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

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

1. Introduction

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

2. Background

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

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

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

3. Discussion

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

The report complies with Schedule C of the Municipal Budget and Reporting Regulations (MBRR), the following detailed schedules are attached for the period, ending 31 May 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 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 of the Municipal Finance Management Act (MFMA) and Regulation 28 of the Municipal Budget and Reporting Regulations (MBRR).

7. **Other Implications**

None.

8. **<u>Comments by Directorates:</u>**

8.1 **Chief Financial Officer:**

[insert comment]

8.2 **Director: Planning & Development**

[insert comment]

8.3 **Director: Civil & Water Services**

[insert comment]

8.4 **Director: Electro and Mechanical Services**

[insert comment]

8.5 **Director: Community Services**

[insert comment]

8.6 **Deputy Municipal Manager**

[insert comment]

8.7 **Municipal Manager**

[insert comment]

9. **Delegated Authority**

To be noted by the Portfolio Committee.

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

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

Signature……. ……………….

Date…………13 June 2025……………………..

11. Recommendations

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

11.2 That the Executive mayor notes the submission of the monthly budget statements report to provincial treasury as stipulated in section 71(1) of the MFMA.

<u>"ANNEXURE A"</u>

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 May 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 1,154,290 million, whilst operating expenditure amounted to R1,165,214 million, resulting in an operating deficit of R 10,924.
- Capital expenditure constituted 56.80% of the 2024/25 Approved Adjusted Capital Budget.
- Overdue consumer debts decreased by R 127,355 million (-32.66%) since June 2024.
- An amount of R 47,771 million is owing to creditors, 99.15% represent current creditors. Currently all outstanding creditors are not reflected on the creditors age analysis.

The municipality's investment portfolio has increased by R 68,952,139 (48.0%) since June 2024, from R 143,659,131 to R 212,611,270.

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

	Balance as at 30 June 2024	Invested	Interest	Withdrawals	Adjustments	Balance as at 31 May 2025
Standard Bank	26,516,585	21,894,154	1,646,131	12,495,511		37,561,360
ABSA	22,795,366	206,340,134	3,306,070	194,479,034	590	37,961,946
Nedbank	22,593,059	52,695,499	1,780,878	39,421,401		37,648,035
RMB	22,735,812	71,602,496	1,424,580	56,115,699		39,647,190
INVESTEC	22,771,482	63,520,801	1,722,348	50,413,793		37,600,838
Total	**117,412,304**	**416,053,084**	**9,880,008**	**352,925,438**	**590**	**190,419,367**
INVESTMENT	**Balance as at 30 June 2024**	**Invested**	**Interest**	**Withdrawals**	**Adjustments**	**Balance as at 31 May 2025**
General Account	78,621,419	233,614,240	8,754,893	279,574,588	590	41,415,373
Unspent borrowings (DBSA)		100,000,000		5,652,861		94,347,139
Cash Reserves (DBSA)		14,500,000				14,500,000
Cash Reserves (Developmental Charges)		1,062,844				1,062,844
Conditional Grants	18,234,929	66,876,000	-	54,995,879	-	30,115,051
Housing Funds	20,555,956		1,125,114	12,702,110	-	8,978,960
Total	**117,412,304**	**416,053,084**	**9,880,008**	**352,925,438**	**590**	**190,419,367**
Cheque Accounts FNB 52540020791	10,314,768			9,627,690		687,078
Cheque Accounts FNB 52540033304	8,553,427	3,434,274				11,987,700
Cheque Accounts FNB 62682103591	3,833			3,833		-
Cheque Accounts FNB 63022194441	7,374,799			7,090,887		283,912
Cheque Accounts ABSA 4114176482	-			1,896,976		(1,896,976)
Cheque Accounts ABSA 4114114771	-	9,288,608				9,288,608
Cheque Accounts ABSA 4114176474	-	833,224				833,224
Cheque Accounts ABSA 4114176490		1,008,356				1,008,356
	26,246,827	**14,564,461**	**-**	**18,619,386**	**-**	**22,191,902**
Total	**143,659,131**	**430,617,545**	**9,880,008**	**371,544,824**	**590**	**212,611,270**

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

Cash backed Reserves.

Bank Balances and Cash	R 22,191,902
Short-term Investment Deposits	R 190,419,367
	R 212,611,270

Application of Cash

Unspent Conditional Grants	R 39,094,010
Unspent borrowings (DBSA)	R 94,347,139
Cash Reserves – DBSA	R 14,500,000
Cash Reserves – Developmental Charges	R 1,062,844
Operational Commitments	R 26,999,955
Capital Commitments (internally funded projects)	R 6,177,765
Outstanding Creditors Liability	R 47,770,562
	R 229,952,274
Cash shortfall	**(R 17,341,004)**

The commitments exceed cash reserves at this stage by an amount of R 17,341 million.

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 May 2024	Approved Adjusted Budget 2024/25	Actuals as at 30 April 2025	Actuals as at 31 May 2025
Current Ratio	0.91:1	91:1	1.5:1 to 2:1	1.68:1	1.04:1	1.10:1	1.41:1
Liquidity Ratio	0.40:1	0.49:1		1.08:1	0.60:1	0.38:1	0.63:1
Cost Coverage (Excluding unspent conditional grants)	0.98 Months	1.19 Months	1 Month to 3 Months	1.59 Months	1.61 Months	0.78 Month	0.65 Months
Debtors Collection Rate	86.71%	91.01%	95%	87.83%	95%	90.06%	90.77%
Capital Expenditure	94.66%	71.38%	95%	46.83%	95%	50.33%	56.8%

"ANNEXURE A1"

1. OVERVIEW OF OPERATING REVENUE AND EXPENDITURE PERFORMANCE FOR THE PERIOD JULY 2024 TO MAY 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	1 362 086	86 452	1 154 290	1 248 579	(94 289)
Total Expenditure	1 505 474	1 459 766	(228 181)	1 165 214	1 338 115	(172 901)
Surplus/(Deficit)	(112 853)	(97 680)	314 633	(10 924)	(89 537)	78 612

The statement of financial performance reflects an operating deficit of R 10,924 million at this stage.

1.2. Revenue

Main revenue sources for 2024/25

Description	Budget Year 2024/25		
	Adjusted Budget	YearTD actual	
R thousands			%
Revenue	-	-	-
Exchange Revenue			
Service charges - Electricity	425,559	378,315	88.90%
Service charges - Water	138,057	96,964	70.23%
Service charges - Waste Water Management	76,014	60,761	79.93%
Service charges - Waste management	62,146	53,599	86.25%
Sale of Goods and Rendering of Services	9,533	5,876	61.64%
Agency services	4,554	–	0.00%
Interest earned from Receivables	32,335	20,684	63.97%
Interest earned from Current and Non Current Assets	15,498	12,613	81.39%
Rental from Fixed Assets	3,187	3,720	116.75%
Licence and permits	2,851	2,151	75.45%
Operational Revenue	2,523	6,004	237.94%
Non-Exchange Revenue			
Property rates	298,309	278,032	93.20%
Fines, penalties and forfeits	43,859	1,079	2.46%
Licence and permits	11,772	8,822	74.94%
Transfer and subsidies - Operational	210,720	204,765	97.17%
Interest	5,510	2,852	51.75%
Operational Revenue	19,658	18,051	91.83%
Total Revenue (excluding capital transfers and contributions)	**1,362,086**	**1,154,290**	**84.74%**

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 May 2025, the municipality recognized 70.23% of water revenue, compared to the adjusted budget.

- **Service charges – Waste Water Management**
  As at 31 May 2025, the municipality recognized 79.93% of waste water management revenue, compared to the adjusted 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. Agency fees are still yet to be recognized for the current financial year.

- **Licence and permits**
  This relates to the application of driver's licences, certificates and permits, and includes boat licences. This revenue is largely influenced by community demands.

- **Interest earned from Receivables**
  This relates to the interest charged on the outstanding consumer debt, the overdue debt amounts to R 262,555 million as at 31 May 2025. Overdue consumer debts decreased by R 127,355 million (-32.66%) since June 2024, and the decrease is largely due to the write-offs.

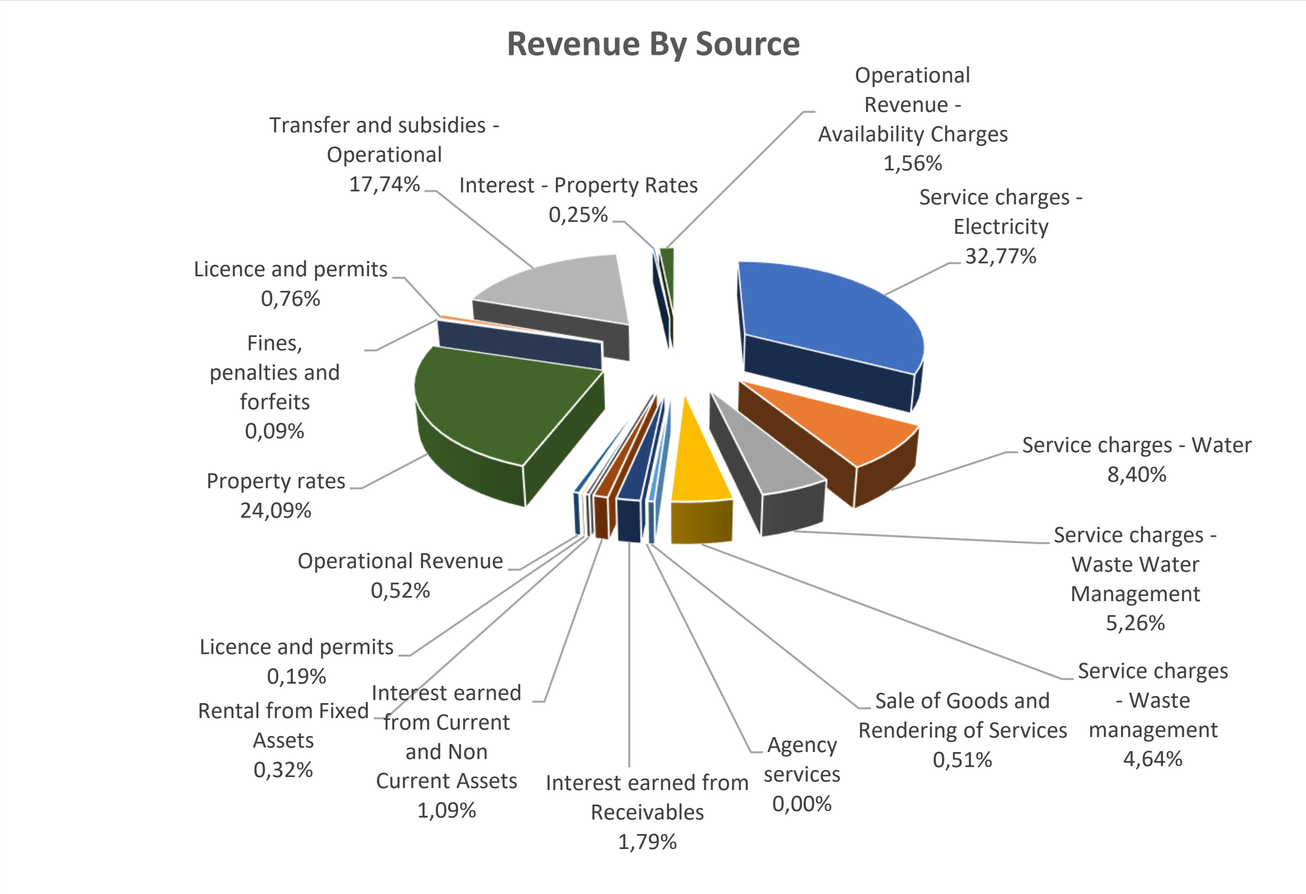
- **Rental from Fixed Assets**
  This relates to the rental of municipal buildings, community halls, caravan parks and camping sites, and other municipal facilities. The revenue is influenced by the extent of rental agreements and seasonal demands.

- **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 1,063 million, recognized during this reporting period, against no budget provision, as well as the Sale of Property amounting to R3,297 million recognized during this reporting period, against no budget provision.

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

- **Transfer and subsidies - Operational**
  As at 31 May 2025, the municipality has recognized 97.17% 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.

- **Interest (Non-Exchange Revenue)**
  Interest: non-exchange revenue relates to the property rates interest charge on outstanding property rates debt. The interest as at 31 May 2025, reflects a 51.75% and this is largely influenced by write-offs of outstanding consumer debt.



1.3. Expenditure

Main expenditure types for 2024/25

Description	Budget Year 2024/25		
R thousands	**Adjusted Budget**	**YearTD Actual**	**%**
Expenditure By Type			
Employee related costs	479 710	374 689	78,11%
Remuneration of councillors	15 594	14 189	90,99%
Bulk purchases - electricity	413 349	383 914	92,88%
Inventory consumed	105 943	98 454	92,93%
Debt impairment	(108 015)	(165 578)	153,29%
Depreciation and amortisation	117 798	107 982	91,67%
Interest	13 002	6 887	52,97%
Contracted services	146 044	98 951	67,75%
Transfers and subsidies	400	47	11,86%
Irrecoverable debts written off	177 229	167 538	94,53%
Operational costs	98 713	78 142	79,16%
Total Expenditure	**1 459 766**	**1 165 214**	79,82%

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 92.88% expenditure, compared to the approved adjusted budget.

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

Item Description	Adjusted Budget 2024/25	Actuals as at 31 May 2025	%
Inventory Consumed: Consumables	3 907 322	2 795 528	71.55%
Inventory Consumed: Materials and Supplies	43 333 475	31 248 266	72.11%
Inventory Consumed: Fuel & Oil	19 771 072	18 307 161	92.60%
Inventory Consumed: Bulk Water Purchases	38 930 751	46 102 885	118.42%
Total	**105 942 620**	**98 453 840**	**92.93%**

  It must be noted that the inventory consumed commitments amount to R 8,016 million as at 31 May 2025, the expenditure including the commitments constituted 100.5% spending, compared to the approved adjusted budget.

- **Debt impairment**
  The debt impairment reflects a reversal amount of R 165,578 million for the debt provisions recognised from prior years, the reversal is due to the actual write-off amounting to R 167,538 million recognised as at 31 May 2025, under the irrecoverable debts written off item. The variance relates to the current year's provision which will be done at year end.

- **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. The expenditure amount to 67.75% as at 31 May 2025 and it must be noted that the contracted services' commitments amount to R 15,966 million as at 31 May 2025, increases the spending to 78.69% as at 31 May 2025, compared to the adjusted budget.

