MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY 2024 TO JUNE 2025 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 30 JUNE 2025 (2024/25 FINANCIAL YEAR)

1. Introduction

The purpose of this report is to comply with Section 71 and 52(d) of the Municipal Finance Management Act (MFMA), read together with Regulation 28 of the Municipal Budget and Reporting Regulations as promulgated in the Government Gazette No 32141 of 17 April 2009, which requires that specific financial particulars be reported on and in the formats prescribed.

2. Background

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

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

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

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

3. **Discussion**

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

The report complies with Schedule C of the Municipal Budget and Reporting Regulations (MBRR), the following detailed schedules are attached for the period, ending 30 June 2025:

"**Annexure A"** – Financial Overview

"Annexure A1" – Operating Revenue and Expenditure Performance

"Annexure A2" - Capital Budget Performance

"Annexure A3" - Projected Cash Flow Statement

"Annexure A4" – Municipal Monthly Budget Tables

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

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

4. **Financial Implications**

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

5. **Applicable Legislation**

- Section 71 and 52(d) of the Local Government: Municipal Finance Management Act No. 56 of 2003.
- Local Government: Municipal Budget and Reporting Regulations, 17 April 2009.
- Local Government: Municipal Finance Management Act: Municipal Regulations on a Standard Chart of Accounts (mSCOA), 22 April 2014.

6. **Legal Implications**

The report relates to Section 71 and 52(d) of the Municipal Finance Management Act (MFMA) and Regulation 28 of the Municipal Budget and Reporting Regulations (MBRR).

7. **Other Implications**

None.

8. **Comments by Directorates:**

8.1 **Chief Financial Officer:**

[insert comment]

8.2 **Director: Planning & Development**

[insert comment]

8.3 **Director: Civil & Water Services**

[insert comment]

8.4 **Director: Electro and Mechanical Services**

[insert comment]

8.5 **Director: Community Services**

[insert comment]

8.6 **Deputy Municipal Manager**

[insert comment]

8.7 **Municipal Manager**

[insert comment]

9. **Delegated Authority**

To be noted by the Council.

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

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

Signature…………

Date……11 July 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's report on the implementation of the budget and the financial state affairs of the municipality, in accordance with section 52(d) of the MFMA be noted.

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

Item prepared by the: Acting Manager Budget and Treasury

Item approved by the: Chief Financial Officer

Item endorsed by the Municipal Manager:

Item noted by Portfolio Chairperson:

"ANNEXURE A"

1. **FINANCIAL OVERVIEW**

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

An analysis of the financial position and performance was undertaken to determine the relative financial strength and liquidity of the Municipality. This was complemented by analysing the cash flow position, the investment portfolio, ratios, the operating, and capital budget performance for the months of June 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 1,233 billion, whilst operating expenditure amounted to R1,309 billion, resulting in an operating deficit of R 75,919 million.
- Capital expenditure constituted 67.88% of the 2024/25 Approved Adjusted Capital Budget.
- Overdue consumer debts decreased by R 133,607 million (-34.27%) since June 2024.
- An amount of R 71,971 million is owing to creditors, 98.81% represent current creditors. Currently all outstanding creditors are not reflected on the creditors age analysis.

The municipality's investment portfolio has increased by R 37,906,612 (26.39%) since June 2024, from R 143,659,131 to R 181,565,742.

Below is an analysis of the Investment Portfolio as at 30 June 2025.

	Balance as at 30 June 2024	Invested	Interest	Withdrawals	Adjustments	Balance as at 30 June 2025
Standard Bank	26,516,585	21,894,154	1,856,527	27,721,793		22,545,473
ABSA	22,795,366	209,117,006	3,513,422	197,255,906	590	38,169,298
Nedbank	22,593,059	58,794,400	2,009,439	51,520,302		31,876,596
RMB	22,735,812	97,098,692	1,566,467	81,611,895		39,789,076
INVESTEC	22,771,482	63,520,801	1,817,476	58,413,793		29,695,966
Total	**117,412,304**	**450,425,052**	**10,763,331**	**416,523,688**	**590**	**162,076,409**
INVESTMENT	**Balance as at 30 June 2024**	**Invested**	**Interest**	**Withdrawals**	**Adjustments**	**Balance as at 30 June 2025**
General Account	78,621,419	266,862,744	9,608,965	330,465,620	590	24,626,918
Unspent borrowings (DBSA)		100,000,000		7,829,450		92,170,550
Cash Reserves (DBSA)		14,500,000				14,500,000
Cash Reserves (Development Charges)		2,186,308				2,186,308
Conditional Grants	18,234,929	66,876,000	-	65,520,553	-	19,590,377
Housing Funds	20,555,956		1,154,367	12,708,066	-	9,002,256
Total	**117,412,304**	**450,425,052**	**10,763,331**	**416,523,688**	**590**	**162,076,409**
	Balance as at 30 June 2024	**Invested**	**Interest**	**Withdrawals**	**Adjustments**	**Balance as at 30 June 2025**
Cheque Accounts FNB 52540020791	10,314,768			9,514,563		800,205
Cheque Accounts FNB 52540033304	8,553,427	604,291				9,157,718
Cheque Accounts FNB 62682103591	3,833			3,833		-
Cheque Accounts FNB 63022194441	7,374,799			6,861,065		513,734
Cheque Accounts ABSA 4114176482	-	5,899,110				5,899,110
Cheque Accounts ABSA 4114114771	-	2,052,903				2,052,903
Cheque Accounts ABSA 4114176474	-	935,410				935,410
Cheque Accounts ABSA 4114176490		130,253				130,253
	26,246,827	**9,621,967**	**-**	**16,379,460**	**-**	**19,489,333**
Total	**143,659,131**	**460,047,019**	**10,763,331**	**432,903,149**	**590**	**181,565,742**

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

Cash backed Reserves.

Bank Balances and Cash	R 19,489,333
Short-term Investment Deposits	R 162,076,409
	R 181,565,742

Application of Cash

Unspent Conditional Grants	R 31,432,798
Unspent borrowings (DBSA)	R 92,170,550
Cash Reserves – DBSA	R 14,500,000
Cash Reserves – Developmental Charges	R 2,186,308
Outstanding Creditors Liability	R 71,970,767
	R 212,260,423
Cash shortfall	**(R 30,694,681)**

The commitments exceed cash reserves at the end of the financial year by an amount of R 30,695 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 30 June	Approved Adjusted Budget	Actuals as at 31 May 2025	Actuals as at 30 June 2025

				2024	2024/25		
Current Ratio	0.91:1	91:1	1.5:1 to 2:1	1.24:1	1.04:1	1.10:1	1.38:1
Liquidity Ratio	0.40:1	0.49:1		0.71:1	0.60:1	0.38:1	0.68:1
Cost Coverage (Excluding unspent conditional grants)	0.98 Months	1.19 Months	1 Month to 3 Months	1.09 Months	1.61 Months	0.78 Month	0.74 Months
Debtors Collection Rate	86.71%	91.01%	95%	91.01%	95%	90.06%	91.38%
Capital Expenditure	94.66%	71.38%	95%	55.48%	95%	50.33%	67.88%

"ANNEXURE A1"

1. OVERVIEW OF OPERATING REVENUE AND EXPENDITURE PERFORMANCE FOR THE PERIOD JULY 2024 TO JUNE 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	78 585	1 232 875	1 362 086	(129 211)
Total Expenditure	1 505 474	1 459 766	143 580	1 1308 794	1 459 766	(150 972)
Surplus/(Deficit)	(112 853)	(97 680)	(64 994)	(75 919)	(97 680)	21 761

The statement of financial performance reflects an operating deficit of R 75,919 million for the financial year.

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	411,348	96.66%
Service charges - Water	138,057	104,555	75.73%

Service charges - Waste Water Management	76,014	66,118	86.98%
Service charges - Waste management	62,146	58,681	94.42%
Sale of Goods and Rendering of Services	9,533	6,660	69.87%
Agency services	4,554	–	0.00%
Interest earned from Receivables	32,335	22,147	68.49%
Interest earned from Current and Non Current Assets	15,498	13,167	84.96%
Rental from Fixed Assets	3,187	4,050	127.11%
Licence and permits	2,851	2,303	80.79%
Operational Revenue	2,523	7,177	284.46%
Non-Exchange Revenue			
Property rates	298,309	298,529	100.07%
Fines, penalties and forfeits	43,859	1,243	2.83%
Licence and permits	11,772	9,058	76.95%
Transfer and subsidies - Operational	210,720	205,382	97.47%
Interest	5,510	3,214	58.32%
Operational Revenue	19,658	19,242	97.88%
Total Revenue (excluding capital transfers and contributions)	**1,362,086**	**1,232,875**	**90.51%**

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**
  At end of the financial year, 30 June 2025, the water revenue recognized is significantly lower than anticipated. This is mostly due to unread water meters.

- **Service charges – Waste Water Management**
  As at 30 June 2025, the municipality recognized 86.98% of waste water management revenue, compared to the adjusted budget. This is also significantly lower than anticipated and is also due to issues related to water readings.

- **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 licenses, drivers' licenses 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.

- **Interest earned from Receivables**

  This relates to the interest charged on the outstanding consumer debt and is influenced by the outstanding debt amount at the end of the financial year. The revenue is significantly lower than anticipated due to the consumer debt write-offs.

- **Interest earned from Current and Non-Current Assets**

  This relates to interest earned in the municipal bank accounts and investments and is largely influenced by the investment portfolio/cash position at the end of the reporting period.

- **Rental from Fixed Assets**

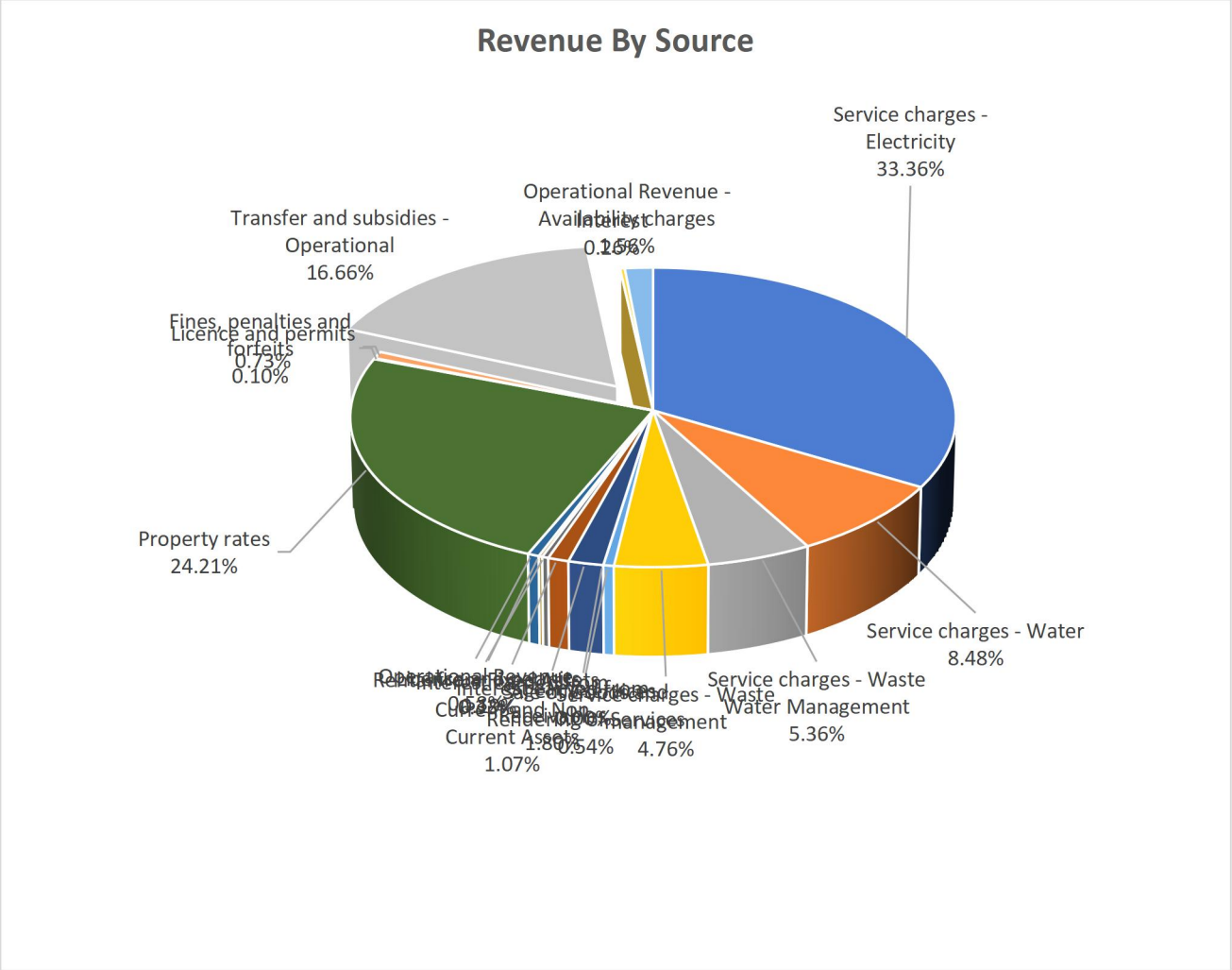
  This relates to the rental of municipal buildings, community halls, caravan parks and camping sites, and other municipal facilities. The revenue is influenced by the extent of rental agreements and seasonal demands.

- **License and permits**
  This relates to the application of driver's licenses, certificates, and permits, and includes boat licenses. This revenue is largely influenced by community 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 2,186 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.

- **Interest (Non-Exchange Revenue)**
  Interest: non-exchange revenue relates to the property rates interest charge on outstanding property rates debt. The interest as at 30 June 2025, reflects 58.32% 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		
	Adjusted Budget	YearTD actual	
R thousands			%
Revenue	_	_	_
Expenditure By Type	_	_	_
Employee Related Cost	479,710	406,720	84.78%
Remuneration of councillors	15,594	15,451	99.08%
Bulk purchases - electricity	413,349	427,463	103.41%
Inventory consumed	106,550	109,065	102.36%
Debt impairment	(108,015)	(165,578)	153.29%
Depreciation and amortisation	117,798	117,798	100.00%
Interest	13,002	10,214	78.56%
Contracted services	145,466	121,976	83.85%
Transfers and subsidies	400	347	86.86%
Irrecoverable debts written off	177,229	173,523	97.91%
Operational Cost	98,683	91,813	93.04%
Total Expenditure	**1,459,766**	**1,308,794**	**89.66%**

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 103.41% 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 30 June 2025	%
Inventory Consumed: Consumables	3 907 322	3 164 536	80.99%
Inventory Consumed: Materials and Supplies	43 941 344	37 175 752	84.60%
Inventory Consumed: Fuel & Oil	19 771 072	18 360 355	92.86%
Inventory Consumed: Bulk Water Purchases	38 930 751	50 364 750	129.37%
Total	**106 550 489**	**109 065 393**	**102.36%**

- **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 173,523 million recognised as at 30 June 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.

