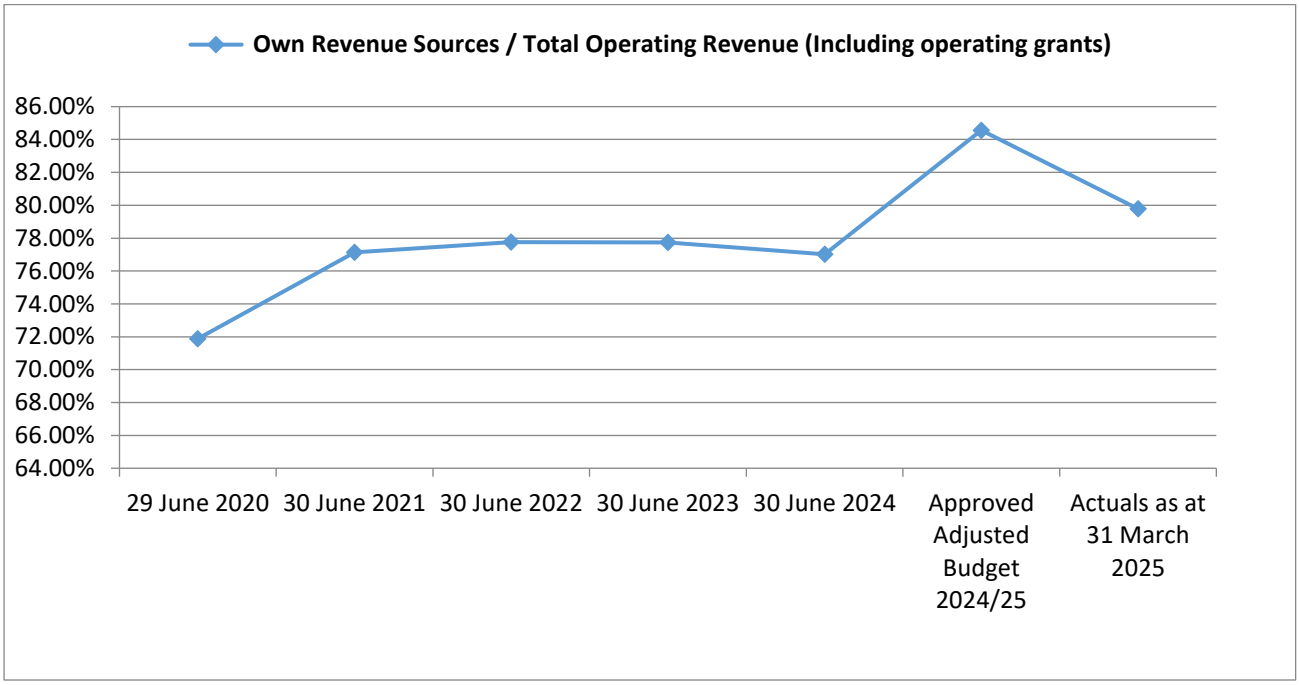
Own Revenue Generation

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 31 March 2025, the Municipality's own revenue sources constituted 79.79% 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 31 March 2025 amounted to 42.15%, compared to the approved adjusted budget ratio of 95%.