  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.**
  The write-offs amount to R 167,538 million as at 31 May 2025. Debts are written off upon Council approval.

- **Operational costs**
  Operational costs relate to various municipal running costs and reflect a 79.16% spending as at 31 May 2025. The operational costs' commitments amount to R 3,008 million as at 31 May 2025 and the spending including the commitments constituted 82.21% of the approved adjusted budget.

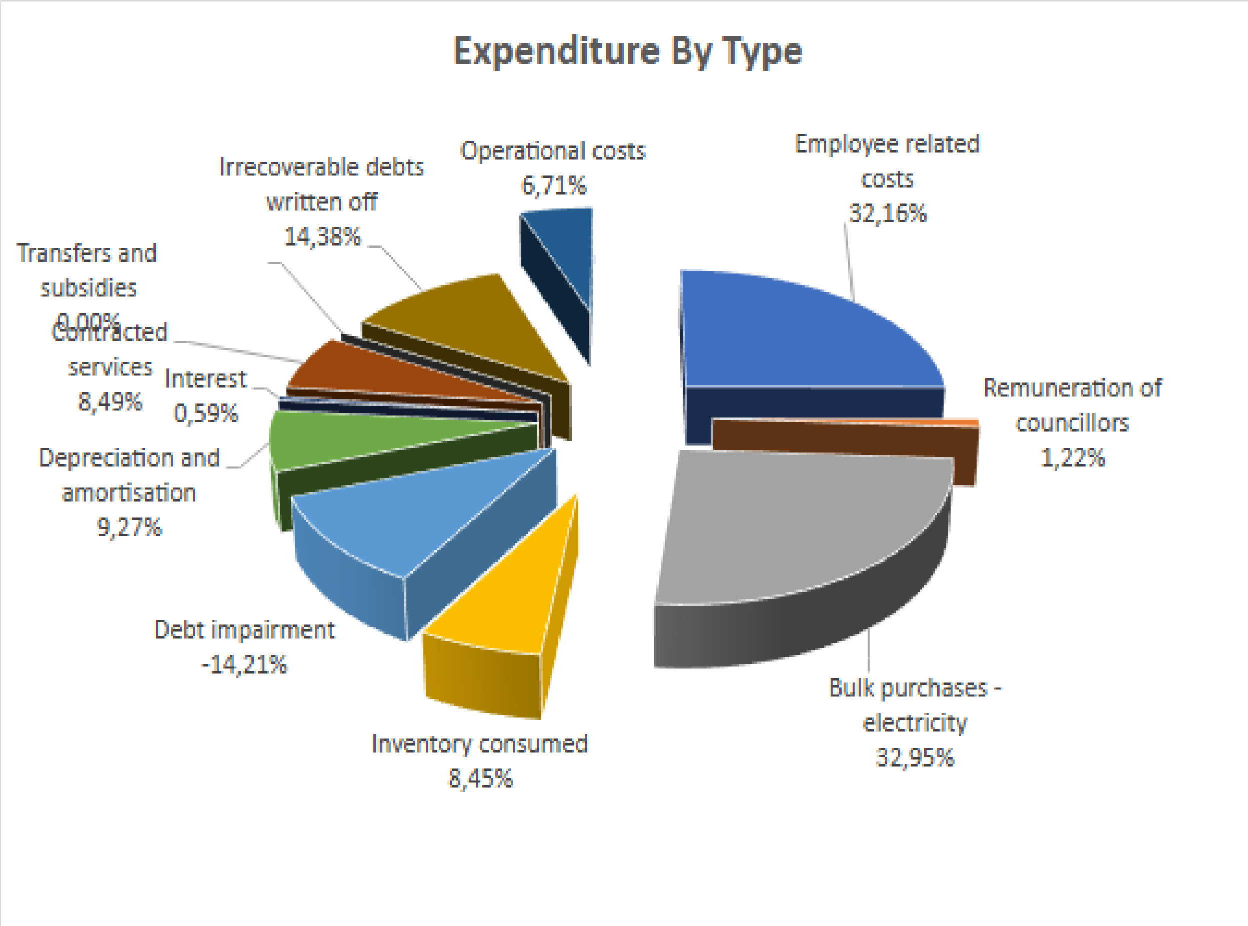
Contracted services are broken down as follows:

Item Description	Adjusted Budget 2024/25	Actuals as at 31 May 2025	%
Aloe Cup	80,000	78,000	97.50%
Air quality Management	215,000	213,586	99.34%
Amanzi Challenge National Tournament	300,000	300,000	100.00%
Animal Care	508,000	450,000	88.58%
Audit of Municipal Land & Properties	1,294,000	293,620	22.69%
Burial Services	76,400	44,500	58.25%
Calamari Festival	200,000	200,000	100.00%
Catering Services	669,475	413,702	61.79%
Clean up Operation	973,004	738,198	75.87%
Clearing and Grass Cutting Services	1,440,000	1,219,001	84.65%
Conducting of feasibility studies (EIA)	2,200,000	586,990	26.68%
Connection/Dis-connection:Electricity	580,000	30,810	5.31%
Consultants and Professional Services	7,466,985	3,231,701	43.28%
Destination Marketing and Promotion	670,000	345,699	51.60%
Drivers Licence Cards	473,200	381,254	80.57%
Dune Stabilisation	2,119,000	773,691	36.51%
Electrification of Informal Settlement	3,229,194	1,005,697	31.14%
Electricity Generation Project	470,000	37,150	7.90%
Environmental protection	325,500	93,817	28.82%
Employee Wellness	160,644	155,600	96.86%
ED STRATEGY - roll-out	100,000	47,364	47.36%
Event Promoters	89,996	31,332	34.82%
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	390,311	43.13%
Laboratory Services:Water	1,029,000	244,920	23.80%
Legal Advice and Litigation	1,613,000	1,260,907	78.17%
Legal Cost:Collection	1,300,000	939,886	72.30%
Maintenance of Buildings and Facilities	10,307,787	5,265,759	51.09%
Maintenance of Electrical Infrastructure	905,129	890,501	98.38%
Maintenance of Equipment	814,165	639,789	78.58%
Maintenance of Vehicles	36,764,124	28,232,388	76.79%
Mscoa Alignment	283,136	245,893	86.85%
Media Monitoring	120,004	94,500	78.75%
Occupational Health and Safety	800,000	791,772	98.97%
Other Contracted Services	10,942,951	6,084,211	55.60%
PGA Golf Tournament	275,000	-	0.00%
Personnel and Labour	19,380,152	14,440,673	74.51%
Precinct Plans Project Hankey and St Francis Bay C	100,000	-	0.00%
Private Plots_Alien Vegetation Control	400,000	365,165	91.29%
Qualification Verification	250,000	55,945	22.38%
Restricted Water Flow	400,000	-	0.00%
Revision of SDF	300,000	63,900	21.30%
Security Services	10,407,733	9,659,141	92.81%
SA Longboard Championship	300,000	300,000	100.00%
Special Rating Area	2,159,735	1,560,690	72.26%
Summer Festival	500,000	461,734	92.35%
Tourism &Travel Trade Show	482,000	375,275	77.86%
Township Events	300,000	61,043	20.35%
Transport Services	175,704	64,993	36.99%
Valuer	17,438,721	12,194,876	69.93%
WSL Music Festival	200,000	200,000	100.00%
WTM Africa, Indaba, Meetings Africa, Educationals,	550,000	415,162	75.48%
Winterfest	1,700,000	1,700,000	100.00%
Yellow Wood Annual Jazz Festival	200,000	109,648	54.82%
	146,043,739	**98,951,316**	**67.75%**

- **Other Expenditure**

The other expenditure is broken down as follows:

Item Description	Adjusted Budget 2024/25	Actuals as at 31 May 2025	%
Achievements and Awards	2,613,404	2,253,286	86.22%
Advertising, Publicity and Marketing	4,382,381	3,273,771	74.70%
Bank Charges	800,000	1,203,911	150.49%
Bargaining Council	4,833,409	-	0.00%
Cellular Contract (Subscription and Calls)	4,031,889	3,355,777	83.23%
Claims paid to Third Parties	300,000	245,634	81.88%
External Audit Fees	4,500,000	4,293,658	95.41%
External Computer Service:Internet Charge	5,400,000	7,942,823	147.09%
Hire Charges	7,389,260	5,496,695	74.39%
Insurance Claims	900,000	529,720	58.86%
Insurance Underwriting:Premiums	3,844,283	3,644,594	94.81%
Leases:Furniture and Office Equipment	4,068,744	2,412,693	59.30%
Leases:Other Assets	4,831,468	4,041,343	83.65%
Motor Vehicle Licence and Registrations	1,644,488	715,996	43.54%
Other	1,230,788	260,342	21.15%
Postage/Stamps/Franking Machines	2,661,000	1,433,284	53.86%
Registration Fees:Professional and Regulatory Bodies	542,112	201,851	37.23%
Registration Fees:Seminars, Conferences, Workshops	2,058,682	1,451,452	70.50%
Remuneration to Ward Committees	2,862,000	1,842,000	64.36%
Riparian Levies	7,911,471	7,467,080	94.38%
Signage	1,133,216	501,295	44.24%
Skills Development Fund Levy	4,202,076	3,748,101	89.20%
Software Licences	10,844,000	10,253,430	94.55%
Storage of Files (Archiving)	95,504	71,862	75.24%
Supplier Development Programme	100,000	68,880	68.88%
Third Party Vendors	3,550,000	2,557,937	72.05%
Travel and Subsistence	4,652,858	2,785,602	59.87%
Uniform and Protective Clothing	4,215,381	3,146,840	74.65%
Vehicle Tracking	804,742	922,188	114.59%
Workmen's Compensation Fund	2,288,376	2,012,048	87.92%
	98,712,532	**78,142,091**	**79.16%**



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 May 2025**	**%**
Repairs and Maintenance by Expenditure Items			
Employee related costs	153 271 668	114 951 289	75.00%
Other materials	29 293 538	19 731 136	67.36%
Contracted Services	52 199 127	35 798 033	68.58%
Other expenditure	5 371 904	4 452 652	82.89%
Total	**240 136 237**	**174 933 109**	**72.85%**

It is to be noted that actual repairs and maintenance expenditure constituted 72.85% of the 2024/25 Approved Adjusted Budget. Repairs and maintenance expenditure excluding employee related costs constituted 69.05% of the approved adjusted budget.

1.5. Trading Services Performance

1.5.1. Electricity

Description	Budget Year 2024/25		
	Adjusted Budget	YearTD Actual	%
R thousands			
Revenue			
Exchange Revenue			
Service charges - Electricity	425,559	378,315	88.90%
Interest earned from Receivables	2,214	2,075	93.72%
Operational Revenue	–	206	
Non-Exchange Revenue			
Transfers and subsidies - Operational	1,990	1,990	100.00%
Service charges - Electricity	10,103	9,278	91.84%
Total Revenue	**439,865**	**391,863**	**89.09%**
Expenditure By Type			
Employee related costs	25,959	17,229	66.37%
Bulk purchases - electricity	413,349	383,914	92.88%
Inventory consumed	11,198	9,236	82.48%
Debt impairment	13,157	(301)	-2.29%
Depreciation and amortisation	8,909	12,067	135.45%
Contracted services	14,941	9,216	61.68%
Irrecoverable debts written off	3,848	316	8.22%
Operational costs	4,382	2,933	66.93%
Total Expenditure	**495,743**	**434,611**	**87.67%**
Surplus/(Deficit)	**(55,878)**	**(42,747)**	

1.5.1.1 Revenue

- The electricity service charges revenue reflects 88.90% of budget as at 31 May, and this is in line with the projected budget ratio of 91.67% as at 31 May 2025.
- Transfers and subsidies – operational relate to the Equitable share allocation for the indigent subsidy.

1.5.1.2 Expenditure

- the bulk electricity reflects 92.88% of budget expenditure as at 31 May 2025.

1.5.1.3 Net surplus/deficit of electricity ratio

- Electricity reflects a deficit of R 42,747 million as at 31 May 2025 and the deficit amount equates to 10.91%, compared to the revenue. The adjusted budget deficit for the 2024/25 amount to R 55,878 million and equates to 12.70%, compared to total revenue.

1.5.2 Water

Description	Budget Year 2023/24		
	Adjusted Budget	YearTD Actual	%
R thousands			
Revenue			
Exchange Revenue			
Service charges - water	138,057	96,964	70.23%
Interest earned from Receivables	15,537	9,454	60.85%
Operational Revenue	–	678	
Non-Exhange Revenue			
Transfers and subsidies - Operational	21,487	21,486	100.00%
Service charges - Water	6,352	5,849	92.09%
Total Revenue	**181,433**	**134,432**	**74.09%**
Expenditure By Type			
Employee related costs	25,037	25,895	103.43%
Inventory consumed	49,394	55,043	111.44%
Debt impairment	(82,267)	(88,162)	107.17%
Depreciation and amortisation	17,074	14,647	85.78%
Contracted services	4,680	2,332	49.83%
Irrecoverable debts written off	90,282	88,405	97.92%
Operational costs	1,577	1,328	84.21%
Total Expenditure	**105,776**	**99,487**	**94.05%**
Surplus/(Deficit)	**75,657**	**34,945**	

1.5.2.1 Revenue

- The water service charges revenue reflects 70.23% of budget as at 31 May 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 46,103 million (118.42% of budget).

1.5.2.3 Net surplus/deficit of water ratio

- The water reflects a surplus of R 34,945 million as at 31 May 2025 and equates to 25.99% of total revenue.

1.5.3 Waste Water Management

Description	Budget Year 2024/25		
	Adjusted Budget	YearTD Actual	%
R thousands			
Revenue			
Exchange Revenue			
Service charges - Waste Water Management	76,014	60,761	79.93%
Interest earned from Receivables	5,673	3,597	63.39%
Non-Exchange Revenue			
Transfers and subsidies - Operational	13,673	13,673	100.00%
Service charges - Waste Water Management	3,204	2,924	91.26%
Total Revenue	**98,565**	**80,955**	**82.13%**
Expenditure By Type			
Employee related costs	26,614	22,647	85.09%
Inventory consumed	11,652	8,165	70.08%
Debt impairment	(25,408)	(28,796)	113.34%
Depreciation and amortisation	32,226	26,750	83.01%
Contracted services	7,535	3,233	42.91%
Irrecoverable debts written off	29,652	28,796	97.11%
Operational costs	8,006	6,280	78.44%
Total Expenditure	**90,277**	**67,076**	**74.30%**
Surplus/(Deficit)	**8,287**	**13,878**	

1.5.3.1 Revenue

- The wastewater service charges revenue reflects 79.93% of budget as at 31 May, and this is in line with the projected budget ratio of 91.67% as at 31 May 2025.
- Transfers and subsidies – operational relate to the Equitable share allocation for the indigent subsidy.
- Operational revenue (non-exchange revenue) relates to the wastewater availability charges.