- **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 83.85% as at 30 June 2025.

  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.

- **Operational costs**
  Operational costs relate to various municipal running costs and reflect a 93.04% spending as at 30 June 2025.

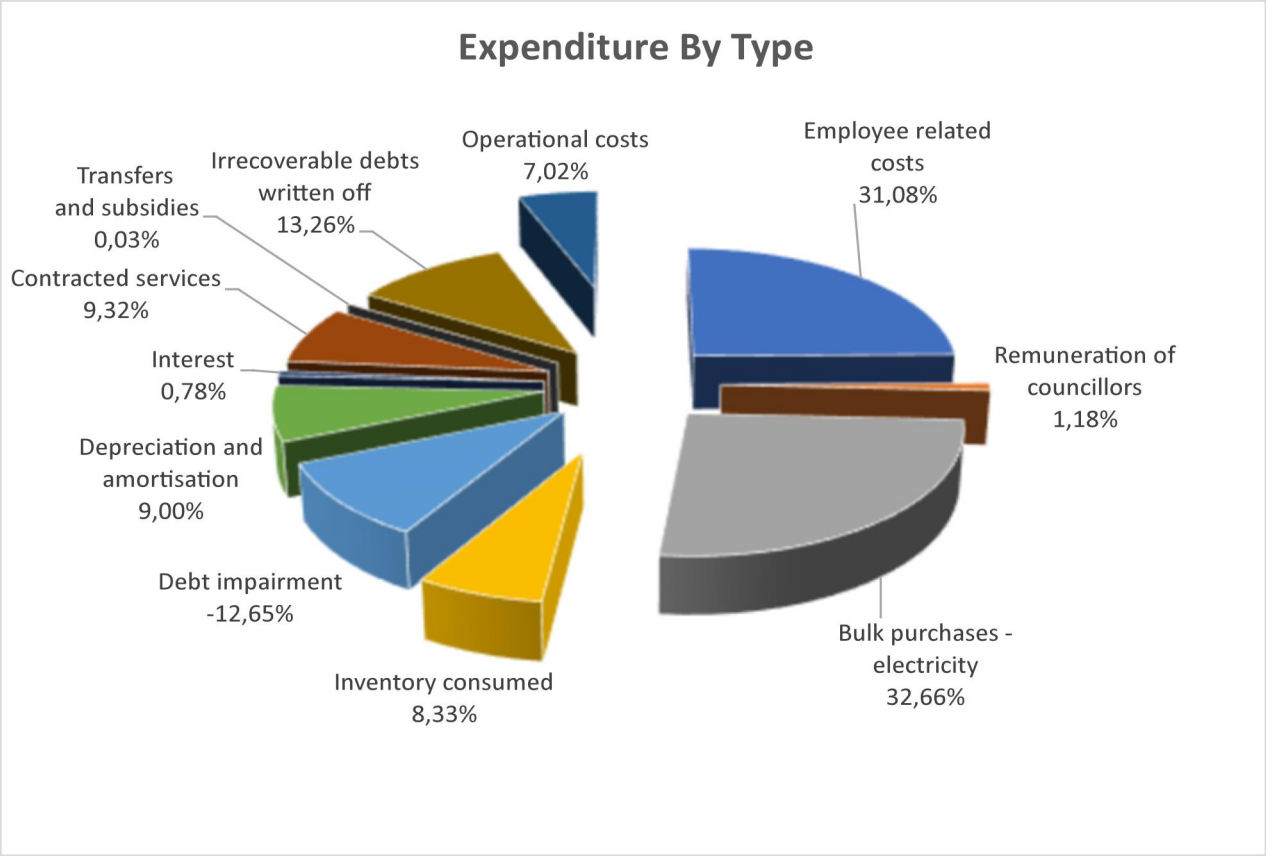
Contracted services are broken down as follows:

Item Description	Adjusted Budget 2024/25	Actuals as at 30 June 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	391,658	30.27%
Burial Services	76,400	44,500	58.25%
Calamari Festival	200,000	200,000	100.00%
Catering Services	669,475	426,409	63.69%
Clean up Operation	973,004	762,698	78.39%
Clearing and Grass Cutting Services	1,440,000	1,397,566	97.05%
Conducting of feasibility studies (EIA)	2,200,000	619,440	28.16%
Connection/Dis-connection:Electricity	580,000	134,540	23.20%
Consultants and Professional Services	7,287,143	4,315,699	59.22%
Destination Marketing and Promotion	670,000	518,949	77.46%
Drivers Licence Cards	473,200	416,567	88.03%
Dune Stabilisation	2,119,000	2,037,102	96.14%
Electrification of Informal Settlement	3,229,194	2,345,033	72.62%
Electricity Generation Project	426,386	133,342	31.27%
Environmental protection	325,500	194,930	59.89%
Employee Wellness	160,644	155,600	96.86%
ED STRATEGY - roll-out	100,000	47,364	47.36%
Event Promoters	89,996	39,902	44.34%
Family Challenge	700,000	866,522	123.79%
Heritage Restoration	200,000	115,940	57.97%
Internal Auditors	200,000	29,000	14.50%
KLTO	905,000	390,814	43.18%
Laboratory Services:Water	1,629,000	265,485	16.30%
Legal Advice and Litigation	2,012,000	1,685,468	83.77%
Legal Cost:Collection	1,300,000	992,689	76.36%
Maintenance of Buildings and Facilities	10,307,787	9,678,819	93.90%
Maintenance of Electrical Infrastructure	905,129	905,129	100.00%
Maintenance of Equipment	814,165	744,917	91.49%
Maintenance of Vehicles	36,409,512	33,131,195	91.00%
Mscoa Alignment	283,136	283,136	100.00%
Media Monitoring	120,004	103,195	85.99%
Occupational Health and Safety	800,000	797,772	99.72%
Other Contracted Services	10,342,951	8,568,585	82.84%
PGA Golf Tournament	275,000	-	0.00%
Personnel and Labour	19,380,152	17,612,959	90.88%
Precinct Plans Project Hankey and St Francis Bay C	100,000	68,000	68.00%
Private Plots_Alien Vegetation Control	400,000	391,165	97.79%
Qualification Verification	250,000	249,778	99.91%
Restricted Water Flow	400,000	-	0.00%
Revision of SDF	300,000	63,900	21.30%
Security Services	10,407,733	10,969,230	105.39%
SA Longboard Championship	300,000	300,000	100.00%
Special Rating Area	1,760,735	1,711,373	97.20%
Summer Festival	500,000	461,734	92.35%
Tourism &Travel Trade Show	482,000	442,232	91.75%
Township Events	300,000	61,043	20.35%
Transport Services	175,704	64,993	36.99%
Valuer	17,438,721	13,098,071	75.11%
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%
	145,465,671	**121,975,838**	**83.85%**

- **Other Expenditure**

The other expenditure is broken down as follows:

Item Description	Adjusted Budget 2024/25	Actuals as at 30 June 2025	%
Achievements and Awards	2,613,404	2,550,987	97.61%
Advertising, Publicity and Marketing	4,382,381	3,730,650	85.13%
Bank Charges	800,000	1,872,693	234.09%
Bargaining Council	4,833,409	4,833,408	100.00%
Cellular Contract (Subscription and Calls)	4,031,889	3,648,350	90.49%
Claims paid to Third Parties	300,000	247,334	82.44%
External Audit Fees	4,500,000	4,462,255	99.16%
External Computer Service:Internet Charge	5,400,000	8,421,135	155.95%
Hire Charges	7,389,260	7,108,863	96.21%
Insurance Claims	900,000	544,169	60.46%
Insurance Underwriting:Premiums	3,844,283	3,644,460	94.80%
Leases:Furniture and Office Equipment	4,068,744	2,548,365	62.63%
Leases:Other Assets	4,831,468	4,828,474	99.94%
Motor Vehicle Licence and Registrations	1,644,488	1,024,617	62.31%
Other	1,230,788	265,242	21.55%
Postage/Stamps/Franking Machines	2,661,000	1,579,835	59.37%
Registration Fees:Professional and Regulatory Bodies	542,112	346,111	63.85%
Registration Fees:Seminars, Conferences, Workshops	2,058,682	1,616,960	78.54%
Remuneration to Ward Committees	2,062,000	1,999,200	96.95%
Riparian Levies	7,911,471	7,686,332	97.15%
Signage	1,133,216	534,088	47.13%
Skills Development Fund Levy	4,202,076	4,066,406	96.77%
Software Licences	11,644,000	11,076,353	95.12%
Storage of Files (Archiving)	95,504	79,495	83.24%
Supplier Development Programme	100,000	68,880	68.88%
Third Party Vendors	3,550,000	2,986,055	84.11%
Travel and Subsistence	4,623,057	3,086,863	66.77%
Uniform and Protective Clothing	4,215,381	3,713,069	88.08%
Vehicle Tracking	804,742	1,023,876	127.23%
Workmen's Compensation Fund	2,288,376	2,201,060	96.18%
	98,682,731	**91,813,086**	**93.04%**



1.4. Repairs and Maintenance

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

Item Description	Budget Year 2024/25		
	Adjusted Budget 2024/25	Actuals as at 30 June 2025	%
Repairs and Maintenance by Expenditure Items			
Employee related costs	153 271 668	124 430 637	81.18%
Other materials	29 901 407	24 153 931	80.78%
Contracted Services	51 244 515	46 444 158	90.63%
Other expenditure	5 371 904	5 378 710	100.13%
Total	**239 789 494**	**200 407 437**	**83.58%**

It is to be noted that actual repairs and maintenance expenditure constituted 83.58% of the 2024/25 Approved Adjusted Budget. Repairs and maintenance expenditure excluding employee related costs constituted 87.82% 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	411,348	96.66%
Interest earned from Receivables	2,214	2,272	102.63%
Operational Revenue	–	369	#DIV/0!
Non-Exchange Revenue			
Transfers and subsidies - Operational	1,990	1,990	100.00%
Service charges - Electricity	10,103	9,888	97.87%
Total Revenue	**439,865**	**425,866**	**96.82%**
Expenditure By Type			
Employee related costs	25,959	18,898	72.80%
Bulk purchases - electricity	413,349	427,463	103.41%
Inventory consumed	11,806	10,914	92.45%
Debt impairment	13,157	(301)	-2.29%
Depreciation and amortisation	8,909	12,921	145.04%
Contracted services	14,363	13,083	91.09%
Irrecoverable debts written off	3,848	1,747	45.39%
Operational costs	4,352	3,413	78.42%
Total Expenditure	**495,743**	**488,138**	**98.47%**
Surplus/(Deficit)	**(55,878)**	**(62,272)**	

1.5.1.1 Revenue

- The electricity service charges revenue reflects 96.66% of budget as at 30 June, and this is in line with the projected budget ratio of 100% as at 30 June 2025.
- Transfers and subsidies – operational relate to the Equitable share allocation for the indigent subsidy.

1.5.1.2 Expenditure

- the bulk electricity reflects 103.41% of budget expenditure as at 30 June 2025.

1.5.1.3 Net surplus/deficit of electricity ratio

- Electricity reflects a deficit of R 62,272 million as at 30 June 2025 and the deficit amount equates to 14.62%, 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	104,555	75.73%
Interest earned from Receivables	15,537	10,112	65.08%
Operational Revenue	–	1,638	
Non-Exhange Revenue			
Transfers and subsidies - Operational	21,487	21,486	100.00%
Service charges - Water	6,352	6,227	98.03%
Total Revenue	**181,433**	**144,018**	**79.38%**
Expenditure By Type			
Employee related costs	27,437	28,321	103.22%
Inventory consumed	49,394	60,169	121.81%
Debt impairment	(82,267)	(88,162)	107.17%
Depreciation and amortisation	17,074	15,978	93.58%
Contracted services	5,280	3,285	62.21%
Irrecoverable debts written off	90,282	90,476	100.21%
Operational costs	1,577	1,476	93.64%
Total Expenditure	**108,776**	**111,543**	**102.54%**
Surplus/(Deficit)	**72,657**	**32,475**	

1.5.2.1 Revenue

- The water service charges revenue reflects 75.73% of budget as at 30 June 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 50,365 million (129.37% of budget).

1.5.2.3 Net surplus/deficit of water ratio

- The water reflects a surplus of R 32,475 million as at 30 June 2025 and equates to 22.55% 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	66,118	86.98%
Interest earned from Receivables	5,673	3,838	67.65%
Non-Exchange Revenue			
Transfers and subsidies - Operational	13,673	13,673	100.00%
Service charges - Waste Water Management	3,204	3,128	97.63%
Total Revenue	**98,565**	**86,756**	**88.02%**
Expenditure By Type			
Employee related costs	26,614	24,612	92.48%
Inventory consumed	11,652	9,787	83.99%
Debt impairment	(25,408)	(28,796)	113.34%
Depreciation and amortisation	32,226	29,425	91.31%
Contracted services	6,935	4,809	69.35%
Irrecoverable debts written off	29,652	29,387	99.11%
Operational costs	8,006	7,855	98.11%
Total Expenditure	**89,677**	**77,080**	**85.95%**
Surplus/(Deficit)	**8,887**	**9,677**	

1.5.3.1 Revenue

- The wastewater service charges revenue reflects 86.98% of budget as at 30 June, and this is in line with the projected budget ratio of 100% as at 30 June 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 9,677 million as at 30 June 2025 and equates to 11.15% of total revenue. Council approved a surplus adjusted budget of R 8,887 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	58,681	94.42%
Sale of Goods and Rendering of Services	9	–	0.00%
Interest earned from Receivables	8,560	5,589	65.30%
Non-Exchange Revenue			
Transfers and subsidies - Operational	24,836	24,768	99.73%
Total Revenue	**95,550**	**89,039**	**93.19%**
Expenditure By Type			
Employee related costs	38,643	40,278	104.23%
Inventory consumed	8,031	7,959	99.10%
Debt impairment	(45,342)	(48,319)	106.57%
Depreciation and amortisation	3,195	2,651	82.98%
Contracted services	15,819	15,101	95.46%
Irrecoverable debts written off	48,877	49,800	101.89%
Operational costs	4,226	3,387	80.15%
Total Expenditure	**73,450**	**70,858**	**96.47%**
Surplus/(Deficit)	**22,101**	**18,180**	

1.5.4.1 Revenue

- The waste service charges revenue reflects 94.42% of budget as at 30 June, and this is in line with the projected budget ratio of 100% as at 30 June 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 18,180 million as at 30 June 2025 and equates to 20.42% 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	16,938	18,673	(1,735)
2. Travel claims	4,576	3,059	4,576	(1,517)
4. Overtime	22,900	20,824	22,900	(2,076)
5. Catering Costs	619	388	619	(231)
6. Events, Advertising and sponsorships	5,067	4,370	5,067	(697)
7. Attendance of Conferences, Seminars & Workshops	2,011	1,578	2,011	(433)
8. Municipal Workshops, Retreats, Strategic Sessions and Internal training	368	119	368	(249)
9. Projects /Programme Launches	–	–	–	–
10. Essential User Scheme	**2,824**	**2,824**	**2,824**	**–**
Total	**57,038**	**50,100**	**57,038**	**(6,939)**

A comparison of the year-to-date actuals to the adjusted budget reflects savings, amounting to R 6,939 million as at 30 June 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 30 June 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	294,342	79,332	373,674	–
Community Services	291,145	1,634	292,778	234,636	1,099	235,734	–
Electro & Mechanical Services	507,837	87,429	595,266	502,030	81,988	584,018	–
Finance and Economic Development	136,835	992	137,827	100,299	902	101,201	–
Office of the DMM	130,429	1,933	132,362	121,238	1,916	123,154	–
Office of the MM	29,212	28	29,240	27,197	27	27,224	–
Planning and Development	38,549	21,956	60,505	29,052	11,050	40,103	–
Total Expenditure by Vote	**1,459,766**	**259,754**	**1,719,520**	**1,308,794**	**176,314**	**1,485,108**	-

No unauthorised expenditure reported for the period ended 30 June 2025.

Annexure "A2"

1. CAPITAL BUDGET PERFORMANCE

1.1. Summary Capital Expenditure and Funding

The capital expenditure as at 30 June 2025, constituted 67.88% of approved adjusted capital budget and the funding is broken down as follows:

- Grant funding is 62.26% of approved grant funding budget.
- Borrowing funding is 79.48% of approved borrowing funding budget.
- Internally generated funds are 69.25% 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	27	96.06%
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER	–	1,933	1,916	99.15%
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT	–	992	902	90.90%
Vote 4 - COMMUNITY SERVICES	1 391	1,634	1,099	67.26%
Vote 5 - CIVIL AND WATER SERVICES	80 868	145,782	79,332	54.42%
Vote 6 - ELECTRO/MECHANICAL SERVICES	68 103	87,429	81,988	93.78%
Vote 7 - PLANNING AND DEVELOPMENT	–	21,956	11,050	50.33%
Total Capital Multi-year expenditure	**150 362**	**259,754**	**176,314**	**67.88%**

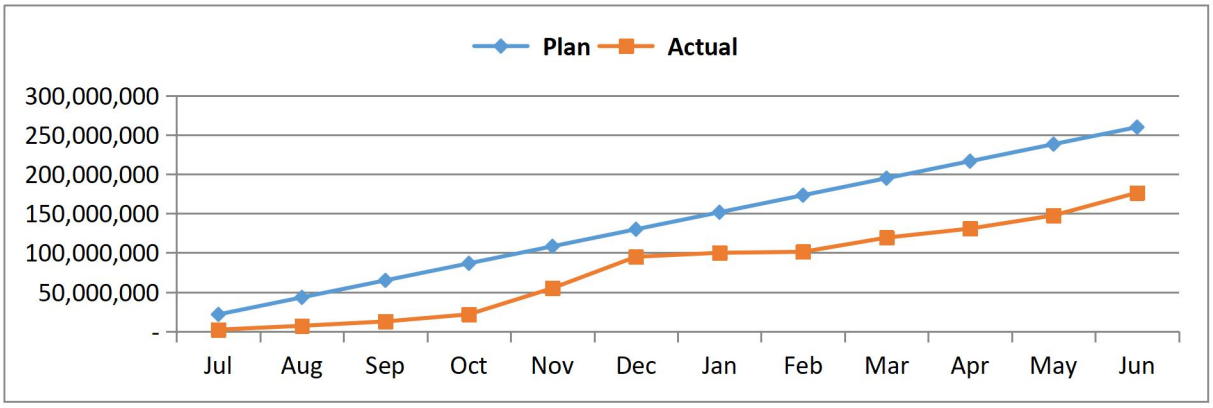
The capital expenditure as at 30 June 2025, constituted 67.88% of approved adjusted capital budget.

The capital expenditure is broken down per directorate as follows:

- Office Of the Municipal Manager is 96.06% of R 0,028 million budget.
- Office Of the Deputy Municipal Manager is 99.15% of R 1,933 million budget.
- Finance And Economic Development is 90.90% of R 0,992 million budget.
- Community Services is 67.36% of R 1,634 million budget.
- Civil & Water Services 54.42% of R 145,782 million budget.
- Electro and Mechanical Services is 93.78% of R 87,429 million budget.
- Planning And Development is 50.33% of R 21,956 million budget.

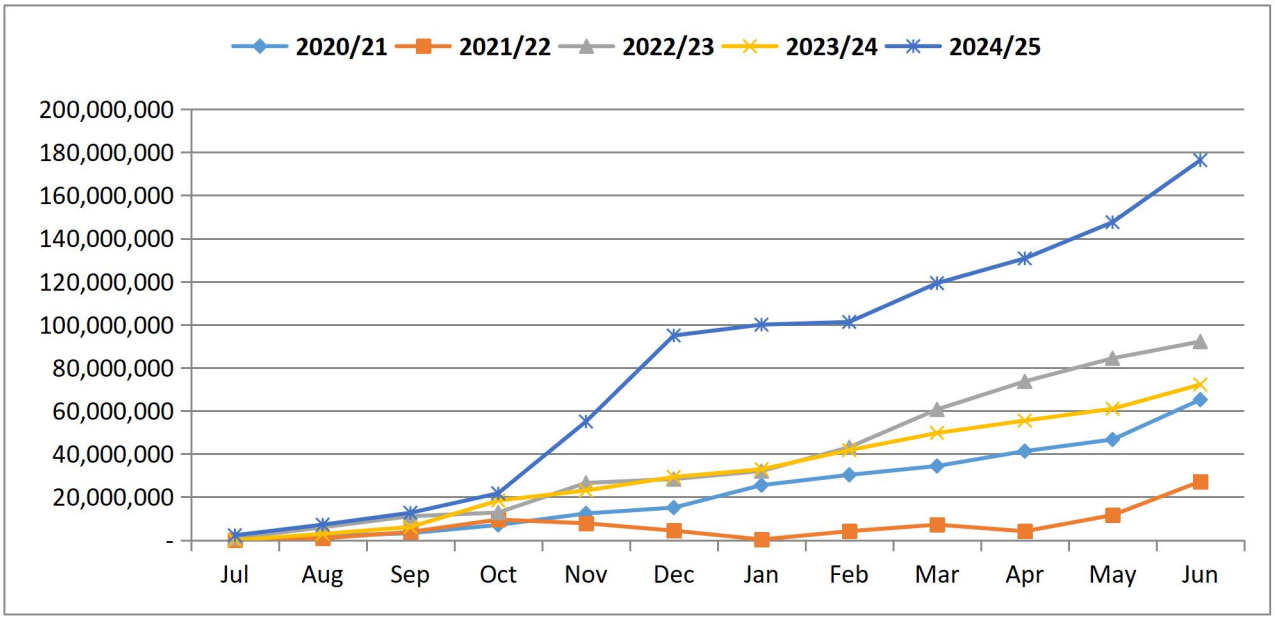
1.2. Monthly capital expenditure

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 30 June 2025.

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals as at 30 June 2025	%
CIVIL AND WATER SERVICES					
PROJECT MANAGEMENT UNIT (PMU)	Internal	PAVING OF MAIN BEACH	176 117	132 088	75,00%
PROJECT MANAGEMENT UNIT (PMU)	Internal	UPGRADING LOERIE SPORTS FACILITIES	137 788	102 894	74,68%
PROJECT MANAGEMENT UNIT (PMU)	Internal	Upgrading/Improvement of Sport Facilities within Kouga	1 121 050	525 127	46,84%
PROJECT MANAGEMENT UNIT (PMU)	MIG	UPGRADE OF PHILLIPSVILLE SPORTS FIELD	484 927	464 571	95,80%
PROJECT MANAGEMENT UNIT (PMU)	UISP	Electricity Transfer from NMBM to KLM	62 198	-	
ROADS AND STORMWATER	Borrowing	ROADS INFRASTRUCTURE IN KOUGA	21 739 130	6 808 217	31,32%
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 Reconstruction	1 615 427	1 608 696	99,58%
ROADS AND STORMWATER	MDRG	Aston Bay to Paradise Beach - Seekoei Estuary Causeway reconstruction	6 478 261	6 172 271	95,28%
ROADS AND STORMWATER	MDRG	Paradise Beach - Botha Street Stormwater Infrastructure	424 348	424 348	100,00%
ROADS AND STORMWATER	MIG	UPGRADING KOUGA GRAVEL ROADS	67 681	67 681	100,00%
ROADS AND STORMWATER	MDRG	Re-instatement of Sherley Street	1 608 696	69 377	4,31%
ROADS AND STORMWATER	MDRG	Re-instatement of Mountain Road and upgrade of stormwater culvert	1 565 217	129 091	8,25%
ROADS AND STORMWATER	MDRG	Re-instatement of Da Gama Road in the Kabeljous area and stormwater infrastructure re-instatement	1 086 957	37 997	3,50%
ROADS AND STORMWATER	MDRG	George Road, Re-instatement of Embankment, Water & Stormwater network	782 609	29 217	3,73%
ROADS AND STORMWATER	MDRG	Re-instatement of Phillip Street low level water crossing bridge	1 173 913	43 359	3,69%
ROADS AND STORMWATER	MDRG	Sea Vista Access ring road damaged pavement layers	800 000	34 040	4,25%
ROADS AND STORMWATER	MDRG	Re-instatement of Ketse Street and stormwater infrastructure	1 186 957	48 268	4,07%
ROADS AND STORMWATER	MDRG	Re-instatement of Nanto Street and stormwater infrastructure	1 339 130	62 143	4,64%
ROADS AND STORMWATER	MDRG	Re-instatement of Meyer Street and stormwater infrastructure	1 047 826	45 006	4,30%
SEWERAGE	UISP	Apiesdraai Pump Station	1 980 261	105 774	5,34%
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 Main	4 511 687	547 490	12,13%
SEWERAGE	UISP	DESIGN: UPGRADING WESTON WWTW OUTFALL AND RETICULATION	167 175	166 306	99,48%
SEWERAGE	Internal	KWANOMZAMO SEWERAGE PUMP STATION	508 609	-	0,00%

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals as at 30 June 2025	%
CIVIL AND WATER SERVICES					
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	MIG	DESIGN: UGRADING JEFFREYS BAY SEWER PIPE IN OCEANVIEW	80 500	80 500	100,00%
SEWERAGE	MIG	UPGRADING KWANOMZAMO WWTW	29 174 457	29 174 066	100,00%
SEWERAGE	MIG	DESIGN: LA MER NEW SEWER RISING MAIN	200 000	200 000	100,00%
SEWERAGE	WSIG	Beach Sewer Pump Station and New Sewer Bypass	140 000	-	0,00%
SEWERAGE	WSIG	Loerie Sewer Pump Station upgrade and new sewer rising main	20 000	20 000	100,00%
WATER	UISP	Ramaphosa Village New Reservoir	735 065	164 850	22,43%
WATER	UISP	Kwanomzamo Bulk Water : New Pipeline	3 047 557	551 175	18,09%
WATER	UISP	Kruisfontein Bulk Water -Gill Marcus Reservoir and pipeline upgrade	3 196 225	694 478	21,73%
WATER	DOHS-FOIS	Humansdorp: Upgrading of informal settlements in Kwanomzamo (Bungalows, Polar Parks & Shukushukuma)	8 118 775	-	0,00%
WATER	DOHS-FOIS	Jeffreys Bay: Upgrading of Oceanview Informal Settlements	4 125 000	635 402	15,40%
WATER	DOHS-FOIS	Patensie: Upgrading of Informal Settlement (Cyril Ramaphosa)	2 629 602	-	0,00%
WATER	DOHS-FOIS	Humansdorp: Upgrading of Kruisfontein Settlement (Donkerhoek)	1 898 033	-	0,00%
WATER	DOHS-FOIS	Thornhill : Upgrading of Informal Settlement	1 399 200	-	0,00%
WATER	UISP	New Reservoir on Pnt 2 of the Farm Thornhill	2 440 926	970 638	39,77%
WATER	Internal	JILL MARCUS WATER SUPPLY	4 347 000	4 238 325	97,50%
WATER	Internal	Construction of Civil Services in Donkerhoek & Humansdorp	3 000 000	2 121 654	70,72%
WATER	Internal	HUMANSDORP GROUNDWATER SUPPLY	637 410	-	0,00%
WATER	WSIG	ST FRANCIS BAY: BOREHOLES	8 940 388	6 538 570	73,14%
WATER	WSIG	RETICULATION REPLACE PIPELINES	3 478 260	3 391 778	97,51%
WATER	WSIG	Replace Ageing Water Infrastructure in St Francis Bay	80 000	80 000	100,00%
WATER	WSIG	Replace Main Waterline Sout Rivier Bridge Crossing	100 000	100 000	100,00%
WATER	WSIG	PARADISE BEACH WATER TOWER	2 021 548	2 021 548	100,00%
WATER	WSIG	MIMOSA STREET PIPELINE REPLACEMENT	3 575 354	2 905 664	81,27%
			145 782 356	**79 332 244**	**54,42%**