1.5.3.2 Expenditure

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

1.5.3.3 Net surplus/deficit of wastewater management ratio

- The waste water management revenue reflects a surplus of R 13,878 million as at 31 May 2025 and equates to 17.14% of total revenue. Council approved a surplus adjusted budget of R 8,287 million for the 2024/25 financial year.

1.5.4. Waste Management

Description	Budget Year 2023/24		
	Adjusted Budget	YearTD Actual	YTD Variance
R thousands			%
Revenue			
Exchange Revenue			
Service charges - Waste	62,146	53,599	86.25%
Sale of Goods and Rendering of Services	9	–	0.00%
Interest earned from Receivables	8,560	5,251	61.34%
Transfers and subsidies - Operational	24,836	24,768	99.73%
Total Revenue	**95,550**	**83,619**	**87.51%**
Expenditure By Type			
Employee related costs	38,643	37,088	95.98%
Inventory consumed	8,031	7,659	95.36%
Debt impairment	(45,342)	(48,319)	106.57%
Depreciation and amortisation	3,195	2,431	76.06%
Contracted services	15,819	10,712	67.72%
Irrecoverable debts written off	48,877	48,519	99.27%
Operational costs	4,226	2,928	69.28%
Total Expenditure	**73,450**	**61,018**	**83.07%**
Surplus/(Deficit)	**22,101**	**22,601**	

1.5.4.1 Revenue

- The waste service charges revenue reflects 86.25% of budget as at 31 May, and this is in line with the projected budget ratio of 91.67% as at 31 May 2025.
- Transfers and subsidies – operational relate to the Equitable share allocation for the indigent subsidy.
- It must be noted that the waste management is the combination of waste services and environmental management services.

1.5.4.2 Expenditure

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

1.5.4.3 Net surplus/deficit of waste management ratio

- The waste management revenue reflects a surplus of R 22,601 million as at 31 May 2025 and equates to 27.03% of total revenue. Council approved a surplus adjusted budget of R 22,101 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	18,673	14,122	17,117	(2,995)
2. Travel claims	4,606	2,758	4,222	(1,465)
4. Overtime	20,500	18,714	18,792	(78)
5. Catering Costs	589	367	540	(173)
6. Events, Advertising and sponsorships	8,417	7,071	7,716	(645)
7. Attendance of Conferences, Seminars & Workshops	2,059	1,451	1,887	(436)
8. Municipal Workshops, Retreats, Strategic Sessions and Internal training	368	118	337	(219)
9. Projects /Programme Launches	–	–	–	–
10. Essential User Scheme	**2,606**	**2,606**	**2,606**	**–**
Total	**57,818**	**47,206**	**53,217**	**(6,010)**

A comparison of the year-to-date actuals to the adjusted budget reflects savings, amounting to R 6,010 million as at 31 May 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 May 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	325,759	145,782	471,541	259,658	65,847	325,506	–
Community Services	291,145	1,634	292,778	209,663	209	209,872	–
Electro & Mechanical Services	507,837	87,429	595,266	447,320	69,189	516,508	–
Finance and Economic Developme	136,835	992	137,827	90,840	605	91,445	–
Office of the DMM	130,429	1,933	132,362	107,252	1,452	108,704	–
Office of the MM	29,212	28	29,240	25,197	–	25,197	–
Planning and Development	38,549	21,956	60,505	25,284	10,231	35,515	–
Total Expenditure by Vote	**1,459,766**	**259,754**	**1,719,520**	**1,165,214**	**147,533**	**1,312,747**	-

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

Annexure "A2"

1. CAPITAL BUDGET PERFORMANCE

1.1. Summary Capital Expenditure and Funding

The capital expenditure as at 31 May 2025, constituted 56.8% of approved adjusted capital budget and the funding is broken down as follows:

- Grant funding is 48.22% of approved grant funding budget.
- Borrowing funding is 76.87% of approved borrowing funding budget.
- Internally generated funds are 53.08% 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	1 452	75.14%
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	–	992	605	60.97%
Vote 4 - COMMUNITY SERVICES	1 391	1 634	209	12.79%
Vote 5 - CIVIL AND WATER SERVICES	80 868	145 782	65 847	45.17%
Vote 6 - ELECTRO/MECHANICAL SERVICES	68 103	87 429	69 189	79.14%
Vote 7 - PLANNING AND DEVELOPMENT	–	21 956	10 231	46.60%
Total Capital Multi-year expenditure	**150 362**	**259 726**	**130 738**	**56.80%**

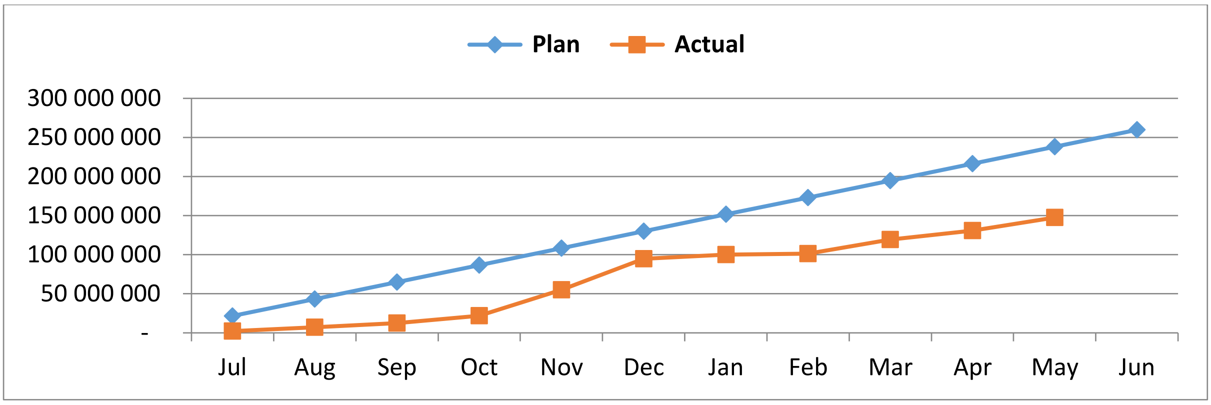
The capital expenditure as at 31 May 2025, constituted 56.8% of approved adjusted capital budget. Capital commitments as at 31 May 2025 amount to R 21,068 million and the capital expenditure including capital commitments constitute 64.91% of the approved adjusted capital budget.

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 75.14% of R 1,933 million budget.
- Finance And Economic Development is 60.97% of R 0,992 million budget.
- Community Services is 12.79% of R 1,634 million budget.
- Civil & Water Services 45.17% of R 145,782 million budget.
- Electro and Mechanical Services is 79.14% of R 87,429 million budget.
- Planning And Development is 46.60% of R 21,956 million budget.

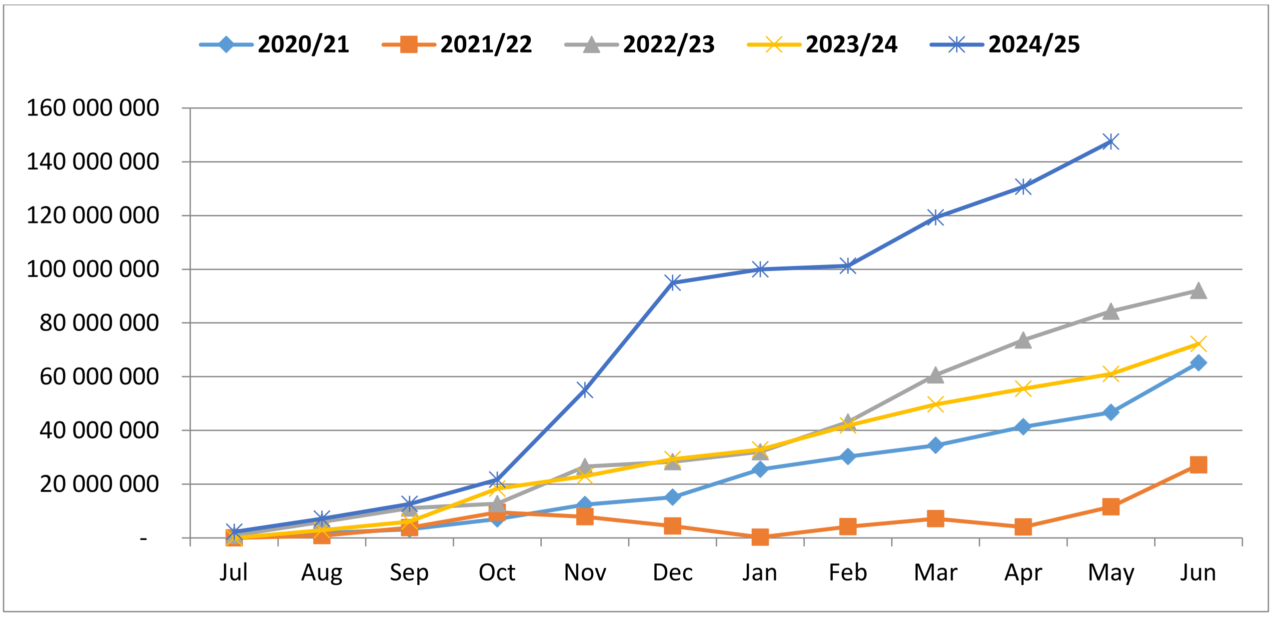
1.2. Monthly capital expenditure

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 May 2025.

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals Total as at 31 May 2025	%
CIVIL & WATER SERVICES					
PROJECT MANAGEMENT UNIT (PMU)	Internal	PAVING OF MAIN BEACH	176,117	132,088	75.00%
PROJECT MANAGEMENT UNIT (PMU)	MIG	UPGRADE OF PHILLIPSVILLE SPORTS FIELD	484,927	264,570	54.56%
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)	DOHS	Electricity Transfer from NMBM to KLM	62,198	-	0.00%
ROADS AND STORMWATER	MIG	UPGRADING KOUGA GRAVEL ROADS	67,681	52,608	77.73%
ROADS AND STORMWATER	MDRG	St Francis Bay - Nevil Road Reconstruction	508,696	508,696	100.00%
ROADS AND STORMWATER	MDRG	St Francis Bay - Anne Avenue to Ralph Road Reconst	1,615,427	1,608,696	99.58%
ROADS AND STORMWATER	MDRG	Aston Bay to Paradise Beach - Seekoei Estuary Caus	6,478,261	1,732,796	26.75%
ROADS AND STORMWATER	DBSA	ROADS INFRASTRUCTURE	21,739,130	4,915,531	22.61%
ROADS AND STORMWATER	MDRG	Paradise Beach - Botha Street Stormwater Infrastru	424,348	424,348	100.00%
ROADS AND STORMWATER	MDRG	Re-instatement of Sherley Street	1,608,696	-	0.00%
ROADS AND STORMWATER	MDRG	Re-instatement of Mountain Road and upgrade of sto	1,565,217	-	0.00%
ROADS AND STORMWATER	MDRG	Re-instatement of Da Gama Road in the Kabeljous ar	1,086,957	-	0.00%
ROADS AND STORMWATER	MDRG	George Road, Re-instatement of Embankment, Water &	782,609	-	0.00%
ROADS AND STORMWATER	MDRG	Re-instatement of Phillip Street low level water c	1,173,913	-	0.00%
ROADS AND STORMWATER	MDRG	Sea Vista Access ring road damaged pavement layers	800,000	-	0.00%
ROADS AND STORMWATER	MDRG	Re-instatement of Ketse Street and stormwater infr	1,186,957	-	0.00%
ROADS AND STORMWATER	MDRG	Re-instatement of Nanto Street and stormwater infr	1,339,130	-	0.00%
ROADS AND STORMWATER	MDRG	Re-instatement of Meyer Street and stormwater infr	1,047,826	-	0.00%
SEWERAGE	MIG	DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANV	80,500	80,500	100.00%
SEWERAGE	MIG	UPGRADING KWANOMZAMO WWTW	29,174,457	26,452,686	90.67%
SEWERAGE	MIG	DESIGN: LA MER NEW SEWER RISING MAIN	200,000	200,000	100.00%
SEWERAGE	Internal	KWANOMZAMO SEWERAGE PUMP STATION	508,609	-	0.00%
SEWERAGE	Internal	HANKEY WWTW	5,331,662	2,943,579	55.21%
SEWERAGE	Internal	LA MER NEW SEWER RISING MAIN	4,763,577	3,952,428	82.97%
SEWERAGE	UISP	Phase 1 Upgrade of Thornhill Sewer Treatment Works	331,320	138,393	41.77%
SEWERAGE	UISP	Kruisfontein Bulk Sewer -Link Line	1,395,837	276,540	19.81%
SEWERAGE	UISP	Kwanomzamo Bulk Sanitation -Pump Station & Rising	4,511,687	547,490	12.13%
SEWERAGE	WSIG	Beach Sewer Pump Station and New Sewer Bypass	140,000	-	0.00%
SEWERAGE	Internal	Oyster Bay: Umzamowethu WWTW – Planning Stag	637,410	-	0.00%
SEWERAGE	WSIG	Loerie Sewer Pump Station upgrade and new sewer ri	20,000	20,000	100.00%
SEWERAGE	UISP	DESIGN: UPGRADING WESTON WWTW OUTFALL AND RETICULA	167,175	166,306	99.48%
SEWERAGE	UISP	Apiesdraai Pump Station	1,980,261	105,774	5.34%