DEPARTMENT	FUNDING SOURCE	PROJECT DESCRIPTION	Adjusted Budget 2024/25	Actuals as at 30 June 2025	%
COMMUNITY SERVICES					
FIRE SERVICES	DISTRICT	Fire Services - Vehicle (DISTRICT)	1 391 304	889 821	63,96%
LAW ENFORCEMENT	Internal	Computer Equipment - Operatons Room	242 320	208 874	86,20%
			1 633 624	**1 098 696**	**67,26%**
ELECTRO/MECHANICAL SERVICES					
ELECTRICITY	UISP	Oceanview Substation Upgrade	9 913 043	6 201 573	62,56%
ELECTRICITY	UISP	Kwanomzamo Bulk Electrical - Boskloof Secondary Feeder line & substation	18 347 420	18 699 262	101,92%
ELECTRICITY	UISP	Computer Equipment (UISP FUNDING)	217 391	-	0,00%
ELECTRICITY	INEP	OCEAN VIEW 1250 ELECTRIFICATION	2 845 480	2 541 522	89,32%
ELECTRICITY	Internal	Electrical Oil circuit breakers replacement with vacuum SCADA ready breakers	5 000 000	3 439 835	68,80%
ELECTRICITY	MIG	DESIGN: HIGH MAST LIGHTS	100 000	100 000	100,00%
FLEET AND WORKSHOP	Finance Lease	Vehicle	51 005 878	51 005 878	100,00%
			87 429 212	**81 988 070**	**93,78%**
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	Office Furniture	106 453	65 892	61,90%
REVENUE	Internal	Computer Equipment	22 477	-	0,00%
SUPPLY CHAIN MANAGEMENT	Internal	Computer Equipment	385 414	360 283	93,48%
			991 861	**901 568**	**90,90%**
OFFICE OF THE MUNICIPAL MANAGER					
RISK AND INTERNAL AUDIT UNITY	Internal	Furniture & Equipment	28 000	26 896	96,06%
			28 000	**26 896**	**96,06%**
OFFICE OF THE DEPUTY MUNICIPAL MANAGER					
ADMINISTRATION AND AUXILIARY SERVICES	Internal	Foyer - Furniture & Equipment	90 000	87 537	97,26%
COUNCIL	Internal	Ward Offices - Furniture & Equipment	150 000	147 952	98,63%
HUMAN RESOURCES	Internal	Furniture & Equipment	80 000	76 574	95,72%
INFORMATION TECHNOLOGY	Internal	Computer Equipment	1 412 789	1 408 269	99,68%
LEGAL SERVICES	Internal	Furniture & Equipment	50 000	49 980	99,96%
OFFICE OF THE DMM	Internal	DMM Office furniture	150 000	146 061	97,37%
			1 932 789	**1 916 373**	**99,15%**
PLANNING AND DEVELOPMENT					
HUMAN SETTLEMENT	Internal	HOMELESS SHELTER	1 400 000	-	0,00%
HUMAN SETTLEMENT	DOHS	HANKEY 990-PHASE 2	16 346 963	11 050 492	67,60%
HUMAN SETTLEMENT	DOHS	HANKEY 990-PHASE 3	4 208 993	-	0,00%
			21 955 956	**11 050 492**	**50,33%**
		Total	**259 753 798**	**176 314 340**	**67,88%**

Annexure "A3"

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

1.1. Projected Cash Flow Statement as at 30 June 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 – M12 June 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	20 104	282 423	288 628	(6 205)	-2%	288 628
Service charges		255 325	761 922	823 774	53 200	584 525	823 774	(239 250)	-29%	823 774
Other revenue		16 788	93 666	116 169	23 026	327 838	116 169	211 669	182%	116 169
Transfers and Subsidies - Operational		184 436	202 153	210 720	–	202 950	210 720	(7 771)	-4%	210 720
Transfers and Subsidies - Capital		1 586	123 443	139 125	9 551	82 671	139 125	(56 453)	-41%	139 125
Interest		914 663	13 998	15 498	1 134	13 887	15 498	(1 610)	-10%	15 498
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		771 377	(1 327 265)	(1 407 663)	(91 788)	(1 320 708)	(1 458 669)	(137 961)	9%	(1 407 663)
Interest		–	(16 159)	(11 097)	(1 581)	(11 238)	(11 097)	141	-1%	(11 097)
Transfers and Subsidies		–	(400)	(400)	–	–	(400)	(400)	100%	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**2 506 902**	**138 815**	**174 756**	**13 647**	**162 348**	**123 750**	**(38 599)**	**-31%**	**174 756**
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)	(33 099)	(202 897)	208 748	411 645	197%	(208 748)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(83 038)**	**(116 362)**	**(208 748)**	**(33 099)**	**(202 897)**	**208 748**	**411 645**	**197%**	**(208 748)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	100 000	–	100 000	100 000	–		100 000
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	(22 478)	(15 264)	(3 855)	(21 545)	–	21 545	0%	(15 264)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**(22 478)**	**84 736**	**(3 855)**	**78 455**	**100 000**	**21 545**	**22%**	**84 736**
NET INCREASE/ (DECREASE) IN CASH HELD		**2 423 864**	**(25)**	**50 743**	**(23 307)**	**37 907**	**432 498**			**50 743**
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	43 640	194 402		181 566	576 156			194 402

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

Table C1 Monthly Budget Statement Summary – M12 June 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	20 497	298 529	298 309	220	0%	298 309
Service charges	585 917	599 522	701 777	51 062	640 702	701 777	(61 075)	-9%	701 777
Investment revenue	12 962	13 998	15 498	554	13 167	15 498	(2 331)	-15%	15 498
Transfers and subsidies - Operational	198 630	202 153	210 720	617	205 382	210 720	(5 338)	-3%	210 720
Other own revenue	132 223	279 872	135 782	5 855	75 095	135 782	(60 687)	-45%	135 782
Total Revenue (excluding capital transfers and	**1 209 934**	**1 392 621**	**1 362 086**	**78 585**	**1 232 875**	**1 362 086**	**(129 211)**	**-9%**	**1 362 086**
Employee costs	398 878	471 743	479 710	32 032	406 720	479 710	(72 990)	-15%	479 710
Remuneration of Councillors	14 976	15 594	15 594	1 262	15 451	15 594	(143)	-1%	15 594
Depreciation and amortisation	102 539	117 798	117 798	9 817	117 798	117 798	0	0%	117 798
Interest	10 038	17 404	13 002	3 328	10 214	13 002	(2 787)	-21%	13 002
Inventory consumed and bulk purchases	454 301	495 318	519 900	54 161	536 529	519 900	16 629	3%	519 900
Transfers and subsidies	920	400	400	300	347	400	(53)	-13%	400
Other expenditure	327 630	387 217	313 362	42 681	221 734	313 362	(91 628)	-29%	313 362
Total Expenditure	**1 309 281**	**1 505 474**	**1 459 766**	**143 580**	**1 308 794**	**1 459 766**	**(150 972)**	**-10%**	**1 459 766**
Surplus/(Deficit)	**(99 347)**	**(112 853)**	**(97 680)**	**(64 994)**	**(75 919)**	**(97 680)**	**21 761**	**-22%**	**(97 680)**
Transfers and subsidies - capital (monetary allocations)	85 140	133 816	177 916	16 595	89 269	177 916	(88 647)	-50%	177 916
Transfers and subsidies - capital (in-kind)	18 000	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**3 792**	**20 963**	**80 236**	**(48 399)**	**13 350**	**80 236**	**(66 886)**	**-83%**	**80 236**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**3 792**	**20 963**	**80 236**	**(48 399)**	**13 350**	**80 236**	**(66 886)**	**-83%**	**80 236**
Capital expenditure & funds sources									
Capital expenditure	**92 915**	**150 362**	**259 754**	**28 782**	**176 314**	**259 754**	**(83 439)**	**-32%**	**259 754**
Capital transfers recognised	3 157	116 362	157 391	22 100	97 991	157 391	(59 400)	-38%	157 391
Borrowing	–	34 000	72 745	1 893	57 814	72 745	(14 931)	-21%	72 745
Internally generated funds	89 757	–	29 618	4 789	20 510	29 618	(9 109)	-31%	29 618
Total sources of capital funds	**92 915**	**150 362**	**259 754**	**28 782**	**176 314**	**259 754**	**(83 439)**	**-32%**	**259 754**
Financial position									
Total current assets	266 448	213 837	315 884		369 226				315 884
Total non current assets	2 312 828	2 369 948	2 454 784		2 371 345				2 454 784
Total current liabilities	293 952	225 392	281 424		267 428				281 424
Total non current liabilities	243 291	270 953	366 975		387 317				366 975
Community wealth/Equity	**2 042 033**	**2 087 440**	**2 122 268**		**2 085 827**				**2 122 268**
Cash flows									
Net cash from (used) operating	2 506 902	138 815	174 756	13 647	162 348	123 750	(38 599)	-31%	174 756
Net cash from (used) investing	(83 038)	(116 362)	(208 748)	(33 099)	(202 897)	208 748	411 645	197%	(208 748)
Net cash from (used) financing	–	(22 478)	84 736	(3 855)	78 455	100 000	21 545	22%	84 736
Cash/cash equivalents at the month/year end	**2 599 414**	**43 640**	**194 402**	**–**	**181 566**	**576 156**	**394 591**	**68%**	**194 402**
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	79 729	15 358	11 800	11 246	8 587	6 435	37 672	165 206	336 033
Creditors Age Analysis									
Total Creditors	72 932	81	(815)	72	23	221	49	(592)	71 971

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) – M12 June 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	22,067	448,811	499,867	(51,056)	-10%	499,867
Executive and council		46	142	142	–	53	142	(89)	-63%	142
Finance and administration		489,263	590,608	499,725	22,067	448,758	499,725	(50,967)	-10%	499,725
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		51,001	87,286	121,074	6,996	44,594	121,074	(76,479)	-63%	121,074
Community and social services		2,415	2,460	3,365	35	3,324	3,365	(41)	-1%	3,365
Sport and recreation		7,682	11,504	11,504	257	9,528	11,504	(1,976)	-17%	11,504
Public safety		1,792	1,857	1,857	1,506	1,535	1,857	(322)	-17%	1,857
Housing		35,790	68,969	101,747	5,190	26,697	101,747	(75,050)	-74%	101,747
Health		3,322	2,496	2,601	8	3,511	2,601	910	35%	2,601
Economic and environmental services		48,168	56,136	61,677	5,285	40,891	61,677	(20,787)	-34%	61,677
Planning and development		8,375	10,252	10,246	1,226	8,978	10,246	(1,268)	-12%	10,246
Road transport		16,518	19,972	32,160	3,034	12,128	32,160	(20,031)	-62%	32,160
Environmental protection		23,276	25,912	19,272	1,026	19,784	19,272	513	3%	19,272
Trading services		724,595	792,266	857,384	60,833	787,848	857,384	(69,536)	-8%	857,384
Energy sources		398,034	409,585	443,138	34,585	428,006	443,138	(15,131)	-3%	443,138
Water management		156,102	177,913	202,542	12,679	161,179	202,542	(41,363)	-20%	202,542
Waste water management		106,410	123,062	133,188	9,169	127,244	133,188	(5,945)	-4%	133,188
Waste management		64,049	81,707	78,516	4,400	71,420	78,516	(7,096)	-9%	78,516
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	1,313,073	1,526,437	1,540,002	95,181	1,322,144	1,540,002	(217,858)	-14%	1,540,002
Expenditure - Functional										
Governance and administration		328,779	362,481	367,998	31,143	314,106	367,998	(53,892)	-15%	367,998
Executive and council		57,143	61,996	60,189	4,895	61,797	60,189	1,608	3%	60,189
Finance and administration		271,580	299,963	307,392	26,236	252,163	307,392	(55,229)	-18%	307,392
Internal audit		57	523	418	12	146	418	(271)	-65%	418
Community and public safety		104,281	140,104	138,745	10,580	111,158	138,745	(27,587)	-20%	138,745
Community and social services		9,188	13,952	13,796	733	9,288	13,796	(4,508)	-33%	13,796
Sport and recreation		52,608	75,205	72,142	5,937	57,490	72,142	(14,652)	-20%	72,142
Public safety		28,701	33,254	33,274	2,616	29,522	33,274	(3,752)	-11%	33,274
Housing		5,817	9,703	11,670	769	7,186	11,670	(4,484)	-38%	11,670
Health		7,968	7,991	7,863	525	7,672	7,863	(190)	-2%	7,863
Economic and environmental services		126,118	288,532	195,675	19,425	146,142	195,675	(49,533)	-25%	195,675
Planning and development		27,163	32,149	37,410	3,908	27,025	37,410	(10,385)	-28%	37,410
Road transport		86,718	246,274	149,475	12,643	110,582	149,475	(38,892)	-26%	149,475
Environmental protection		12,237	10,109	8,790	2,874	8,535	8,790	(255)	-3%	8,790
Trading services		743,328	714,357	757,328	82,432	737,385	757,328	(19,943)	-3%	757,328
Energy sources		426,149	453,172	494,191	53,406	486,417	494,191	(7,775)	-2%	494,191
Water management		161,924	108,542	108,776	12,056	111,543	108,776	2,767	3%	108,776
Waste water management		103,926	88,779	89,677	10,004	77,080	89,677	(12,598)	-14%	89,677
Waste management		51,329	63,864	64,683	6,967	62,346	64,683	(2,337)	-4%	64,683
Other		6,775	–	20	–	3	20	(17)	-86%	20
Total Expenditure - Functional	3	1,309,281	1,505,474	1,459,766	143,580	1,308,794	1,459,766	(150,972)	-10%	1,459,766
Surplus/ (Deficit) for the year		3,792	20,963	80,236	(48,399)	13,350	80,236	(66,886)	-83%	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 – M12 June 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	268	2,193	1,683	510	30.3%	1,683
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		158,151	446,890	454,924	21,694	451,970	454,924	(2,954)	-0.6%	454,924
Vote 4 - COMMUNITY SERVICES		148,611	276,782	168,477	7,500	112,110	168,477	(56,366)	-33.5%	168,477
Vote 5 - CIVIL AND WATER SERVICES		274,288	314,671	361,609	25,093	293,786	361,609	(67,823)	-18.8%	361,609
Vote 6 - ELECTRO/MECHANICAL SERVICES		398,035	409,586	443,139	34,618	428,429	443,139	(14,711)	-3.3%	443,139
Vote 7 - PLANNING AND DEVELOPMENT		41,392	77,392	110,171	6,007	33,638	110,171	(76,533)	-69.5%	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	1,022,165	1,526,437	1,540,002	95,180	1,322,126	1,540,002	(217,876)	-14.1%	1,540,002
Expenditure by Vote	1									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		27,222	31,456	31,803	2,095	28,524	31,803	(3,280)	-10.3%	31,803
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		114,919	128,955	127,824	13,888	119,880	127,824	(7,944)	-6.2%	127,824
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		103,128	141,869	136,835	9,459	100,299	136,835	(36,536)	-26.7%	136,835
Vote 4 - COMMUNITY SERVICES		218,052	386,594	291,128	24,973	234,636	291,128	(56,493)	-19.4%	291,128
Vote 5 - CIVIL AND WATER SERVICES		348,309	316,288	325,759	34,684	294,342	325,759	(31,416)	-9.6%	325,759
Vote 6 - ELECTRO/MECHANICAL SERVICES		442,656	466,160	507,837	54,710	502,031	507,837	(5,806)	-1.1%	507,837
Vote 7 - PLANNING AND DEVELOPMENT		23,509	34,152	38,579	3,771	29,082	38,579	(9,497)	-24.6%	38,579
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	1,277,796	1,505,474	1,459,766	143,580	1,308,794	1,459,766	(150,972)	-10.3%	1,459,766
Surplus/ (Deficit) for the year	2	(255,631)	20,963	80,236	(48,400)	13,332	80,236	(66,904)	-83.4%	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) – M12 June 2025

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
									%	
Revenue										
Exchange Revenue		649,363	667,935	772,257	55,519	696,207	772,257	(76,050)	-10%	772,257
Service charges - Electricity		369,614	381,991	425,559	33,033	411,348	425,559	(14,211)	-3%	425,559
Service charges - Water		102,795	82,323	138,057	7,591	104,555	138,057	(33,502)	-24%	138,057
Service charges - Waste Water Management		56,020	64,086	76,014	5,357	66,118	76,014	(9,896)	-13%	76,014
Service charges - Waste management		57,488	71,123	62,146	5,082	58,681	62,146	(3,465)	-6%	62,146
Sale of Goods and Rendering of Services		7,442	9,533	9,533	784	6,660	9,533	(2,872)	-30%	9,533
Agency services		3,615	4,554	4,554	–	–	4,554	(4,554)	-100%	4,554
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		21,854	32,335	32,335	1,462	22,147	32,335	(10,188)	-32%	32,335
Interest earned from Current and Non Current Assets		12,962	13,998	15,498	554	13,167	15,498	(2,331)	-15%	15,498
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		3,550	3,187	3,187	330	4,050	3,187	864	27%	3,187
Licence and permits		2,368	2,851	2,851	152	2,303	2,851	(548)	-19%	2,851
Operational Revenue		11,654	1,955	2,523	1,174	7,177	2,523	4,654	184%	2,523
Non-Exchange Revenue		560,571	724,686	589,829	23,067	536,668	589,829	(53,161)	-9%	589,829
Property rates		280,203	297,076	298,309	20,497	298,529	298,309	220	0%	298,309
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		40,084	143,343	43,859	163	1,243	43,859	(42,616)	-97%	43,859
Licence and permits		7,421	11,772	11,772	237	9,058	11,772	(2,714)	-23%	11,772
Transfer and subsidies - Operational		198,630	202,153	210,720	617	205,382	210,720	(5,338)	-3%	210,720
Interest		5,519	5,510	5,510	362	3,214	5,510	(2,297)	-42%	5,510
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		21,452	64,831	19,658	1,191	19,242	19,658	(416)	-2%	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**	**78,585**	**1,232,875**	**1,362,086**	**(129,211)**	**-9%**	**1,362,086**
Expenditure By Type										
Employee related costs		398,878	471,743	479,710	32,032	406,720	479,710	(72,990)	-15%	479,710
Remuneration of councillors		14,976	15,594	15,594	1,262	15,451	15,594	(143)	-1%	15,594
Bulk purchases - electricity		351,702	386,299	413,349	43,550	427,463	413,349	14,114	3%	413,349
Inventory consumed		102,599	109,019	106,550	10,612	109,065	106,550	2,515	2%	106,550
Debt impairment		87,369	158,246	(108,015)	–	(165,578)	(108,015)	(57,562)	53%	(108,015)
Depreciation and amortisation		102,539	117,798	117,798	9,817	117,798	117,798	0	0%	117,798
Interest		10,038	17,404	13,002	3,328	10,214	13,002	(2,787)	-21%	13,002
Contracted services		93,766	125,372	145,466	23,025	121,976	145,466	(23,490)	-16%	145,466
Transfers and subsidies		920	400	400	300	347	400	(53)	-13%	400
Irrecoverable debts written off		62,860	9,359	177,229	5,986	173,523	177,229	(3,706)	-2%	177,229
Operational costs		81,923	94,240	98,683	13,671	91,813	98,683	(6,870)	-7%	98,683
Losses on Disposal of Assets		1,713	–	–	–	0	–	0		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**1,309,281**	**1,505,474**	**1,459,766**	**143,580**	**1,308,794**	**1,459,766**	**(150,972)**	**-10%**	**1,459,766**
Surplus/(Deficit)		**(99,347)**	**(112,853)**	**(97,680)**	**(64,994)**	**(75,919)**	**(97,680)**	**21,761**	**(0)**	**(97,680)**
Transfers and subsidies - capital (monetary allocations)		85,140	133,816	177,916	16,595	89,269	177,916	(88,647)	(0)	177,916
Transfers and subsidies - capital (in-kind)		18,000	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers &		**3,792**	**20,963**	**80,236**	**(48,399)**	**13,350**	**80,236**			**80,236**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**3,792**	**20,963**	**80,236**	**(48,399)**	**13,350**	**80,236**			**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**	**(48,399)**	**13,350**	**80,236**			**80,236**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**3,792**	**20,963**	**80,236**	**(48,399)**	**13,350**	**80,236**			**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) – M12 June 2025

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited	Original	Adjusted	Monthly	YearTD	YearTD	YTD	YTD	Full Year
R thousands	1	Outcome	Budget	Budget	Actual	Actual	Budget	Variance	Variance %	Forecast
Multi-Year expenditure appropriation	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		71	–	–	–	–	–	–		–
Vote 2 - OFFICE OF THE DEPUTY MUNICIPAL MANAGER		1,129	–	1,933	464	1,916	1,933	(16)	-1%	1,933
Vote 3 - FINANCE AND ECONOMIC DEVELOPMENT		810	–	992	297	902	992	(90)	-9%	992
Vote 4 - COMMUNITY SERVICES		3,914	1,391	1,634	890	1,099	1,634	(535)	-33%	1,634
Vote 5 - CIVIL AND WATER SERVICES		50,070	80,868	145,782	13,485	79,332	145,782	(66,450)	-46%	145,782
Vote 6 - ELECTRO/MECHANICAL SERVICES		167	68,103	87,429	12,799	81,988	87,429	(5,441)	-6%	87,429
Vote 7 - PLANNING AND DEVELOPMENT		(23)	–	21,956	820	11,050	21,956	(10,905)	-50%	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**	**28,755**	**176,287**	**259,726**	**(83,438)**	**-32%**	**259,726**
Single Year expenditure appropriation	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		39	–	28	27	27	28	(1)	-4%	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	27	27	28	(1)	-4%	28
Total Capital Expenditure	3	**92,915**	**150,362**	**259,754**	**28,782**	**176,314**	**259,754**	**(83,439)**	**-32%**	**259,754**
Capital Expenditure - Functional Classification										
Governance and administration		**2,644**	**34,000**	**54,101**	**788**	**53,960**	**54,101**	(141)	0%	**54,101**
Executive and council		336	–	300	113	294	300	(6)	-2%	300
Finance and administration		2,270	34,000	53,773	648	53,639	53,773	(134)	0%	53,773
Internal audit		39	–	28	27	27	28	(1)	-4%	28
Community and public safety		**9,879**	**1,391**	**21,947**	**1,710**	**11,940**	**21,947**	(10,007)	-46%	**21,947**
Community and social services		6,562	–	–	–	–	–	–		–
Sport and recreation		506	–	–	–	–	–	–		–
Public safety		2,810	1,391	1,391	890	890	1,391	(501)	-36%	1,391
Housing		–	–	20,556	820	11,050	20,556	(9,505)	-46%	20,556
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**29,125**	**9,670**	**44,907**	**7,370**	**17,413**	**44,907**	(27,494)	-61%	**44,907**
Planning and development		14	500	3,482	524	1,324	3,482	(2,158)	-62%	3,482
Road transport		28,869	9,170	41,425	6,846	16,088	41,425	(25,336)	-61%	41,425
Environmental protection		242	–	–	–	–	–	–		–
Trading services		**51,267**	**105,300**	**138,799**	**18,915**	**93,001**	**138,799**	(45,797)	-33%	**138,799**
Energy sources		5,703	34,103	36,423	12,799	30,982	36,423	(5,441)	-15%	36,423
Water management		21,197	29,008	53,133	3,394	24,414	53,133	(28,719)	-54%	53,133
Waste water management		22,809	42,190	49,242	2,721	37,605	49,242	(11,637)	-24%	49,242
Waste management		1,557	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**92,915**	**150,362**	**259,754**	**28,782**	**176,314**	**259,754**	**(83,439)**	**-32%**	**259,754**
Funded by:										
National Government		347	54,997	70,927	11,622	56,898	70,927	(14,028)	-20%	70,927
Provincial Government		–	59,973	85,073	9,588	40,202	85,073	(44,870)	-53%	85,073
District Municipality		2,810	1,391	1,391	890	890	1,391	(501)	-36%	1,391
[illegible]										
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–		–
Transfers recognised - capital		**3,157**	**116,362**	**157,391**	**22,100**	**97,991**	**157,391**	**(59,400)**	**-38%**	**157,391**
Borrowing	6	–	34,000	72,745	1,893	57,814	72,745	(14,931)	-21%	72,745
Internally generated funds		89,757	–	29,618	4,789	20,510	29,618	(9,109)	-31%	29,618
Total Capital Funding	7	**92,915**	**150,362**	**259,754**	**28,782**	**176,314**	**259,754**	**(83,439)**	**-32%**	**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 – M12 June 2025

Description R thousands	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
ASSETS	1					
Current assets						
Cash and cash equivalents		143 659	43 640	194 402	181 566	194 402
Trade and other receivables from exchange transactions		58 750	77 030	59 899	119 951	59 899
Receivables from non-exchange transactions		26 651	29 014	26 651	11 678	26 651
Current portion of non-current receivables		–	–	–	–	–
Inventory		22 450	18 598	21 143	26 298	21 143
VAT		12 790	45 445	12 790	27 574	12 790
Other current assets		2 149	109	999	2 160	999
Total current assets		**266 448**	**213 837**	**315 884**	**369 226**	**315 884**
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	2 120 719	2 203 572
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		419	603	419	(168)	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**	**2 371 345**	**2 454 784**
TOTAL ASSETS		**2 579 276**	**2 583 785**	**2 770 668**	**2 740 571**	**2 770 668**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		11 144	23 564	38 274	(5 503)	38 274
Consumer deposits		31 660	29 060	31 660	34 771	31 660
Trade and other payables from exchange transactions		143 222	124 413	141 915	141 253	141 915
Trade and other payables from non-exchange transactions		38 791	–	0	31 433	0
Provision		54 427	48 355	54 868	54 427	54 868
VAT		14 707	(0)	14 707	11 048	14 707
Other current liabilities		–	–	–	–	–
Total current liabilities		**293 952**	**225 392**	**281 424**	**267 428**	**281 424**
Non current liabilities						
Financial liabilities		12 231	11 333	120 843	156 256	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**	**387 317**	**366 975**
TOTAL LIABILITIES		**537 243**	**496 345**	**648 400**	**654 745**	**648 400**
NET ASSETS	2	**2 042 033**	**2 087 440**	**2 122 268**	**2 085 827**	**2 122 268**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		2 036 274	2 087 440	2 122 268	2 083 640	2 122 268
Reserves and funds		5 759	–	–	2 186	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**2 042 033**	**2 087 440**	**2 122 268**	**2 085 827**	**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 – M12 June 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	20 104	282 423	288 628	(6 205)	-2%	288 628
Service charges		255 325	761 922	823 774	53 200	584 525	823 774	(239 250)	-29%	823 774
Other revenue		16 788	93 666	116 169	23 026	327 838	116 169	211 669	182%	116 169
Transfers and Subsidies - Operational		184 436	202 153	210 720	–	202 950	210 720	(7 771)	-4%	210 720
Transfers and Subsidies - Capital		1 586	123 443	139 125	9 551	82 671	139 125	(56 453)	-41%	139 125
Interest		914 663	13 998	15 498	1 134	13 887	15 498	(1 610)	-10%	15 498
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		771 377	(1 327 265)	(1 407 663)	(91 788)	(1 320 708)	(1 458 669)	(137 961)	9%	(1 407 663)
Interest		–	(16 159)	(11 097)	(1 581)	(11 238)	(11 097)	141	-1%	(11 097)
Transfers and Subsidies		–	(400)	(400)	–	–	(400)	(400)	100%	(400)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**2 506 902**	**138 815**	**174 756**	**13 647**	**162 348**	**123 750**	**(38 599)**	**-31%**	**174 756**
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)	(33 099)	(202 897)	208 748	411 645	197%	(208 748)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(83 038)**	**(116 362)**	**(208 748)**	**(33 099)**	**(202 897)**	**208 748**	**411 645**	**197%**	**(208 748)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	100 000	–	100 000	100 000	–		100 000
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	(22 478)	(15 264)	(3 855)	(21 545)	–	21 545	0%	(15 264)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**(22 478)**	**84 736**	**(3 855)**	**78 455**	**100 000**	**21 545**	**22%**	**84 736**
NET INCREASE/ (DECREASE) IN CASH HELD		**2 423 864**	**(25)**	**50 743**	**(23 307)**	**37 907**	**432 498**			**50 743**
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	43 640	194 402		181 566	576 156			194 402

Explanatory notes to Table C7 – Budgeted Cash Flow Statement

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

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

Annexure "A5"

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

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

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

Below is an analysis of the outstanding consumer debtors as at 30 June 2025, compared to the position as at 30 June 2024.