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals Total as at 31 May 2025	%
CIVIL & WATER SERVICES					
WATER	DOHS-FOIS	Humansdorp: Upgrading of informal settlements in K	8,118,775	-	0.00%
WATER	DOHS-FOIS	Thornhill : Upgrading of Informal Settlement	1,399,200	-	0.00%
WATER	WSIG	ST FRANCIS BAY: BOREHOLES	8,940,388	3,999,201	44.73%
WATER	Internal	JILL MARCUS WATER SUPPLY	4,347,000	4,000,927	92.04%
WATER	WSIG	RETICULATION REPLACE PIPELINES	3,478,260	3,391,778	97.51%
WATER	UISP	Ramaphosa Village New Reservoir	735,065	164,850	22.43%
WATER	WSIG	Replace Ageing Water Infrastructure in St Francis	80,000	80,000	100.00%
WATER	WSIG	Replace Main Waterline Sout Rivier Bridge Crossing	100,000	100,000	100.00%
WATER	UISP	New Reservoir on Pnt 2 of the Farm Thornhill	2,440,926	970,638	39.77%
WATER	UISP	Kruisfontein Bulk Water -Gill Marcus Reservoir & P	3,196,225	579,410	18.13%
WATER	WSIG	PARADISE BEACH WATER TOWER	2,021,548	1,737,069	85.93%
WATER	UISP	Kwanomzamo Bulk Water : New Pipeline	3,047,557	551,175	18.09%
WATER	WSIG	MIMOSA STREET PIPELINE REPLACEMENT	3,575,354	2,905,664	81.27%
WATER	DOHS-FOIS	Patensie: Upgrading of Informal Settlement (Cyril	2,629,602	-	0.00%
WATER	DOHS-FOIS	Jeffreys Bay: Upgrading of Oceanview Informal Sett	4,125,000	418,013	10.13%
WATER	DOHS-FOIS	Humansdorp: Upgrading of Kruisfontein Settlement	1,898,033	-	0.00%
WATER	Internal	Construction of Civil Services in Donkerhoek & Humansdorp	3,000,000	2,121,654	70.72%
			145,782,356	**65,847,402**	**45.17%**

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals Total as at 31 May 2025	%
COMMUNITY SERVICES					
FIRE SERVICES	District	Fire Services - Vehicle (DISTRICT)	1,391,304	-	0.00%
LAW ENFORCEMENT	Internal	Computer Equipment	242,320	208,874	86.20%
			1,633,624	**208,874**	**12.79%**
OFFICE OF THE DMM					
ADMINISTRATION SERVICES	Internal	Furniture and Equipment	90,000	10,965	12.18%
COUNCIL	Internal	Furniture and Equipment	150,000	39,767	26.51%
DEPUTY MUNICIPAL MANAGER	Internal	Furniture and Equipment	150,000	141,111	94.07%
HUMAN RESOURCES	Internal	Furniture and Equipment	80,000	6,400	8.00%
INFORMATION TECHNOLOGY (ICT)	Internal	Computer Equipment	1,412,789	1,254,146	88.77%
LEGAL SERVICES	Internal	Furniture and Equipment	50,000	-	0.00%
			1,932,789	**1,452,388**	**75.14%**
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	99,471	99.47%
REVENUE	Internal	FURNITURE &EQUIPMENT REV STAFF	106,453	37,234	34.98%
REVENUE	Internal	Computer Equipment	22,477	-	0.00%
SUPPLY CHAIN MANAGEMENT	Internal	Computer Equipment	385,414	92,122	23.90%
			991,861	**604,749**	**60.97%**
PLANNING AND DEVELOPMENT					
HUMAN SETTLEMENT	DOHS	HANKEY 990-PHASE 2	16,346,963	10,230,791	62.59%
HUMAN SETTLEMENT	DOHS	HANKEY 990-PHASE 3	4,208,993	-	0.00%
LAND AND PROPERTY ADMINISTRATION	Internal	Procurement of Homeless Shelter Property	1,400,000	-	0.00%
			21,955,956	**10,230,791**	**46.60%**
ELECTO & MECHANICAL SERVICES					
FLEET AND WORKSHOP	Finance Lease	Vehicle	51,005,878	51,005,878	100.00%
METERING & REVENUE	INEP	OCEAN VIEW 1250 ELECTRIFICATION	2,845,481	1,617,498	56.84%
METERING & REVENUE	MIG	DESIGN: HIGH MAST LIGHTS	100,000	100,000	100.00%
METERING AND REVENUE	UISP	Computer Equipment (UISP FUNDING)	217,391	-	0.00%
METERING AND REVENUE	UISP	Kwanomzamo Bulk Electrical - Boskloof Secondary Fe	18,347,420	10,597,905	57.76%
METERING AND REVENUE	UISP	Oceanview Substation Upgrade	9,913,043	5,867,317	59.19%
METERING AND REVENUE	Internal	Electrical Oil circuit breakers replacement circuit breakers replacement with vacuum SCADA ready breakers	5,000,000	-	0.00%
			87,429,213	**69,188,597**	**79.14%**
OFFICE OF THE MM					
RISK AND INTERNAL AUDIT	Internal	Furniture and equipment	28,000	-	0.00%
			28,000	**-**	**0.00%**
		Total	**259,753,799**	**147,532,802**	**56.80%**

Annexure "A3"

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

1.1. Projected Cash Flow Statement as at 31 May 2025

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

Table C7 Monthly Budget Statement – Cash Flow – M11 May 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	16 480	262 319	264 576	(2 257)	-1%	288 628
Service charges		255 325	761 922	823 774	44 780	531 324	755 126	(223 802)	-30%	823 774
Other revenue		16 788	93 666	116 169	32 762	354 813	106 488	248 324	233%	116 169
Transfers and Subsidies - Operational		184 436	202 153	210 720	833	202 950	193 160	9 789	5%	210 720
Transfers and Subsidies - Capital		1 586	123 443	139 125	–	73 120	127 531	(54 411)	-43%	139 125
Interest		914 663	13 998	15 498	1 629	12 753	14 206	(1 453)	-10%	15 498
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		771 377	(1 356 179)	(1 458 669)	(109 435)	(1 171 182)	(1 337 113)	(165 932)	12%	(113 015)
Interest		–	(16 159)	(11 097)	(1 581)	(9 657)	(10 172)	(515)	5%	(11 097)
Transfers and Subsidies		–	(400)	(400)	–	–	(367)	(367)	100%	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**2 506 902**	**109 901**	**123 750**	**(14 532)**	**256 441**	**113 437**	**(143 004)**	**-126%**	**1 469 404**
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)	(208 748)	(19 315)	(169 798)	191 352	361 150	189%	208 748
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(83 038)**	**(116 362)**	**(208 748)**	**(19 315)**	**(169 798)**	**191 352**	**361 150**	**189%**	**208 748**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	100 000	–	–	91 667	(91 667)	-100%	100 000
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	(3 366)	(17 690)	–	17 690	0%	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**-**	**-**	**100 000**	**(3 366)**	**(17 690)**	**91 667**	**109 357**	**119%**	**100 000**
NET INCREASE/ (DECREASE) IN CASH HELD		**2 423 864**	**(6 461)**	**15 002**	**(37 212)**	**68 952**	**396 456**			**1 778 152**
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	158 661		212 611	540 114			1 921 811

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

Table C1 Monthly Budget Statement Summary – M11 May 2025

Description	2023/24	Budget Year 2024/25							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Financial Performance								%	
Property rates	280 203	297 076	298 309	20 477	278 032	273 450	4 582	2%	298 309
Service charges	607 369	599 522	701 777	56 351	589 640	643 295	(53 656)	-8%	701 777
Investment revenue	12 962	13 998	15 498	1 489	12 613	14 206	(1 593)	-11%	15 498
Transfers and subsidies - Operational	198 630	202 153	210 720	3 532	204 765	193 160	11 605	6%	210 720
Other own revenue	110 770	279 872	135 782	4 603	69 240	124 467	(55 227)	-44%	135 782
Total Revenue (excluding capital transfers and	**1 209 934**	**1 392 621**	**1 362 086**	**86 452**	**1 154 290**	**1 248 579**	**(94 289)**	**-8%**	**1 362 086**
Employee costs	398 878	471 743	479 710	32 772	374 689	439 734	(65 045)	-15%	479 710
Remuneration of Councillors	14 976	15 594	15 594	1 133	14 189	14 295	(105)	-1%	15 594
Depreciation and amortisation	102 539	117 798	117 798	9 817	107 982	107 982	(0)	-0%	117 798
Interest	10 038	17 404	13 002	492	6 887	11 918	(5 032)	-42%	13 002
Inventory consumed and bulk purchases	454 301	495 318	519 292	38 951	482 368	476 017	6 351	1%	519 292
Transfers and subsidies	920	400	400	29	47	367	(319)	-87%	400
Other expenditure	327 630	387 217	313 970	(311 376)	179 053	287 804	(108 751)	-38%	313 970
Total Expenditure	**1 309 281**	**1 505 474**	**1 459 766**	**(228 181)**	**1 165 214**	**1 338 115**	**(172 901)**	**-13%**	**1 459 766**
Surplus/(Deficit)	**(99 347)**	**(112 853)**	**(97 680)**	**314 633**	**(10 924)**	**(89 537)**	**78 612**	**-88%**	**(97 680)**
Transfers and subsidies - capital (monetary allocations)	85 140	133 816	177 916	11 393	72 673	163 089	(90 416)	-55%	177 916
Transfers and subsidies - capital (in-kind)	18 000	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**3 792**	**20 963**	**80 236**	**326 027**	**61 749**	**73 553**	**(11 804)**	**-16%**	**80 236**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**3 792**	**20 963**	**80 236**	**326 027**	**61 749**	**73 553**	**(11 804)**	**-16%**	**80 236**
Capital expenditure & funds sources									
Capital expenditure	**92 915**	**150 362**	**259 754**	**16 795**	**147 533**	**238 107**	**(90 575)**	**-38%**	**259 754**
Capital transfers recognised	3 157	116 362	157 391	10 443	75 891	144 274	(68 384)	-47%	157 391
Borrowing	–	34 000	72 745	2 827	55 921	66 683	(10 762)	-16%	72 745
Internally generated funds	89 757	–	29 618	3 526	15 721	27 150	(11 429)	-42%	29 618
Total sources of capital funds	**92 915**	**150 362**	**259 754**	**16 795**	**147 533**	**238 107**	**(90 575)**	**-38%**	**259 754**
Financial position									
Total current assets	266 448	213 837	316 492		477 971				316 492
Total non current assets	2 312 828	2 369 948	2 454 784		2 352 379				2 454 784
Total current liabilities	293 952	225 392	282 032		338 874				282 032
Total non current liabilities	243 291	270 953	366 975		380 782				366 975
Community wealth/Equity	**2 042 032**	**2 087 440**	**2 122 268**		**1 948 929**				**2 122 268**
Cash flows									
Net cash from (used) operating	2 506 902	109 901	123 750	(14 532)	256 441	113 437	(143 004)	-126%	1 469 404
Net cash from (used) investing	(83 038)	(116 362)	(208 748)	(19 315)	(169 798)	191 352	361 150	189%	208 748
Net cash from (used) financing	–	–	100 000	(3 366)	(17 690)	91 667	109 357	119%	100 000
Cash/cash equivalents at the month/year end	**2 599 414**	**37 204**	**158 661**	**–**	**212 611**	**540 114**	**327 503**	**61%**	**1 921 811**
Debtors & creditors analysis	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis									
Total By Income Source	78 575	13 982	12 718	9 417	7 160	6 619	37 547	175 111	341 130
Creditors Age Analysis									
Total Creditors	208 054	(909)	48	15	14	41	45	2 193	209 500

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) – M11 May 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**	**499,867**	**22,542**	**426,744**	**458,211**	(31,468)	-7%	**499,867**
Executive and council		46	142	142	–	53	130	(77)	-59%	142
Finance and administration		489,263	590,608	499,725	22,542	426,691	458,081	(31,390)	-7%	499,725
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**51,001**	**87,286**	**121,074**	**4,939**	**37,599**	**110,984**	(73,385)	-66%	**121,074**
Community and social services		2,415	2,460	3,365	35	3,289	3,084	205	7%	3,365
Sport and recreation		7,682	11,504	11,504	331	9,271	10,545	(1,275)	-12%	11,504
Public safety		1,792	1,857	1,857	3	29	1,702	(1,673)	-98%	1,857
Housing		35,790	68,969	101,747	2,063	21,507	93,268	(71,761)	-77%	101,747
Health		3,322	2,496	2,601	2,508	3,503	2,384	1,119	47%	2,601
Economic and environmental services		**48,168**	**56,136**	**61,677**	**4,756**	**35,606**	**56,538**	(20,932)	-37%	**61,677**
Planning and development		8,375	10,252	10,246	958	7,752	9,392	(1,640)	-17%	10,246
Road transport		16,518	19,972	32,160	2,246	9,095	29,480	(20,385)	-69%	32,160
Environmental protection		23,276	25,912	19,272	1,551	18,759	17,666	1,093	6%	19,272
Trading services		**724,595**	**792,266**	**857,384**	**65,609**	**727,015**	**785,935**	(58,920)	-7%	**857,384**
Energy sources		398,034	409,585	443,138	35,341	393,421	406,209	(12,789)	-3%	443,138
Water management		156,102	177,913	202,542	16,933	148,500	185,664	(37,163)	-20%	202,542
Waste water management		106,410	123,062	133,188	9,213	118,075	122,089	(4,014)	-3%	133,188
Waste management		64,049	81,707	78,516	4,122	67,019	71,973	(4,954)	-7%	78,516
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1,313,073**	**1,526,437**	**1,540,002**	**97,845**	**1,226,963**	**1,411,668**	**(184,705)**	**-13%**	**1,540,002**
Expenditure - Functional										
Governance and administration		**328,779**	**362,481**	**367,998**	**27,143**	**282,963**	**337,330**	(54,367)	-16%	**367,998**
Executive and council		57,143	61,996	60,989	8,667	56,902	55,906	996	2%	60,989
Finance and administration		271,580	299,963	306,592	18,448	225,927	281,041	(55,115)	-20%	306,592
Internal audit		57	523	418	28	134	383	(248)	-65%	418
Community and public safety		**104,281**	**140,104**	**138,745**	**9,930**	**100,578**	**127,182**	(26,604)	-21%	**138,745**
Community and social services		9,188	13,952	13,796	716	8,555	12,646	(4,091)	-32%	13,796
Sport and recreation		52,608	75,205	72,142	4,947	51,552	66,130	(14,578)	-22%	72,142
Public safety		28,701	33,254	33,274	2,667	26,906	30,501	(3,595)	-12%	33,274
Housing		5,817	9,703	11,670	692	6,418	10,698	(4,280)	-40%	11,670
Health		7,968	7,991	7,863	907	7,148	7,207	(60)	-1%	7,863
Economic and environmental services		**126,118**	**288,532**	**198,075**	**10,511**	**126,717**	**181,568**	(54,851)	-30%	**198,075**
Planning and development		27,163	32,149	37,410	1,789	23,117	34,292	(11,176)	-33%	37,410
Road transport		86,718	246,274	151,875	7,865	97,939	139,218	(41,279)	-30%	151,875
Environmental protection		12,237	10,109	8,790	857	5,661	8,058	(2,396)	-30%	8,790
Trading services		**743,328**	**714,357**	**754,928**	**(275,765)**	**654,953**	**692,017**	(37,064)	-5%	**754,928**
Energy sources		426,149	453,172	494,191	34,822	433,011	453,009	(19,998)	-4%	494,191
Water management		161,924	108,542	105,776	(168,592)	99,487	96,961	2,526	3%	105,776
Waste water management		103,926	88,779	90,277	(50,749)	67,076	82,754	(15,678)	-19%	90,277
Waste management		51,329	63,864	64,683	(91,246)	55,379	59,293	(3,914)	-7%	64,683
Other		**6,775**	–	**20**	–	**3**	**18**	**(16)**	**-85%**	**20**
Total Expenditure - Functional	3	**1,309,281**	**1,505,474**	**1,459,766**	**(228,181)**	**1,165,214**	**1,338,115**	**(172,901)**	**-13%**	**1,459,766**
Surplus/ (Deficit) for the year		**3,792**	**20,963**	**80,236**	**326,027**	**61,749**	**73,553**	**(11,804)**	**-16%**	**80,236**