Debtors' Age Analysis (Inclusive of VAT) as at 30 June 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	28,680	5,190	4,620	4,594	3,061	2,488	11,553	38,052	98,238
Trade and Other Receivables from Exchange Transactions - Electricity	35,660	2,601	1,789	1,437	1,179	898	4,080	12,231	59,875
Receivables from Non-exchange Transactions - Property Rates	22,917	2,601	1,859	1,593	1,365	1,265	10,636	29,366	71,601
Receivables from Exchange Transactions - Waste Water Management	12,361	1,881	1,655	1,800	1,305	778	3,775	15,177	38,732
Receivables from Exchange Transactions - Waste Management	9,817	1,360	1,194	1,107	1,008	532	2,915	19,392	37,325
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	4,827	1,351	343	406	366	317	2,848	38,902	49,359
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(34,533)	374	340	310	303	158	1,865	12,086	(19,097)
Total By Income Source	**79,729**	**15,358**	**11,800**	**11,246**	**8,587**	**6,435**	**37,672**	**165,206**	**336,033**
Debtors Age Analysis By Customer Group									
Organs of State	(46)	793	608	624	396	317	2,209	7,514	12,415
Commercial	10,797	489	415	382	289	257	1,240	7,397	21,267
Households	68,974	14,074	10,775	10,239	7,900	5,860	34,217	150,280	302,321
Other	4	1	1	1	1	1	6	15	29
Total By Customer Group	**79,729**	**15,358**	**11,800**	**11,246**	**8,587**	**6,435**	**37,672**	**165,206**	**336,033**

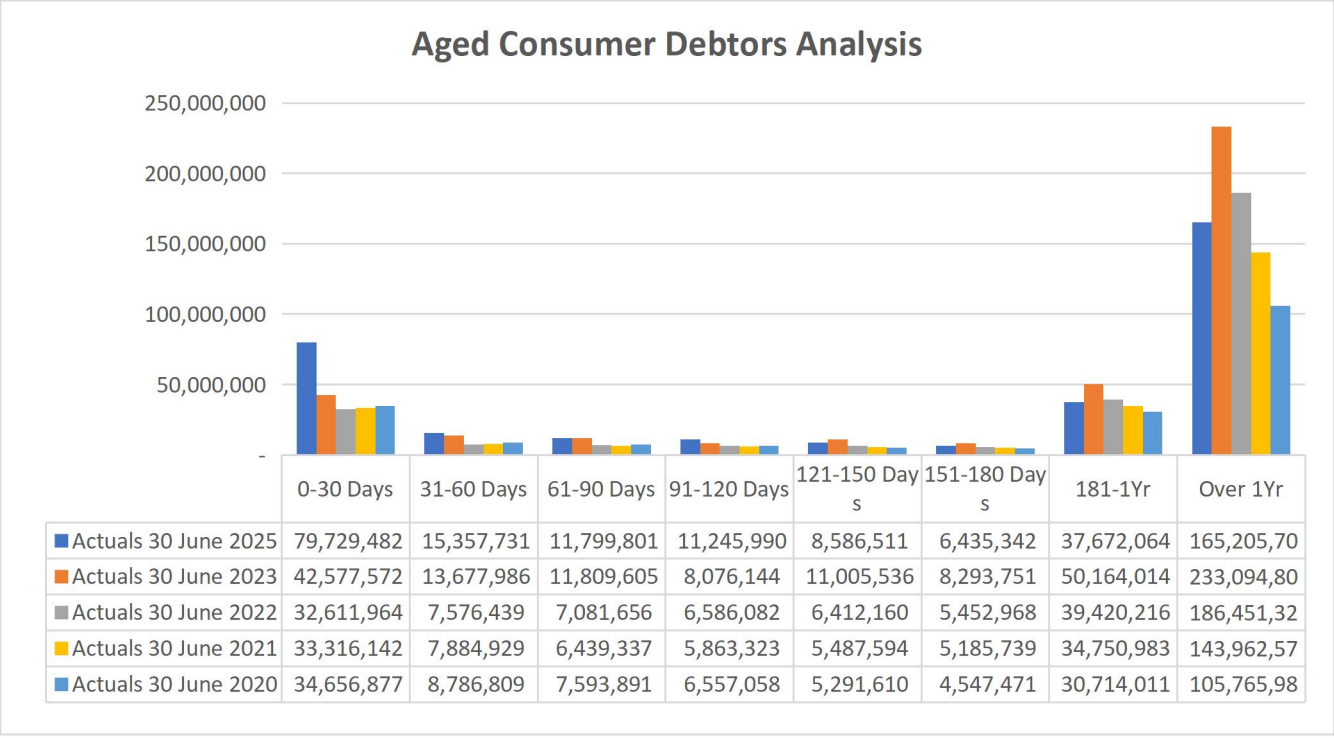
Debtors' Age Analysis (Inclusive of VAT) as at 30 June 2024

Description	Budget Year 2023/24								
R thousands	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	16,926	4,991	3,560	2,947	2,757	3,342	23,674	81,485	139,681
Trade and Other Receivables from Exchange Transactions - Electricity	30,100	2,656	1,822	1,523	1,227	1,205	3,967	12,087	54,588
Receivables from Non-exchange Transactions - Property Rates	20,688	2,926	2,041	1,917	1,656	1,607	12,274	25,329	68,439
Receivables from Exchange Transactions - Waste Water Management	8,472	1,630	1,289	1,139	1,069	1,426	5,337	31,828	52,190
Receivables from Exchange Transactions - Waste Management	6,656	1,404	1,250	1,181	1,129	1,384	5,914	45,009	63,925
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1,047	293	312	353	395	688	4,539	65,856	73,483
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(30,180)	448	401	356	365	371	2,128	17,423	(8,688)
Total By Income Source	**53,707**	**14,348**	**10,675**	**9,416**	**8,597**	**10,023**	**57,833**	**279,018**	**443,618**
Debtors Age Analysis By Customer Group									
Organs of State	1,405	559	416	572	440	360	2,688	4,873	11,312
Commercial	7,621	589	366	362	305	260	1,475	6,618	17,596
Households	44,677	13,199	9,892	8,482	7,852	9,403	53,664	267,524	414,692
Other	4	1	1	1	1	1	6	4	18
Total By Customer Group	**53,707**	**14,348**	**10,675**	**9,416**	**8,597**	**10,023**	**57,833**	**279,018**	**443,618**

The analysis indicates that from 30 June 2024 to 30 June 2025, the overdue debts have decreased by R 133,607 million from R 389,910 million to R 256,303 million, as follows:

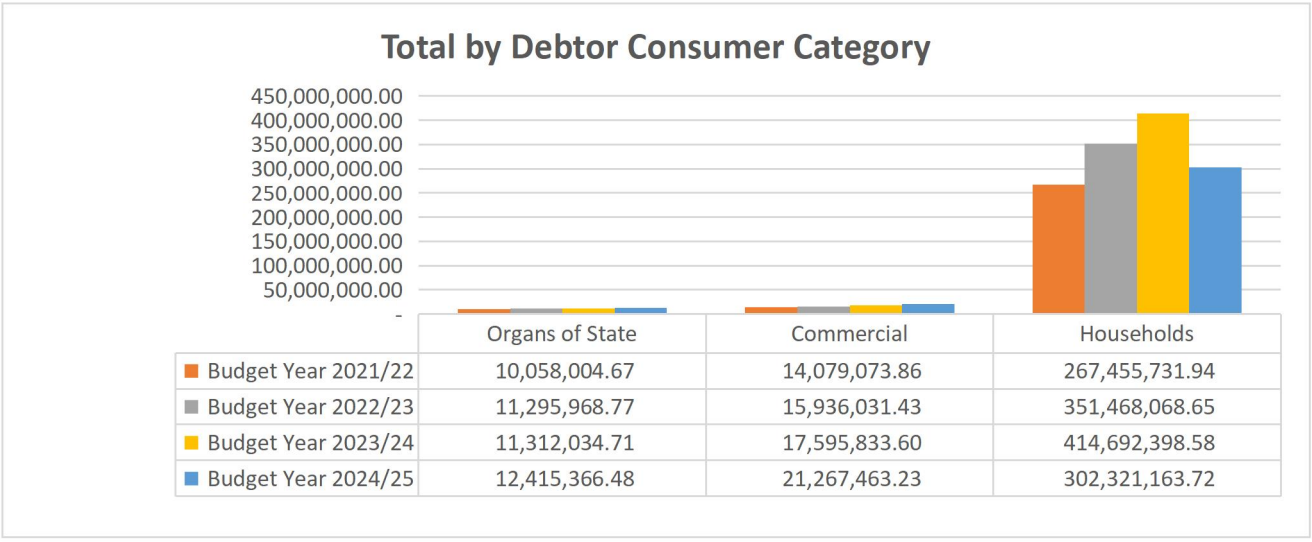
R thousands	OVERDUE AMOUNTS AS AT		
Debtors Age Analysis By Income Source	**30-Jun-24**	**30-Jun-25**	**DIFFERENCE**
Trade and Other Receivables from Exchange Transactions - Water	122,756	69,558	(53,198)
Trade and Other Receivables from Exchange Transactions - Electricity	24,488	24,215	(273)
Receivables from Non-exchange Transactions - Property Rates	47,751	48,684	934
Receivables from Exchange Transactions - Waste Water Management	43,719	26,371	(17,348)
Receivables from Exchange Transactions - Waste Management	57,269	27,508	(29,761)
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–
Interest on Arrear Debtor Accounts	72,437	44,532	(27,905)
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–
Other	21,492	15,436	(6,056)
Total By Income Source	**389,910**	**256,303**	**(133,607)**
Debtors Age Analysis By Customer Group			
Organs of State	9,907	12,461	2,554
Commercial	9,975	10,471	496
Households	370,015	233,347	(136,669)
Other	14	25	11
Total By Customer Group	**389,910**	**256,303**	**(133,607)**

Graphical Analysis of consumer debtors



	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181-1Yr	Over 1Yr
Actuals 30 June 2025	79,729,482	15,357,731	11,799,801	11,245,990	8,586,511	6,435,342	37,672,064	165,205,70
Actuals 30 June 2023	42,577,572	13,677,986	11,809,605	8,076,144	11,005,536	8,293,751	50,164,014	233,094,80
Actuals 30 June 2022	32,611,964	7,576,439	7,081,656	6,586,082	6,412,160	5,452,968	39,420,216	186,451,32
Actuals 30 June 2021	33,316,142	7,884,929	6,439,337	5,863,323	5,487,594	5,185,739	34,750,983	143,962,57
Actuals 30 June 2020	34,656,877	8,786,809	7,593,891	6,557,058	5,291,610	4,547,471	30,714,011	105,765,98

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



	Organs of State	Commercial	Households
Budget Year 2021/22	10,058,004.67	14,079,073.86	267,455,731.94
Budget Year 2022/23	11,295,968.77	15,936,031.43	351,468,068.65
Budget Year 2023/24	11,312,034.71	17,595,833.60	414,692,398.58
Budget Year 2024/25	12,415,366.48	21,267,463.23	302,321,163.72

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	49,017	–	–	–	–	–	–	–	**49,017**
Bulk Water	4,495	22	(947)	32	15	14	49	(976)	**2,704**
PAYE deductions	6,073	–	–	–	–	–	–	–	**6,073**
VAT (output less input)									**–**
Pensions / Retirement deductions									**–**
Loan repayments									**–**
Trade Creditors	13,346	59	132	39	8	207	–	384	**14,176**
Auditor General									**–**
Other									**–**
Total By Customer Type	**72,932**	**81**	**(815)**	**72**	**23**	**221**	**49**	**(592)**	**71,971**

The above amounts represent invoices still to be paid. The major creditors as at 30 June 2025 are as follows:

Eskom	R 49,017 million
NMBM	R 2,704 million
PAYE	R 6,073 million
Other Creditors	R 14,176 million
Total	**R 71,971 million**

It must be noted that the Eskom amount of R 49,017 million, represents the current account for June 2025, which is due on 23 July 2025.

It is to be noted that the SARS amount of R 6,073 million, represents the current account for June 2025, which is due on 4 July 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 – M12 June 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**	**197,704**	**8**	**0.00%**	**197,704**
Operational Revenue:General Revenue:Equitable Share	192,664	192,664	-	192,656	192,664	8	0.00%	192,664
Expanded Public Works Programme Integrated Grant for Municipalities [Sched	1,495	1,495	-	1,495	1,495	-	0.00%	1,495
Local Government Financial Management Grant [Schedule 5B]	1,723	1,723	-	1,723	1,723	-	0.00%	1,723
Municipal Infrastructure Grant [Schedule 5B]	1,828	1,822	-	1,822	1,822	-	0.00%	1,822
Provincial Government:	**2,050**	**9,952**	**-**	**3,856**	**9,952**	**6,096**	**61.25%**	**9,952**
Human Settlement Grant	-	6,997	-	901	6,997	6,096	87.12%	6,997
Library grant	2,050	2,955	-	2,955	2,955	-	0.00%	2,955
District Municipality:	**2,393**	**2,498**	**-**	**3,330**	**2,498**	**(832)**	**-33.33%**	**2,498**
Environmental health subsidy	2,393	2,498	-	3,330	2,498	(832)	-33.33%	2,498
Other grant providers:	-	50	-	-	50	**50**	**100.00%**	**50**
Departmental Agencies and Accounts	-	50	-	-	50	50	100.00%	50
Total Operating Transfers and Grants	**202,153**	**210,204**	**-**	**204,882**	**210,204**	**5,321**	**2.53%**	**210,204**
Capital Transfers and Grants								
National Government:	**52,874**	**63,331**	**-**	**63,331**	**63,331**	**-**	**0%**	**63,331**
Municipal Disaster Relief Grant	-	12,180	-	12,180	12,180	-	0%	12,180
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4,203	2,586	-	2,586	2,586	-	0%	2,586
Municipal Infrastructure Grant [Schedule 5B]	34,730	34,624	-	34,624	34,624	-	0%	34,624
Water Services Infrastructure Grant	13,941	13,941	-	13,941	13,941	-	0%	13,941
Provincial Government:	**68,969**	**74,194**	**8,053**	**17,983**	**74,194**	**56,211**	**76%**	**74,194**
Human Settlement Grant	68,969	74,194	8,053	17,983	74,194	56,211	76%	74,194
District Municipality:	**1,600**	**1,498**	**1,498**	**1,498**	**1,498**	**-**	**0%**	**1,498**
Fire Services Subsidy	1,600	1,498	1,498	1,498	1,498	-	0%	1,498
Total Capital Transfers and Grants	**123,443**	**139,023**	**9,551**	**82,812**	**139,023**	**56,211**	**40%**	**139,023**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	**325,596**	**349,227**	**9,551**	**287,694**	**349,227**	**61,532**	**17.62%**	**349,227**

Below is an analysis of the spending associated with the grants as at 30 June 2025:

Supporting Table SC7 Monthly Budget Statement – transfers and grants expenditure – M12 June 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	617	197,696	197,704	8	0	197,704
Operational Revenue:General Revenue:Equitable Share	192,664	192,664	–	192,656	192,664	8	0%	192,664
Expanded Public Works Programme Integrated Grant for Municipalities [Sched	1,495	1,495	–	1,495	1,495	(0)	0%	1,495
Local Government Financial Management Grant [Schedule 5B]	1,723	1,723	219	1,723	1,723	–	0%	1,723
Municipal Infrastructure Grant [Schedule 5B]	1,828	1,822	398	1,822	1,822	–	0%	1,822
Provincial Government:	2,050	9,952	–	3,856	9,952	6,096	0	9,952
Human Settlement Grant	–	6,997	–	901	6,997			6,997
Library grant	2,050	2,955	–	2,955	2,955	–		2,955
District Municipality:	2,393	2,498	–	3,330	2,498	(832)	(0)	2,498
Environmental health subsidy	2,393	2,498	–	3,330	2,498	(832)	-33%	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	617	204,882	210,204	5,321	28%	210,204
Capital expenditure of Transfers and Grants								
National Government:	63,247	70,499	9,908	61,975	70,499	8,523	0.12	70,499
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4,203	2,586	600	2,460	2,586	126	5%	2,586
Municipal Infrastructure Grant [Schedule 5B]	34,730	34,624	3,374	34,597	34,624	26	0%	34,624
Water Services Infrastructure Grant	13,941	21,109	3,092	17,161	21,109	3,948	19%	21,109
Municipal Disaster Relief Grant	10,373	12,180	2,841	7,756	12,180	4,424	36%	12,180
Provincial Government:	75,655	74,194	5,190	25,796	74,194	48,399	65%	74,194
Human Settlement	75,655	74,194	5,190	25,796	74,194	48,399	65%	74,194
District Municipality:	1,391	1,391	890	890	1,391	501		1,391
Fire Services Subsidy	1,391	1,391	890	890	1,391	501		1,391
Total capital expenditure of Transfers and Grants	140,294	146,084	15,987	88,661	146,084	57,423	39%	146,084
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	342,446	356,288	16,604	293,543	356,288	62,745	18%	356,288

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 1,723,000
Unspent as at 30 June 2025:	R 0,00

The spending of the grant amounted to 100% as at 30 June 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 30 June 2025:	R 0,00

The spending of the grant amounted to 100% as at 30 June 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 36,419,664
Unspent as at 30 June 2025:	R 26,336

The spending of the grant amounted to 99.93% as at 30 June 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 2,460,468
Unspent as at 30 June 2025:	R 811,834

The spending of the grant amounted to 75.19% as at 30 June 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 17,160,946
Unspent as at 30 June 2025:	R 3,947,940

The spending of the grant amounted to 81.30% as at 30 June 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 7,756,475
Unspent as at 30 June 2025:	R 14,804,266

The spending of the grant amounted to 34.38% as at 30 June 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 30 June 2025
Human Settlement Grant	20,555,956	16,306,703	1,676,366	26,696,603	70.55%	11,842,422

1.4 Councillor and employee benefits

Below is an analysis of Councillor and employee benefits:

Table SC8 Monthly Budget Statement – Councillor and staff benefits – M12 June 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	855	10,502	10,414	89	1%	10,414
Pension and UIF Contributions	–	–	–	–	–	–		–
Medical Aid Contributions	–	–	–	–	–	–		–
Motor Vehicle Allowance	3,503	3,503	289	3,539	3,503	36	1%	3,503
Cellphone Allowance	1,678	1,678	118	1,410	1,678	(268)	-16%	1,678
Housing Allowances	–	–	–	–	–	–		–
Sub Total - Councillors	**15,594**	**15,594**	**1,262**	**15,451**	**15,594**	**(143)**	**-1%**	**15,594**
Senior Managers of the Municipality								
Basic Salaries and Wages	9,681	9,681	704	7,247	9,681	(2,434)	-25%	9,681
Pension and UIF Contributions	123	123	1	18	123	(106)	-86%	123
Medical Aid Contributions	56	56	–	3	56	(53)	-95%	56
Performance Bonus	1,798	1,798	–	1,549	1,798	(249)	-14%	1,798
Motor Vehicle Allowance	2,196	2,196	230	2,445	2,196	249	11%	2,196
Cellphone Allowance	11	11	2	13	11	2	21%	11
Other benefits and allowances	5	5	0	1	5	(4)	-85%	5
Sub Total - Senior Managers of Municipality	**13,870**	**13,870**	**937**	**11,275**	**13,870**	**(2,594)**	**-19%**	**13,870**
Other Municipal Staff								
Basic Salaries and Wages	295,150	300,303	20,163	245,289	300,303	(55,015)	-18%	300,303
Pension and UIF Contributions	38,991	40,624	3,134	36,896	40,624	(3,728)	-9%	40,624
Medical Aid Contributions	19,915	20,842	1,809	21,406	20,842	564	3%	20,842
Overtime	29,255	32,235	2,995	30,078	32,235	(2,158)	-7%	32,235
Performance Bonus	26	26	–	–	26	(26)	-100%	26
Motor Vehicle Allowance	12,091	12,182	864	10,506	12,182	(1,675)	-14%	12,182
Cellphone Allowance	59	59	1	3	59	(57)	-96%	59
Housing Allowances	1,308	1,467	58	688	1,467	(778)	-53%	1,467
Other benefits and allowances	37,715	39,741	1,709	34,487	39,741	(5,255)	-13%	39,741
Long service awards	–	–	–	243	–	243		–
Post-retirement benefit obligations	23,361	18,361	362	15,850	18,361	(2,511)	-14%	18,361
Sub Total - Other Municipal Staff	**457,873**	**465,841**	**31,094**	**395,445**	**465,841**	**(70,396)**	**-15%**	**465,841**
Total Parent Municipality	**487,337**	**495,305**	**33,293**	**422,171**	**495,305**	**(73,133)**	**-15%**	**495,305**
TOTAL SALARY, ALLOWANCES & BENEFITS	**487,337**	**495,305**	**33,293**	**422,171**	**495,305**	**(73,133)**	**-15%**	**495,305**
TOTAL MANAGERS AND STAFF	**471,743**	**479,710**	**32,032**	**406,720**	**479,710**	**(72,990)**	**-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 30 June 2025**
Capital Charges to Operating Expenditure	Interest & principal paid/Total Operating Expenditure	1.13%	1.04%	0.32%	0.72%	1.80%	2.50%
Borrowed funding of "own" capital expenditure	Borrowings/Capital expenditure excl. transfers & grants	0%	0%	0%	0%	337.63%	487,58%
Debt Servicing Costs to Operating Revenue	Debt Servicing Costs / Total Operating Revenue - Conditional Grants	0.01	0.01	0.00	0.01	0.02	0.03
Liquidity							
Current Ratio	Current assets / current liabilities	1.07	0,51	0.91	1.24:1	1.04:1	1.38:1
Liquidity Ratio	Monetary assets / current liabilities	0.34	0,15	0.40	0.71:1	0.60:1	0.68:1
Revenue Management							
Annual Debtors Collection Rate	Billed Revenue / Receipted Revenue	94.41%	94.32%	86.71%	91.01%	95%	91.38%

Other indicators		Actuals as at 30 June 2021	Actuals as at 30 June 2022	Actuals as at 30 June 2023	Actuals as at 30 June 2024	Approved Adjusted Budget 2024/25	Actuals as at 30 June 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	1.09 Months	1.61 Months	0.74 Months
Employee Costs	Employee Costs / Total Operating Expenditure	34.22%	31,69%	29.47%	32.85%	33.06%	31.08%
Capital Expenditure	Capital Expenditure / Capital Budget	71.67%	123,92 %	94.66%	55.48%	95%	67.88%
Repairs and Maintenance as % of Total Operating Expenditure	Repairs and Maintenance / Total Operating Expenditure	6.99%	4,32%	3.86%	4.24%	16.59%	15.31%
Repairs and Maintenance as % of PPE (Book Value)	Repairs and Maintenance / Net PPE	3.33%	2,26%	2.32%	2.39%	10.88%	9.45%
Own Revenue Sources / Total Operating Revenue (Including operating grants)	Own Revenue Sources / Total Operating Revenue (Including Conditional Grants)	77.14%	77,76%	77.74%	87.23%	84.56%	83.34%

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 2.50% as at 30 June 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 30 June 2025, the ratio indicates 487,58% 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 30 June 2025, the ratio indicates 0.03, 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:

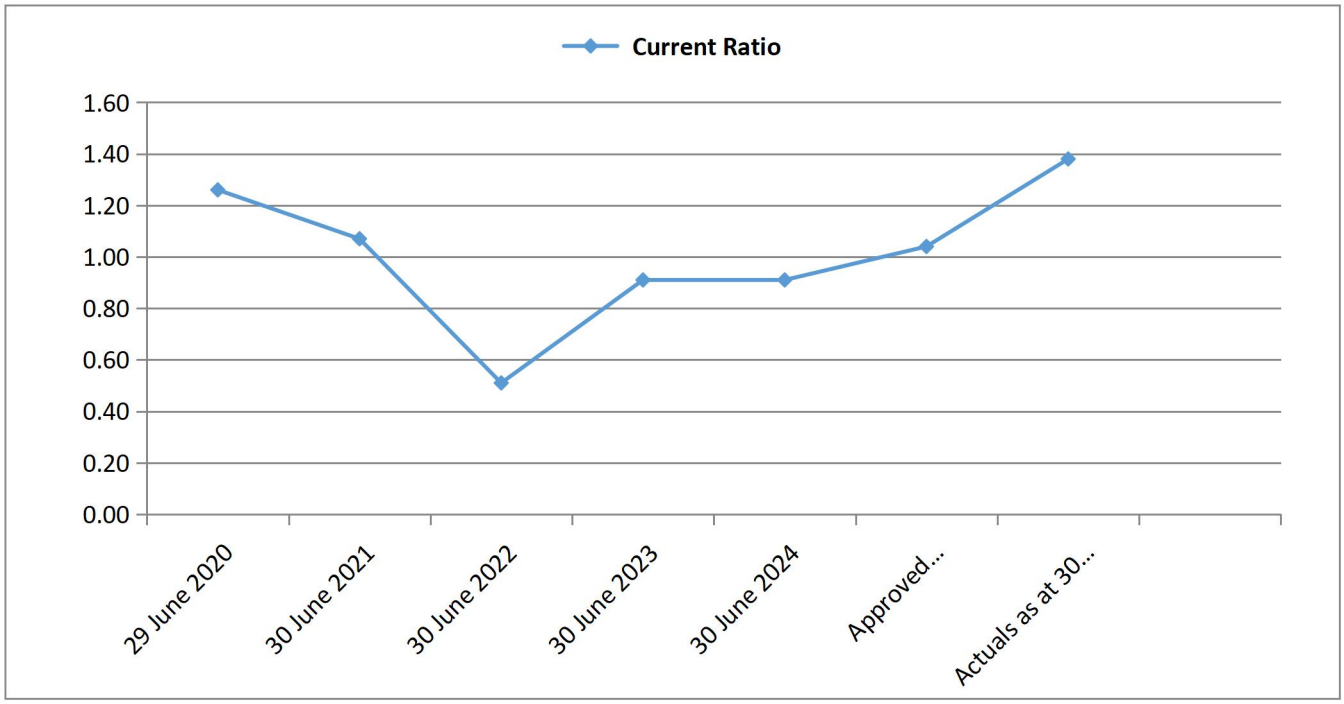
Current assets/Current liabilities

The ratio as at 30 June 2025 was 1.38:1, compared to the approved adjusted budget ratio of 1.04:1. As at 30 June 2025, cash reserves/commitments amounted to R 108,857 million, the current ratio excluding the cash reserves constitute 0.97:1.

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

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

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



1.1.4. Liquidity Ratio

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

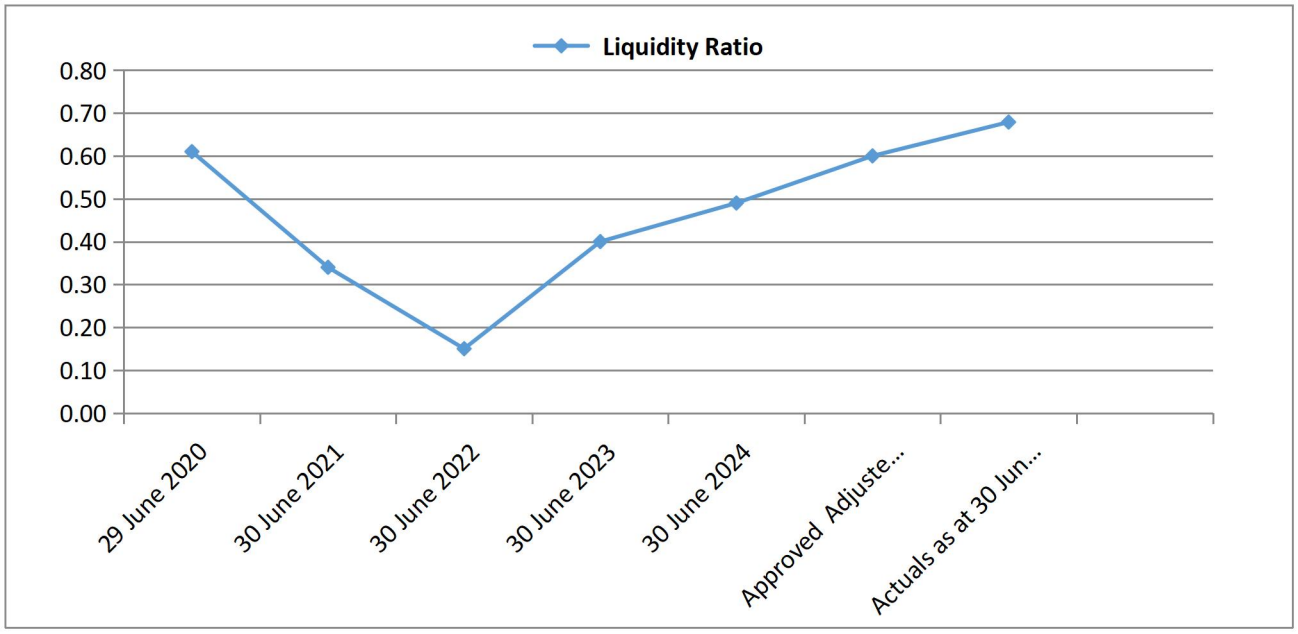
The ratio is determined as follows:

Monetary assets/Current liabilities

A favourable ratio would ensure that the Municipality is able to settle its short-term commitments from monetary assets. The liquidity ratio as at 30 June 2025 was 0.63:1 compared to the approved budget ratio of 0.68:1.