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 – M11 May 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	1,683	61	1,924	1,543	382	24.8%	1,683
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		449,050	446,890	454,924	22,438	430,294	417,014	13,280	3.2%	454,924
Vote 4 - COMMUNITY SERVICES		148,611	276,782	168,477	8,743	104,611	154,437	(49,826)	-32.3%	168,477
Vote 5 - CIVIL AND WATER SERVICES		274,288	314,671	361,609	28,351	268,693	331,474	(62,782)	-18.9%	361,609
Vote 6 - ELECTRO/MECHANICAL SERVICES		398,035	409,586	443,139	35,344	393,811	406,211	(12,400)	-3.1%	443,139
Vote 7 - PLANNING AND DEVELOPMENT		41,392	77,392	110,171	2,907	27,631	100,990	(73,358)	-72.6%	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**	**1,540,002**	**97,845**	**1,226,963**	**1,411,668**	**(184,705)**	**-13.1%**	**1,540,002**
Expenditure by Vote	1									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		27,222	31,456	31,803	2,174	26,429	29,153	(2,724)	-9.3%	31,803
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		114,919	128,955	127,824	10,949	105,992	117,172	(11,179)	-9.5%	127,824
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		133,949	141,869	136,835	8,214	90,840	125,431	(34,591)	-27.6%	136,835
Vote 4 - COMMUNITY SERVICES		218,052	386,594	291,128	(75,965)	209,663	266,867	(57,204)	-21.4%	291,128
Vote 5 - CIVIL AND WATER SERVICES		348,309	316,288	325,759	(212,001)	259,658	298,611	(38,953)	-13.0%	325,759
Vote 6 - ELECTRO/MECHANICAL SERVICES		442,656	466,160	507,837	36,164	447,321	465,517	(18,196)	-3.9%	507,837
Vote 7 - PLANNING AND DEVELOPMENT		23,509	34,152	38,579	2,284	25,311	35,364	(10,053)	-28.4%	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**	**1,459,766**	**(228,181)**	**1,165,214**	**1,338,115**	**(172,901)**	**-12.9%**	**1,459,766**
Surplus/ (Deficit) for the year	2	**4,447**	**20,963**	**80,236**	**326,027**	**61,749**	**73,553**	**(11,804)**	**-16.0%**	**80,236**

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) – M11 May 2025

Description R thousands	Ref	2023/24 Audited Outcome	Budget Year 2024/25 Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Revenue										
Exchange Revenue		670,815	667,935	772,257	60,375	640,689	707,902	(67,214)	-9%	772,257
Service charges - Electricity		380,376	381,991	425,559	34,522	378,315	390,096	(11,781)	-3%	425,559
Service charges - Water		109,873	82,323	138,057	10,856	96,964	126,553	(29,589)	-23%	138,057
Service charges - Waste Water Management		59,633	64,086	76,014	6,095	60,761	69,680	(8,918)	-13%	76,014
Service charges - Waste management		57,488	71,123	62,146	4,877	53,599	56,967	(3,368)	-6%	62,146
Sale of Goods and Rendering of Services		7,442	9,533	9,533	752	5,876	8,738	(2,862)	-33%	9,533
Agency services		3,615	4,554	4,554	–	–	4,175	(4,175)	-100%	4,554
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		21,854	32,335	32,335	1,278	20,684	29,640	(8,956)	-30%	32,335
Interest earned from Current and Non Current Assets		12,962	13,998	15,498	1,489	12,613	14,206	(1,593)	-11%	15,498
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		3,550	3,187	3,187	139	3,720	2,921	799	27%	3,187
Licence and permits		2,368	2,851	2,851	151	2,151	2,614	(462)	-18%	2,851
Operational Revenue		11,654	1,955	2,523	214	6,004	2,313	3,691	160%	2,523
Non-Exchange Revenue		539,119	724,686	589,829	26,077	513,601	540,676	(27,075)	-5%	589,829
Property rates		280,203	297,076	298,309	20,477	278,032	273,450	4,582	2%	298,309
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		40,084	143,343	43,859	150	1,079	40,204	(39,124)	-97%	43,859
Licence and permits		7,421	11,772	11,772	326	8,822	10,791	(1,969)	-18%	11,772
Transfer and subsidies - Operational		198,630	202,153	210,720	3,532	204,765	193,160	11,605	6%	210,720
Interest		5,519	5,510	5,510	387	2,852	5,051	(2,199)	-44%	5,510
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	64,831	19,658	1,205	18,051	18,020	31	0%	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**	**1,362,086**	**86,452**	**1,154,290**	**1,248,579**	**(94,289)**	**-8%**	**1,362,086**
Expenditure By Type										
Employee related costs		398,878	471,743	479,710	32,772	374,689	439,734	(65,045)	-15%	479,710
Remuneration of councillors		14,976	15,594	15,594	1,133	14,189	14,295	(105)	-1%	15,594
Bulk purchases - electricity		351,702	386,299	413,349	30,326	383,914	378,903	5,010	1%	413,349
Inventory consumed		102,599	109,019	105,943	8,625	98,454	97,113	1,341	1%	105,943
Debt impairment		87,369	158,246	(108,015)	(332,566)	(165,578)	(99,014)	(66,564)	67%	(108,015)
Depreciation and amortisation		102,539	117,798	117,798	9,817	107,982	107,982	(0)	0%	117,798
Interest		10,038	17,404	13,002	492	6,887	11,918	(5,032)	-42%	13,002
Contracted services		93,766	125,372	146,044	13,912	98,951	133,873	(34,921)	-26%	146,044
Transfers and subsidies		920	400	400	29	47	367	(319)	-87%	400
Irrecoverable debts written off		62,860	9,359	177,229	125	167,538	162,460	5,077	3%	177,229
Operational costs		81,923	94,240	98,713	7,154	78,142	90,485	(12,343)	-14%	98,713
Losses on Disposal of Assets		1,713	–	–	0	0	–	0		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**1,309,281**	**1,505,474**	**1,459,766**	**(228,181)**	**1,165,214**	**1,338,115**	**(172,901)**	**-13%**	**1,459,766**
Surplus/(Deficit)		**(99,347)**	**(112,853)**	**(97,680)**	**314,633**	**(10,924)**	**(89,537)**	**78,612**	**(0)**	**(97,680)**
Transfers and subsidies - capital (monetary allocations)		85,140	133,816	177,916	11,393	72,673	163,089	(90,416)	**(0)**	177,916
Transfers and subsidies - capital (in-kind)		18,000	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**3,792**	**20,963**	**80,236**	**326,027**	**61,749**	**73,553**			**80,236**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**3,792**	**20,963**	**80,236**	**326,027**	**61,749**	**73,553**			**80,236**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**3,792**	**20,963**	**80,236**	**326,027**	**61,749**	**73,553**			**80,236**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**3,792**	**20,963**	**80,236**	**326,027**	**61,749**	**73,553**			**80,236**

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) – M11 May 2025

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	–	–	–	–	–	–	-18%	–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		1,129	–	1,933	115	1,452	1,772	(319)	-18%	1,933
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		810	–	992	143	605	909	(304)	-33%	992
Vote 4 - COMMUNITY SERVICES		3,914	1,391	1,634	–	209	1,497	(1,289)	-86%	1,634
Vote 5 - CIVIL AND WATER SERVICES		50,070	80,868	145,782	11,741	65,847	133,634	(67,786)	-51%	145,782
Vote 6 - ELECTRO/MECHANICAL SERVICES		167	68,103	87,429	3,305	69,189	80,143	(10,955)	-14%	87,429
Vote 7 - PLANNING AND DEVELOPMENT		(23)	–	21,956	1,492	10,231	20,126	(9,895)	-49%	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**	**259,726**	**16,795**	**147,533**	**238,082**	**(90,549)**	**-38%**	**259,726**
Single Year expenditure appropriation	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		39	–	28	–	–	26	(26)	-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	–	–	26	**(26)**	**-100%**	28
Total Capital Expenditure	3	**92,915**	**150,362**	**259,754**	**16,795**	**147,533**	**238,107**	**(90,575)**	**-38%**	**259,754**
Capital Expenditure - Functional Classification										
Governance and administration		**2,644**	**34,000**	**54,101**	**158**	**53,172**	**49,592**	3,580	7%	**54,101**
Executive and council		336	–	300	114	181	275	(94)	-34%	300
Finance and administration		2,270	34,000	53,773	44	52,992	49,292	3,700	8%	53,773
Internal audit		39	–	28	–	–	26	(26)	-100%	28
Community and public safety		**9,879**	**1,391**	**21,947**	**1,492**	**10,231**	**20,118**	(9,888)	-49%	**21,947**
Community and social services		6,562	–	–	–	–	–	–		–
Sport and recreation		506	–	–	–	–	–	–		–
Public safety		2,810	1,391	1,391	–	–	1,275	(1,275)	-100%	1,391
Housing		–	–	20,556	1,492	10,231	18,843	(8,612)	-46%	20,556
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**29,125**	**9,670**	**44,907**	**4,558**	**10,043**	**41,165**	(31,122)	-76%	**44,907**
Planning and development		14	500	3,482	99	800	3,192	(2,392)	-75%	3,482
Road transport		28,869	9,170	41,425	4,458	9,243	37,973	(28,730)	-76%	41,425
Environmental protection		242	–	–	–	–	–	–		–
Trading services		**51,267**	**105,300**	**138,799**	**10,588**	**74,087**	**127,232**	(53,145)	-42%	**138,799**
Energy sources		5,703	34,103	36,423	3,305	18,183	33,388	(15,205)	-46%	36,423
Water management		21,197	29,008	53,133	2,753	21,020	48,705	(27,685)	-57%	53,133
Waste water management		22,809	42,190	49,242	4,530	34,884	45,139	(10,255)	-23%	49,242
Waste management		1,557	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**92,915**	**150,362**	**259,754**	**16,795**	**147,533**	**238,107**	**(90,575)**	**-38%**	**259,754**
Funded by:										
National Government		347	54,997	70,927	5,333	45,276	65,016	(19,740)	-30%	70,927
Provincial Government		–	59,973	85,073	5,110	30,615	77,983	(47,369)	-61%	85,073
District Municipality		2,810	1,391	1,391	–	–	1,275	(1,275)	-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**	**157,391**	**10,443**	**75,891**	**144,274**	**(68,384)**	**-47%**	**157,391**
Borrowing	6	–	34,000	72,745	2,827	55,921	66,683	(10,762)	-16%	72,745
Internally generated funds		89,757	–	29,618	3,526	15,721	27,150	(11,429)	-42%	29,618
Total Capital Funding	7	**92,915**	**150,362**	**259,754**	**16,795**	**147,533**	**238,107**	**(90,575)**	**-38%**	**259,754**

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 – M11 May 2025

Description R thousands	Ref	2023/24 Audited Outcome	Budget Year 2024/25 Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
ASSETS	1					
Current assets						
Cash and cash equivalents		143,659	43,640	194,402	212,611	194,402
Trade and other receivables from exchange transactions		58,750	77,030	59,899	119,370	59,899
Receivables from non-exchange transactions		26,651	29,014	26,651	11,730	26,651
Current portion of non-current receivables		–	–	–	–	–
Inventory		22,450	18,598	21,751	26,729	21,751
VAT		12,790	45,445	12,790	105,369	12,790
Other current assets		2,149	109	999	2,161	999
Total current assets		**266,448**	**213,837**	**316,492**	**477,971**	**316,492**
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	2,203,572	2,101,705	2,203,572
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		419	603	419	(119)	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**	**2,454,784**	**2,352,379**	**2,454,784**
TOTAL ASSETS		**2,579,276**	**2,583,785**	**2,771,276**	**2,830,350**	**2,771,276**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		11,144	23,564	38,274	435	38,274
Consumer deposits		31,660	29,060	31,660	34,532	31,660
Trade and other payables from exchange transactions		143,222	124,413	142,523	114,693	142,523
Trade and other payables from non-exchange transactions		38,791	–	0	39,094	0
Provision		54,427	48,355	54,868	54,427	54,868
VAT		14,707	(0)	14,707	95,694	14,707
Other current liabilities		–	–	–	–	–
Total current liabilities		**293,952**	**225,392**	**282,032**	**338,874**	**282,032**
Non current liabilities						
Financial liabilities		12,231	11,333	120,843	149,722	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**	**380,782**	**366,975**
TOTAL LIABILITIES		**537,243**	**496,345**	**649,008**	**719,656**	**649,008**
NET ASSETS	2	**2,042,032**	**2,087,440**	**2,122,268**	**2,110,694**	**2,122,268**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		2,036,273	2,087,440	2,122,268	1,943,170	2,122,268
Reserves and funds		5,759	–	–	5,759	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**2,042,032**	**2,087,440**	**2,122,268**	**1,948,929**	**2,122,268**

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 – M11 May 2025

Description R thousands	Ref	2023/24 Audited Outcome	Budget Year 2024/25 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	16 480	262 319	264 576	(2 257)	-1%	288 628
Service charges		255 325	761 922	823 774	44 780	531 324	755 126	(223 802)	-30%	823 774
Other revenue		16 788	93 666	116 169	32 762	354 813	106 488	248 324	233%	116 169
Transfers and Subsidies - Operational		184 436	202 153	210 720	833	202 950	193 160	9 789	5%	210 720
Transfers and Subsidies - Capital		1 586	123 443	139 125	–	73 120	127 531	(54 411)	-43%	139 125
Interest		914 663	13 998	15 498	1 629	12 753	14 206	(1 453)	-10%	15 498
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		771 377	(1 356 179)	(1 458 669)	(109 435)	(1 171 182)	(1 337 113)	(165 932)	12%	(113 015)
Interest		–	(16 159)	(11 097)	(1 581)	(9 657)	(10 172)	(515)	5%	(11 097)
Transfers and Subsidies		–	(400)	(400)	–	–	(367)	(367)	100%	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**2 506 902**	**109 901**	**123 750**	**(14 532)**	**256 441**	**113 437**	**(143 004)**	**-126%**	**1 469 404**
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)	(208 748)	(19 315)	(169 798)	191 352	361 150	189%	208 748
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(83 038)**	**(116 362)**	**(208 748)**	**(19 315)**	**(169 798)**	**191 352**	**361 150**	**189%**	**208 748**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	100 000	–	–	91 667	(91 667)	-100%	100 000
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	(3 366)	(17 690)	–	17 690	0%	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**-**	**-**	**100 000**	**(3 366)**	**(17 690)**	**91 667**	**109 357**	**119%**	**100 000**
NET INCREASE/ (DECREASE) IN CASH HELD		**2 423 864**	**(6 461)**	**15 002**	**(37 212)**	**68 952**	**396 456**			**1 778 152**
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	158 661		212 611	540 114			1 921 811

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

Debtors’ Age Analysis (Inclusive of VAT) as at 31 May 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	26,907	5,147	5,030	3,306	2,701	2,430	11,093	40,848	97,463
Trade and Other Receivables from Exchange Transactions - Electricity	36,137	2,455	1,840	1,341	1,098	919	4,106	13,177	61,072
Receivables from Non-exchange Transactions - Property Rates	22,678	2,385	1,895	1,572	1,422	1,332	10,743	29,673	71,701
Receivables from Exchange Transactions - Waste Water Management	11,731	1,939	2,008	1,440	862	788	3,782	16,116	38,666
Receivables from Exchange Transactions - Waste Management	8,239	1,356	1,231	1,094	597	566	3,101	20,965	37,149
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	4,461	309	367	339	305	346	2,841	41,804	50,773
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(31,578)	391	347	326	175	238	1,880	12,526	(15,694)
Total By Income Source	**78,575**	**13,982**	**12,718**	**9,417**	**7,160**	**6,619**	**37,547**	**175,111**	**341,130**
Debtors Age Analysis By Customer Group									
Organs of State	1,493	609	624	396	317	299	2,066	7,426	13,230
Commercial	11,146	589	506	333	308	289	1,252	7,517	21,940
Households	65,932	12,783	11,588	8,687	6,534	6,030	34,223	160,154	305,932
Other	4	1	1	1	1	1	5	14	28
Total By Customer Group	**78,575**	**13,982**	**12,718**	**9,417**	**7,160**	**6,619**	**37,547**	**175,111**	**341,130**

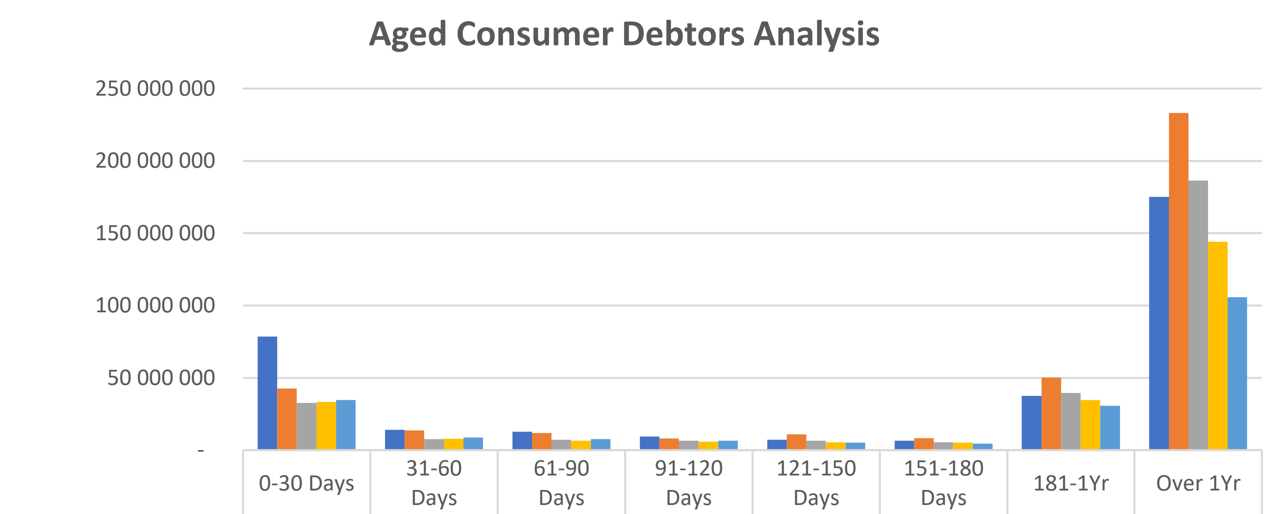
Debtors’ Age Analysis (Inclusive of VAT) as at 30 June 2024

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 May 2025, the overdue debts have decreased by R 127,355 million from R 389,910 million to R 262,555 million, as follows:

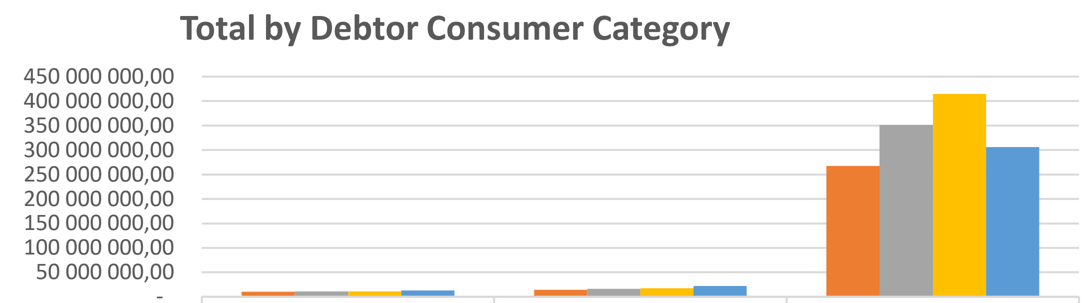
R thousands	OVERDUE AMOUNTS AS AT		
Debtors Age Analysis By Income Source	**30-Jun-24**	**31-May-25**	**DIFFERENCE**
Trade and Other Receivables from Exchange Transactions - Water	122,756	70,556	(52,200)
Trade and Other Receivables from Exchange Transactions - Electricity	24,488	24,936	448
Receivables from Non-exchange Transactions - Property Rates	47,751	49,023	1,272
Receivables from Exchange Transactions - Waste Water Management	43,719	26,935	(16,784)
Receivables from Exchange Transactions - Waste Management	57,269	28,910	(28,360)
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–
Interest on Arrear Debtor Accounts	72,437	46,312	(26,125)
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–
Other	21,492	15,884	(5,608)
Total By Income Source	**389,910**	**262,555**	**(127,355)**
Debtors Age Analysis By Customer Group			
Organs of State	9,907	11,737	1,830
Commercial	9,975	10,794	820
Households	370,015	240,000	(130,016)
Other	14	24	10
Total By Customer Group	**389,910**	**262,555**	**(127,355)**

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 May 2025	78 574 900	13 982 266	12 718 394	9 417 114	7 160 256	6 619 286	37 546 501	175 111 14
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	13 230 282,83	21 940 134,30	305 931 897,40

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	34,826	–	–	–	–	–	–	–	34,826
Bulk Water	3,474	(947)	32	15	14	18	45	(990)	1,661
PAYE deductions	5,895								5,895
VAT (output less input)									–
Pensions / Retirement deductions									–
Loan repayments									–
Trade Creditors	4,982	–	23	–	–	–	–	384	(506)
Auditor General									–
Other									–
Total By Customer Type	49,177	(947)	55	15	14	18	45	(606)	41,876

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

Eskom	R 34,826 million
NMBM	R 1,661 million
PAYE	R 5,895 million
Other Creditors	R 5,389 million
Total	**R 47,771 million**

It must be noted that the Eskom amount of R 34,826 million, represents the current account for May 2025, which is due on 23 June 2025.

It is to be noted that the SARS amount of R 5,895 million, represents the current account for May 2025, which is due on 4 June 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 – M11 May 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**	**197 704**	**-**	**197 696**	**197 710**	**14**		**197 710**
Operational Revenue:General Revenue:Equitable Share	192 664	192 664	–	192 656	192 664	8		192 664
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 495	1 495	–	1 495	1 495	-		1 495
Local Government Financial Management Grant [Schedule 5B]	1 723	1 723	-	1 723	1 723	-		1 723
Municipal Infrastructure Grant [Schedule 5B]	1 828	1 822	–	1 822	1 828	6		1 828
Provincial Government:	**2 050**	**9 952**	**-**	**3 455**	**9 952**	**6 496**	**65,28%**	**5 498**
Humam Settlement Grant	–	6 997	–	500	6 997	6 496	92,85%	3 448
Library grant	2 050	2 955	–	2 955	2 955	–	0,00%	2 050
District Municipality:	**2 393**	**2 498**	**833**	**3 330**	**2 393**	**(937)**	**-39,16%**	**2 393**
Environmental health subsidy	2 393	2 498	833	3 330	2 393	(937)	-39,16%	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**	**210 204**	**833**	**204 482**	**210 105**	**5 623**	**2,68%**	**205 601**
Capital Transfers and Grants								
National Government:	**52 874**	**63 331**	**-**	**63 331**	**52 762**			**52 768**
Municipal Disaster Relief Grant	–	12 180	–	12 180	–	**(12 180)**	**#DIV/0!**	–
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4 203	2 586	–	2 586	4 203			4 203
Municipal Infrastructure Grant [Schedule 5B]	34 730	34 624	–	34 624	34 618			34 624
Water Services Infrastructure Grant	13 941	13 941	–	13 941	13 941			13 941
Provincial Government:	**68 969**	**74 194**	**-**	**9 790**	**74 194**			**74 194**
Human Settlement Grant	68 969	74 194	–	9 790	74 194			74 194
District Municipality:	**1 600**	**1 600**	**-**	**-**	**1 600**			**-**
Fire Services Subsidy	1 600	1 600	–	–	1 600			–
Total Capital Transfers and Grants	**123 443**	**137 525**	**-**	**73 120**	**128 556**	**-**	**0%**	**126 962**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	**325 596**	**347 729**	**833**	**277 602**	**338 661**	**5 623**	**1,66%**	**332 563**

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

Supporting Table SC7 Monthly Budget Statement – transfers and grants expenditure – M11 May 2025.

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.

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	197,704	872	196,945	196,856	(89)	(0)	197,704
Operational Revenue:General Revenue:Equitable Share	192,664	192,664	–	192,656	192,656	–	0%	192,664
Expanded Public Works Programme Integrated Grant for Municipalities [Sched	1,495	1,495	709	1,495	1,246	(249)	-20%	1,495
Local Government Financial Management Grant [Schedule 5B]	1,723	1,723	56	1,477	1,436	(41)	-3%	1,723
Municipal Infrastructure Grant [Schedule 5B]	1,828	1,822	108	1,317	1,519	201	13%	1,822
Provincial Government:	2,050	9,952	-	3,455	8,786	5,330	0	9,952
Human Settlement Grant	–	6,997	–	500	5,831			6,997
Library grant	2,050	2,955	–	2,955	2,955	–		2,955
District Municipality:	2,393	2,498	-	832	2,498	1,665	0	2,498
Environmental health subsidy	2,393	2,498	–	832	2,498	1,665	67%	2,498
Other grant providers:	-	50	-	-	50	50		50
Departmental Agencies and Accounts	–	50	–	–	50			50
Total operating expenditure of Transfers and Grants:	202,153	210,204	872	201,233	208,189	6,956	118%	210,204
Capital expenditure of Transfers and Grants								
National Government:	63,247	70,499	7,569	42,336	58,749	16,412	0.28	70,499
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4,203	2,586	361	1,860	2,155	295	14%	2,586
Municipal Infrastructure Grant [Schedule 5B]	34,730	34,624	4,680	28,502	28,853	351	1%	34,624
Water Services Infrastructure Grant	13,941	21,109	2,459	8,935	17,591	8,656	49%	21,109
Municipal Disaster Relief Grant	10,373	12,180	69	3,039	10,150	7,111	70%	12,180
Provincial Government:	75,655	74,194	2,055	18,944	61,829	42,885	69%	74,194
Human Settlement	75,655	74,194	2,055	18,944	61,829	42,885	69%	74,194
District Municipality:	1,600	1,600	-	-	-	-		1,600
Fire Services Subsidy	1,600	1,600	–	–	–	-		1,600
Total capital expenditure of Transfers and Grants	140,502	146,293	9,623	61,280	120,577	59,297	49%	146,293
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	342,655	356,496	10,496	262,513	328,767	66,254	20%	356,496

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 1,503,571
Unspent as at 31 May 2025:	R 219,429

The spending of the grant amounted to 87.26% as at 31 May 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 1,495,000
Unspent as at 31 May 2025:	R 00

The spending of the grant amounted to 100% as at 31 May 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 32,647,700
Unspent as at 31 May 2025:	R 3,798,300

The spending of the grant amounted to 89.58% as at 31 May 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
Total grant received	**R 3,272,303**
Expenditure to date:	R 1,860,122
Unspent as at 31 May 2025:	R 1,412,181

The spending of the grant amounted to 56.84% as at 31 May 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 14,068,769
Unspent as at 31 May 2025:	R 7,040,117

The spending of the grant amounted to 66.65% as at 31 May 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
Total grant received	**R 22,560,741**
Expenditure to date:	R 4,915,716
Unspent as at 31 May 2025:	R 17,645,025

The spending of the grant amounted to 21.79% as at 31 May 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 May 2025
Human Settlement Grant	20,555,956	8,833,703	1,096,291	21,506,989	70.55%	8,978,961

1.4 Councillor and employee benefits

Below is an analysis of Councillor and employee benefits:

Table SC8 Monthly Budget Statement – Councillor and staff benefits – M11 May 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	844	9,647	9,546	101	1%	10,414
Pension and UIF Contributions	–	–	–	–	–	–		–
Medical Aid Contributions	–	–	(113)	–	–	–		–
Motor Vehicle Allowance	3,503	3,503	286	3,250	3,211	39	1%	3,503
Cellphone Allowance	1,678	1,678	118	1,293	1,538	(245)	-16%	1,678
Housing Allowances	–	–	–	–	–	–		–
Sub Total - Councillors	**15,594**	**15,594**	**1,133**	**14,189**	**14,295**	**(105)**	**-1%**	**15,594**
Senior Managers of the Municipality								
Basic Salaries and Wages	9,681	9,681	591	6,543	8,875	(2,331)	-26%	9,681
Pension and UIF Contributions	123	123	1	16	113	(97)	-86%	123
Medical Aid Contributions	56	56	–	3	51	(48)	-94%	56
Performance Bonus	1,798	1,798	–	1,549	1,648	(99)	-6%	1,798
Motor Vehicle Allowance	2,196	2,196	205	2,215	2,013	202	10%	2,196
Cellphone Allowance	11	11	1	11	10	1	12%	11
Other benefits and allowances	5	5	0	1	5	(4)	-86%	5
Sub Total - Senior Managers of Municipality	**13,870**	**13,870**	**798**	**10,338**	**12,714**	**(2,376)**	**-19%**	**13,870**
Other Municipal Staff								
Basic Salaries and Wages	295,150	302,903	20,934	225,126	277,661	(47,150)	-20%	302,903
Pension and UIF Contributions	38,991	40,624	3,125	33,762	37,239	(2,947)	-10%	40,624
Medical Aid Contributions	19,915	20,842	2,010	19,596	19,105	87	1%	20,842
Overtime	29,255	29,835	2,844	27,082	27,349	(363)	-2%	29,835
Performance Bonus	26	26	–	–	24	(20)	-100%	26
Motor Vehicle Allowance	12,091	12,182	895	9,643	11,167	(1,210)	-13%	12,182
Cellphone Allowance	59	59	–	2	54	(42)	-95%	59
Housing Allowances	1,308	1,467	60	631	1,344	(589)	-54%	1,467
Other benefits and allowances	37,715	39,541	1,630	32,778	36,246	331	1%	39,541
Long service awards	–	–	–	243	–	243		–
Post-retirement benefit obligations	23,361	18,361	477	15,488	16,831	892	6%	18,361
Sub Total - Other Municipal Staff	**457,873**	**465,841**	**31,975**	**364,351**	**427,020**	**(62,669)**	**-15%**	**465,841**
Total Parent Municipality	**487,337**	**495,305**	**33,906**	**388,878**	**454,028**	**(65,150)**	**-14%**	**495,305**
TOTAL SALARY, ALLOWANCES & BENEFITS	**487,337**	**495,305**	**33,906**	**388,878**	**454,028**	**(65,150)**	**-14%**	**495,305**
TOTAL MANAGERS AND STAFF	**471,743**	**479,710**	**32,772**	**374,689**	**439,734**	**(65,045)**	-15%	**479,710**

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 May 2025**
Capital Charges to Operating Expenditure	Interest & principal paid/Total Operating Expenditure	1.13%	1.04%	0.32%	1.37%	1.80%	2.35%
Borrowed funding of "own" capital expenditure	Borrowings/Capital expenditure excl. transfers & grants	0%	0%	0%	0%	337.63%	636.1%
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	1.41:1
Liquidity Ratio	Monetary assets / current liabilities	0.34	0,15	0.40	0.49:1	0.60:1	0.63:1
Revenue Management							
Annual Debtors Collection Rate	Billed Revenue / Receipted Revenue	94.41%	94.32%	86.71%	91.01%	95%	90.77%

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 May 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	0.65 Months
Employee Costs	Employee Costs / Total Operating Expenditure	34.22%	31,69%	29.47%	30.46%	33.06%	32.16%
Capital Expenditure	Capital Expenditure / Capital Budget	71.67%	123,92 %	94.66%	71.38%	95%	56.8%
Repairs and Maintenance as % of Total Operating Expenditure	Repairs and Maintenance / Total Operating Expenditure	6.99%	4,32%	3.86%	4.15%	16.59%	15.01%
Repairs and Maintenance as % of PPE (Book Value)	Repairs and Maintenance / Net PPE	3.33%	2,26%	2.32%	2.64%	10.88%	8.32%
Own Revenue Sources / Total Operating Revenue (Including operating grants)	Own Revenue Sources / Total Operating Revenue (Including Conditional Grants)	77.14%	77,76%	77.74%	77.02%	84.56%	82.26%

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 2.35% as at 31 May 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 May 2025, the ratio indicates 636.1% 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 May 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:

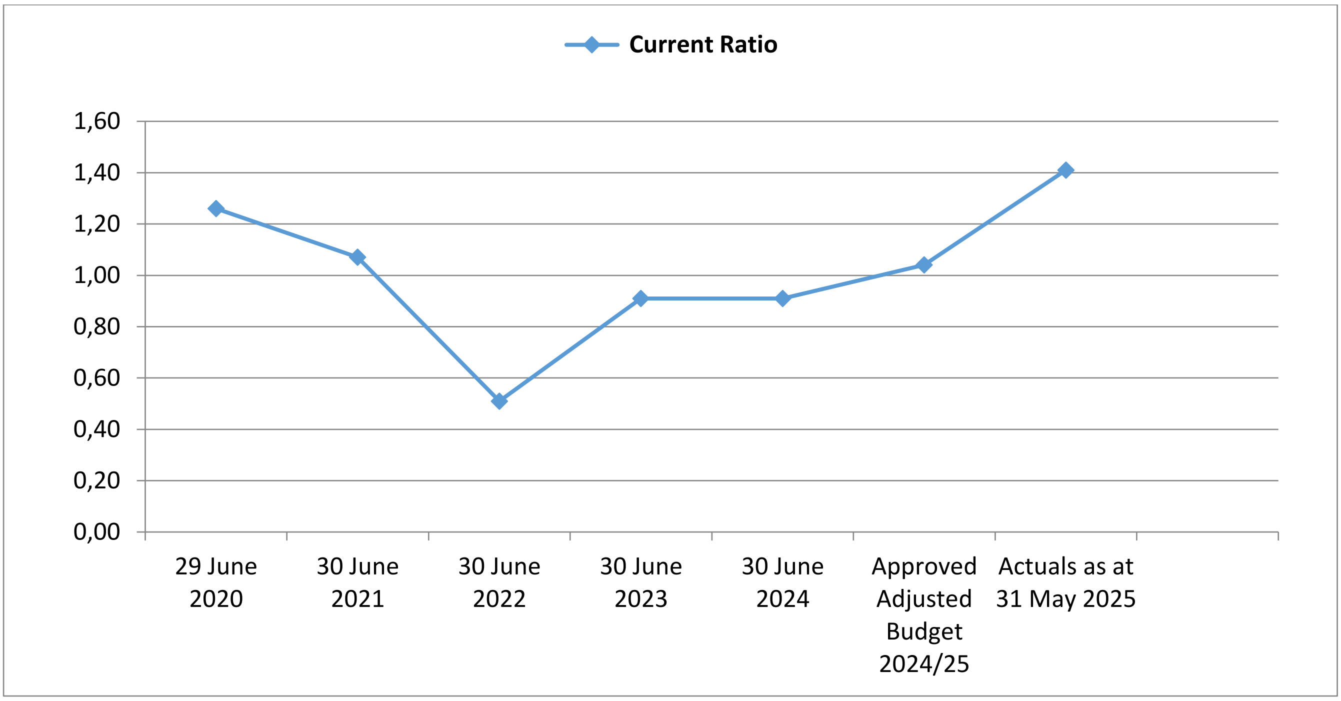
Current assets/Current liabilities

The ratio as at 31 May 2025 was 1.41:1, compared to the approved adjusted budget ratio of 1.04:1. As at 31 May 2025, cash reserves/commitments amounted to R 109,910 million, the current ratio excluding the cash reserves constitute 1,09:1.

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

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

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



1.1.4. Liquidity Ratio

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

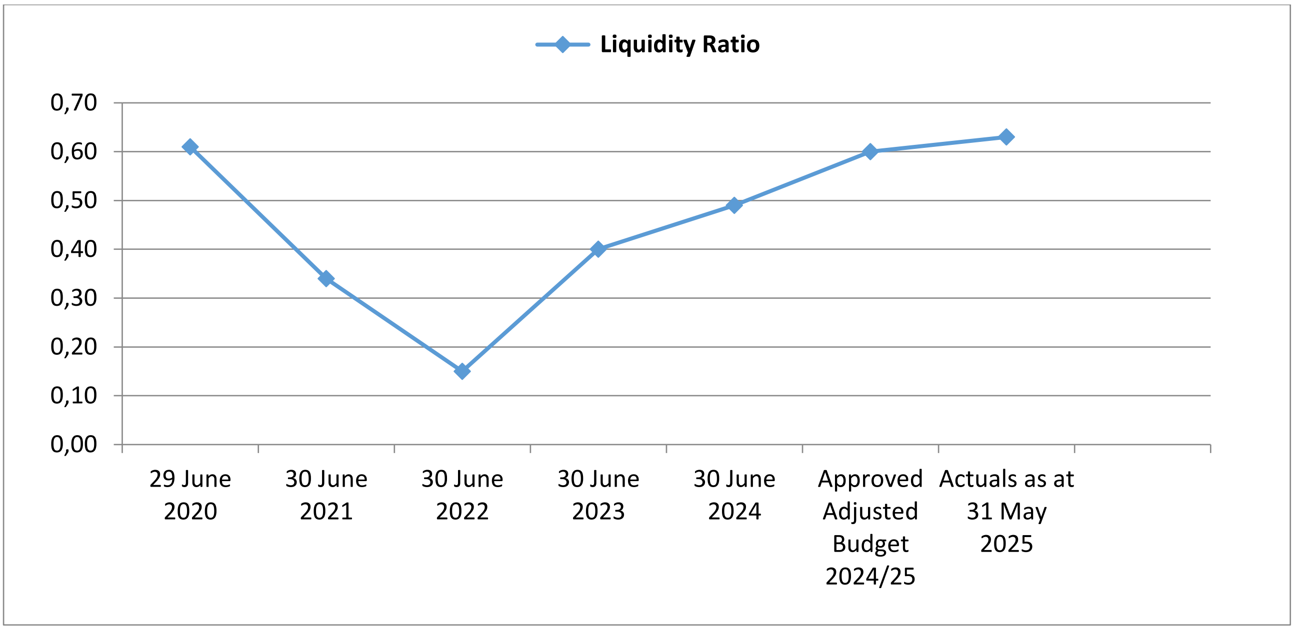
The ratio is determined as follows:

Monetary assets/Current liabilities

A favourable ratio would ensure that the Municipality is able to settle its short-term commitments from monetary assets. The liquidity ratio as at 31 May 2025 was 0.63:1 compared to the approved budget ratio of 0.60:1.

As at 31 May 2025, cash reserves/commitments amounted to R 109,910 million, the liquidity ratio excluding the cash reserves constitute 0.30:1.

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


Liquidity Ratio
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 May 2025

1.2. Revenue Management

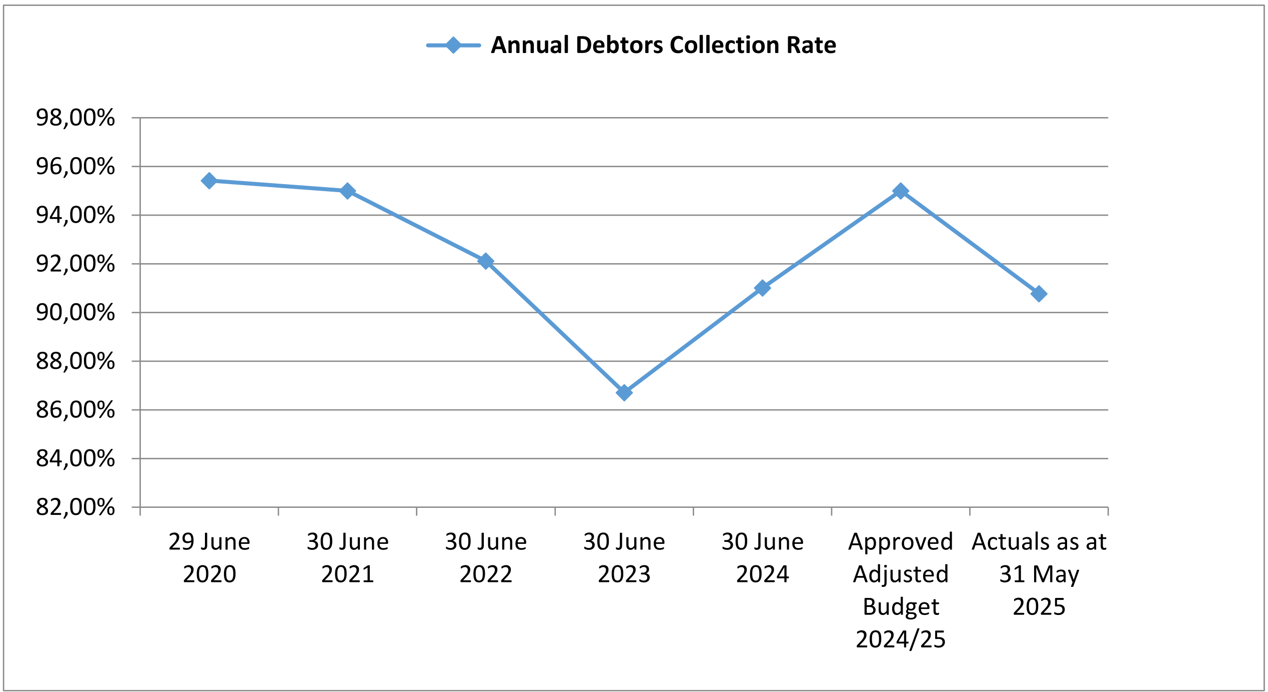
1.2.1. Annual Debtors Collection Rate

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 May 2025 was 90.77%, compared to the approved adjusted budget collection rate of 95%. The actual collection rate for May is 98%.



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.

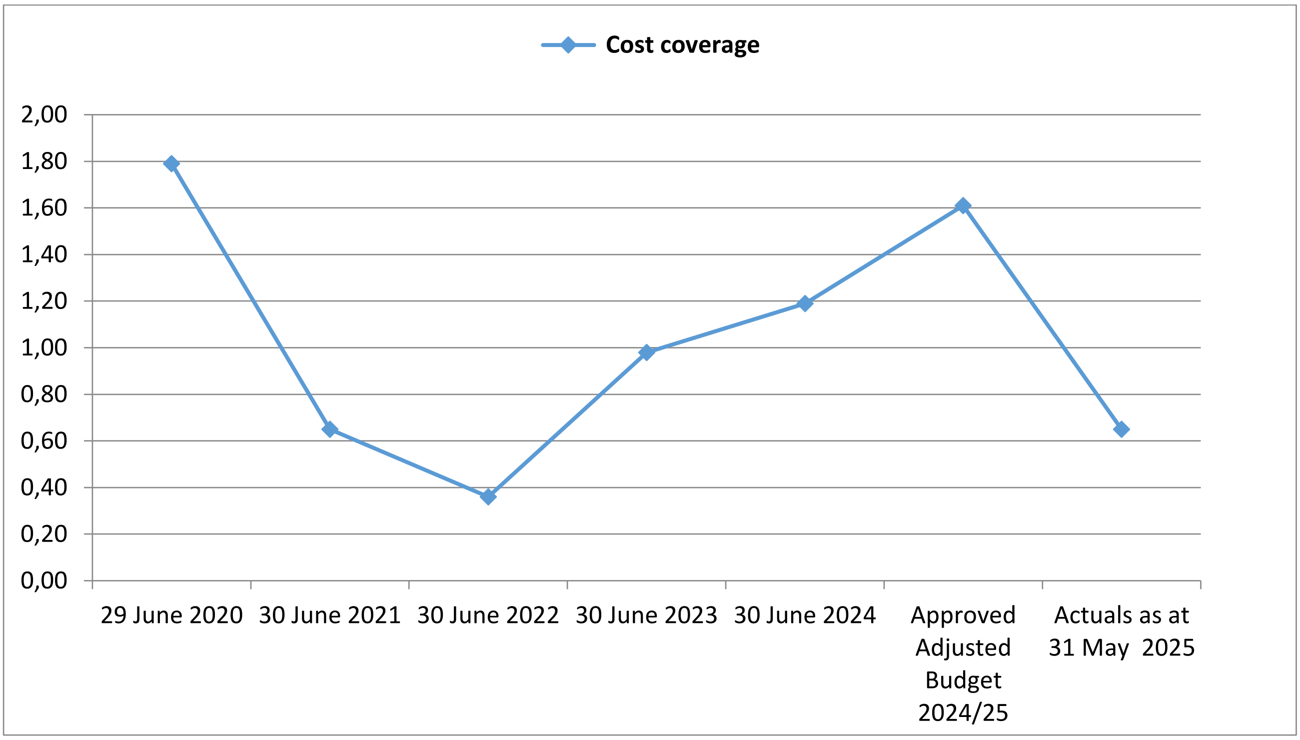
The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal day-to-day operational expenditure but rather reserved for Grant related expenditure.

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 May 2025, the Ratio was 0.65 months, compared to the approved adjusted budget ratio of 1.61 months. The calculation of the cost coverage ratio excludes cash reserves amounting to R 109,910 million.

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



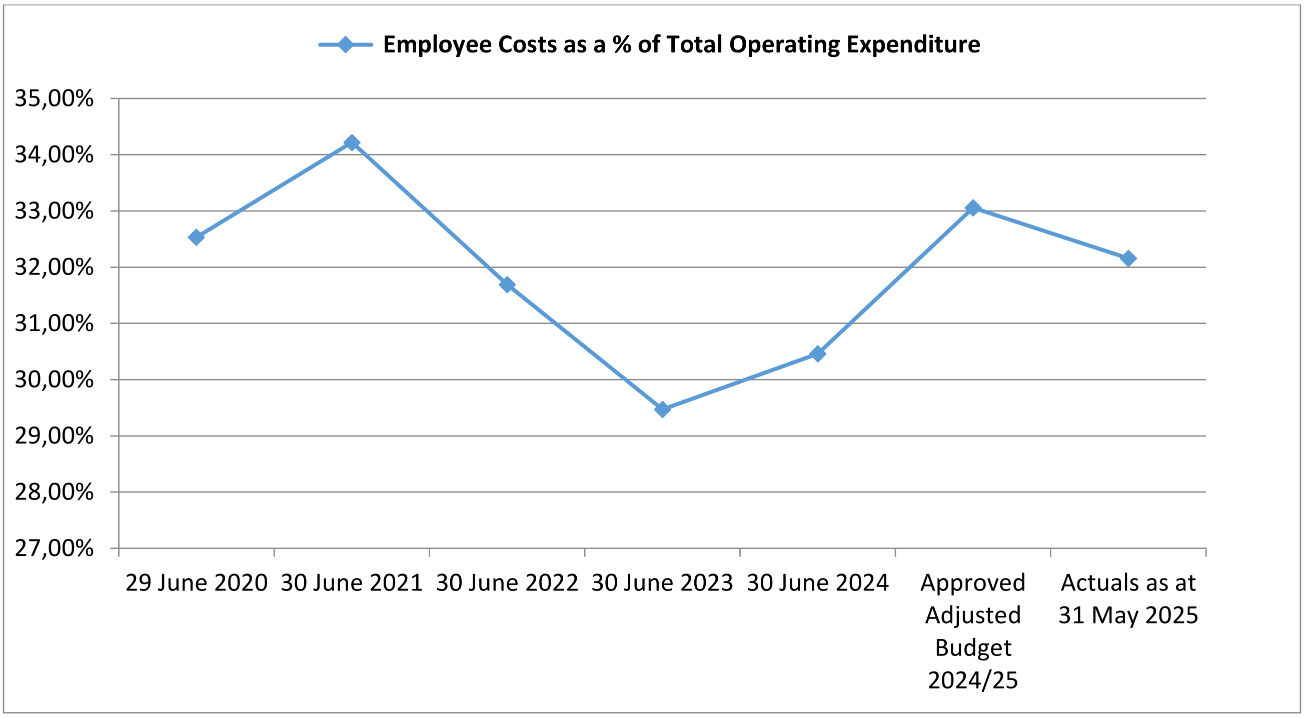
1.3.2. Employee costs as a % of Total Operating Expenditure

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 May 2025, Employee Related Costs constituted 32.16% of the Total Operating Expenditure, compared to the approved adjusted budget ratio 33.06%.



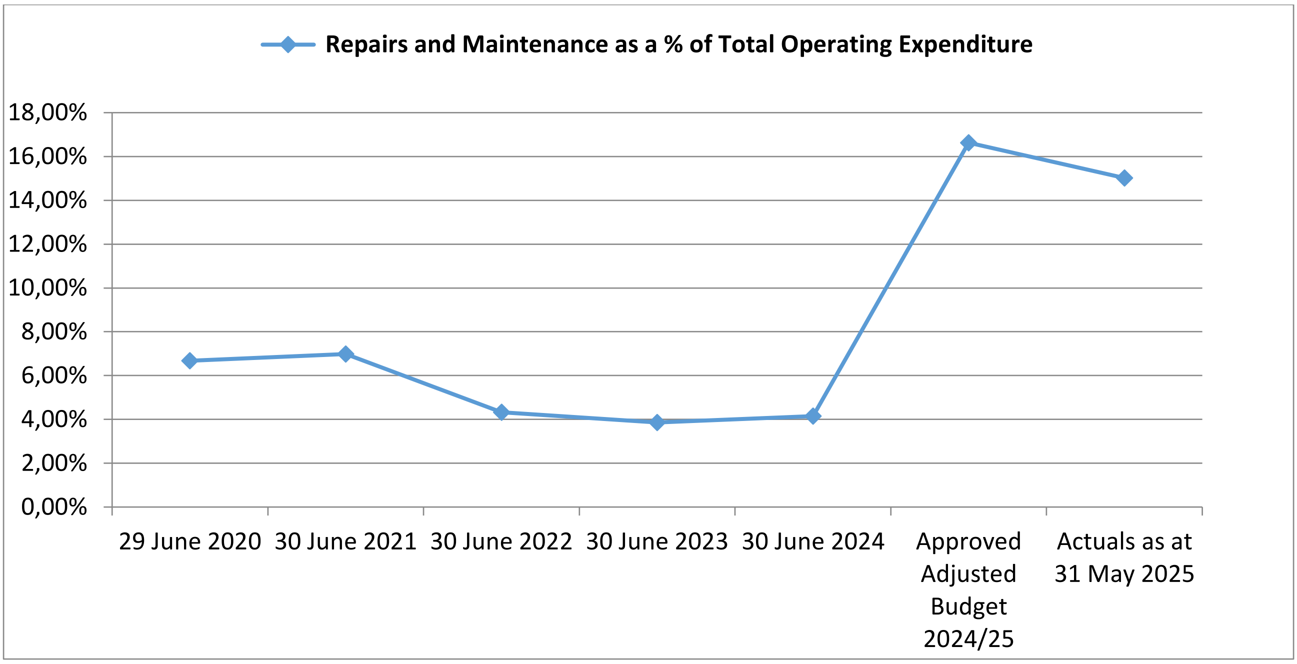
1.3.3. Repairs and Maintenance as a % of Total Operating Expenditure

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 May 2025, the ratio was 15.01%, 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)

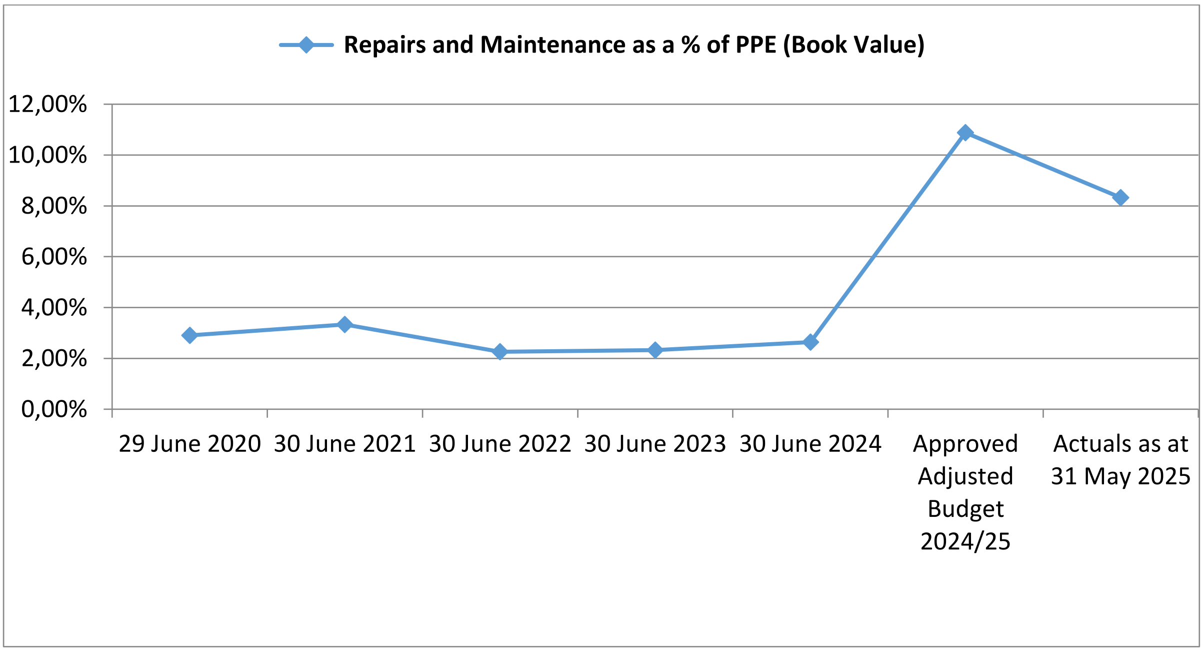
The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to minimise breakdowns and interruptions in service delivery.

The ratio is determined as follows:

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

As at 31 May 2025, repairs and maintenance expenditure constituted 8.32% 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%.



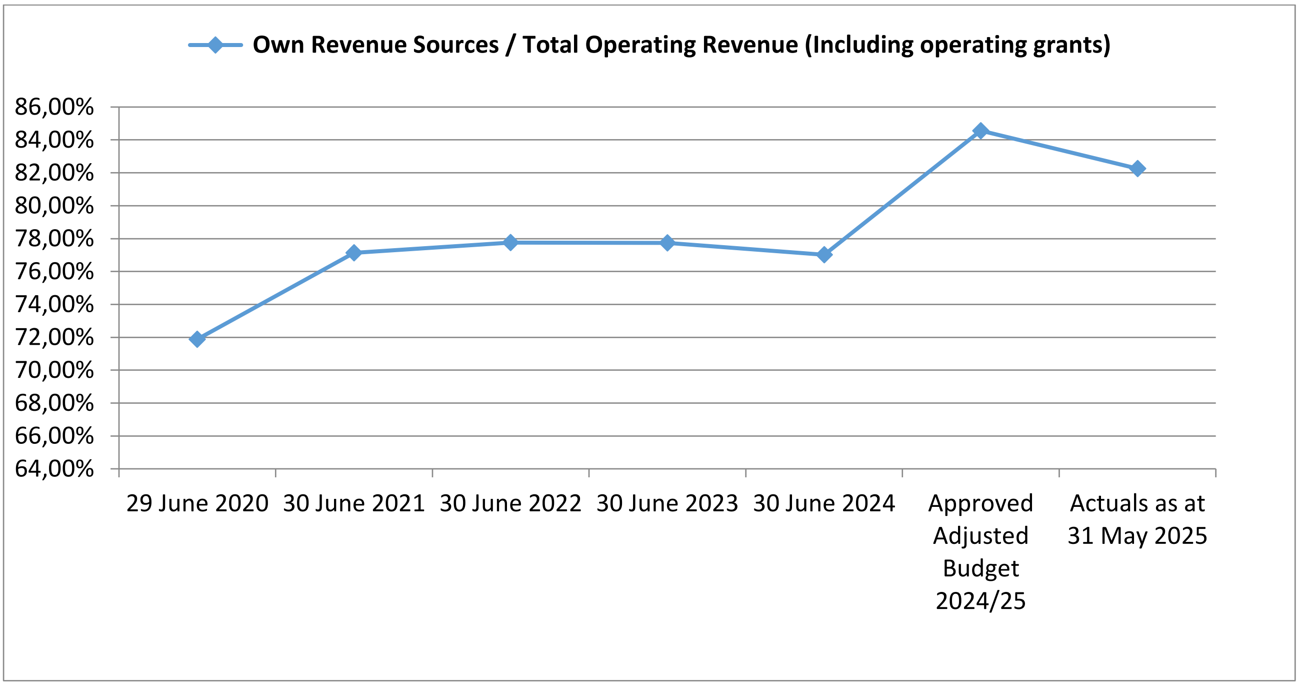
Own Revenue Generation

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 May 2025, the Municipality's own revenue sources constituted 82.26% 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 May 2025 amounted to 56.8%, compared to the approved adjusted budget ratio of 95%.