As at 30 June 2025, cash reserves/commitments amounted to R 108,857 million, the liquidity ratio excluding the cash reserves constitute 0.27:1.

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



1.2. Revenue Management

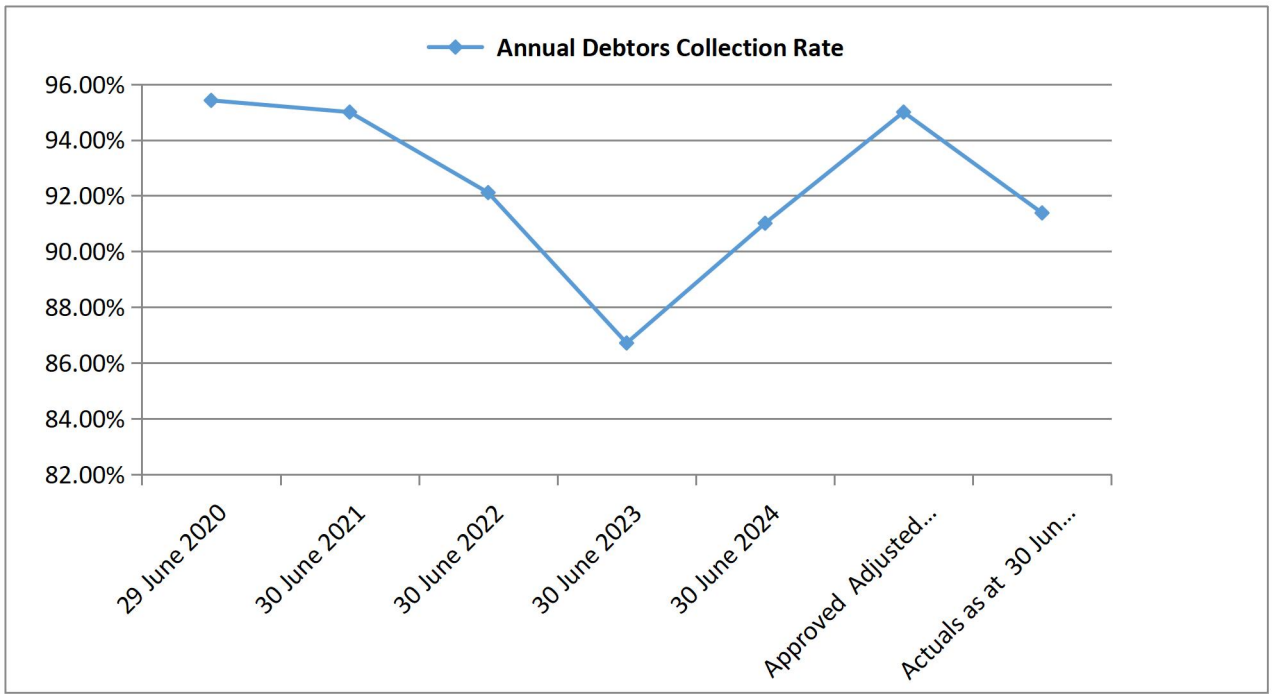
1.2.1. Annual Debtors Collection Rate

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

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

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

The average collection rate as at 30 June 2025 was 91.38%, compared to the approved adjusted budget collection rate of 95%. The actual collection rate for June is
98.8%.



1.3. Other indicators

1.3.1. Cost coverage

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

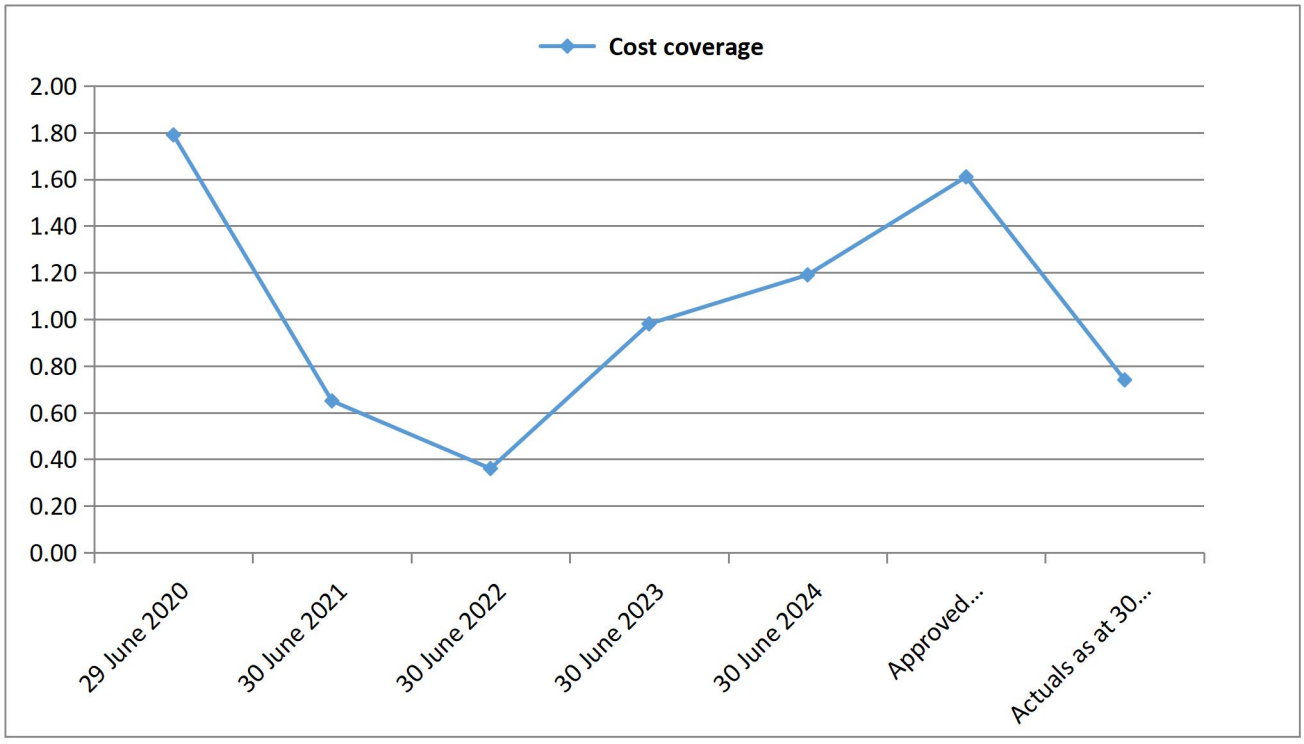
The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal day-to-day operational expenditure but rather reserved for Grant related expenditure.

The ratio is determined as follows:

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

As at 30 June 2025, the Ratio was 0.34 months, compared to the approved adjusted budget ratio of 0.74 months. The calculation of the cost coverage takes into account cash reserves amounting to R 108,857 million.

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



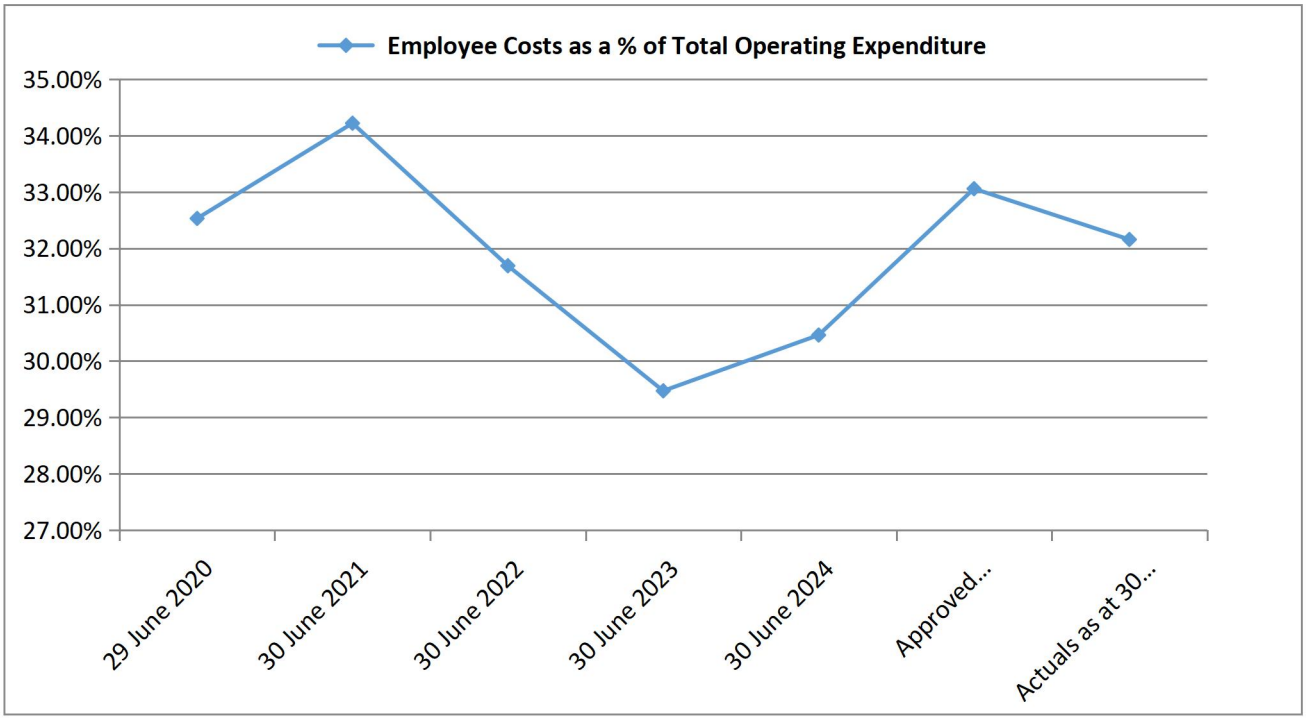
1.3.2. Employee costs as a % of Total Operating Expenditure

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 30 June 2025, Employee Related Costs constituted 31.08% of the Total Operating Expenditure, compared to the approved adjusted budget ratio 33.06%.



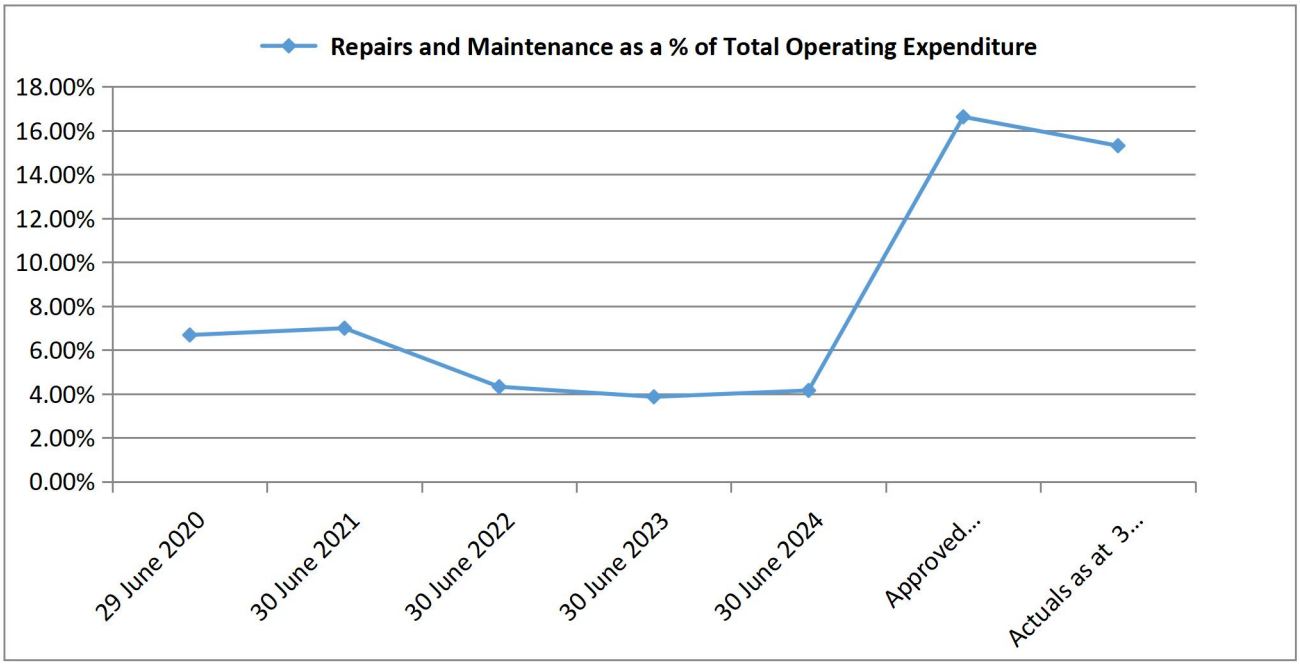
1.3.3. Repairs and Maintenance as a % of Total Operating Expenditure

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 30 June 2025, the ratio was 15.31%, 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)

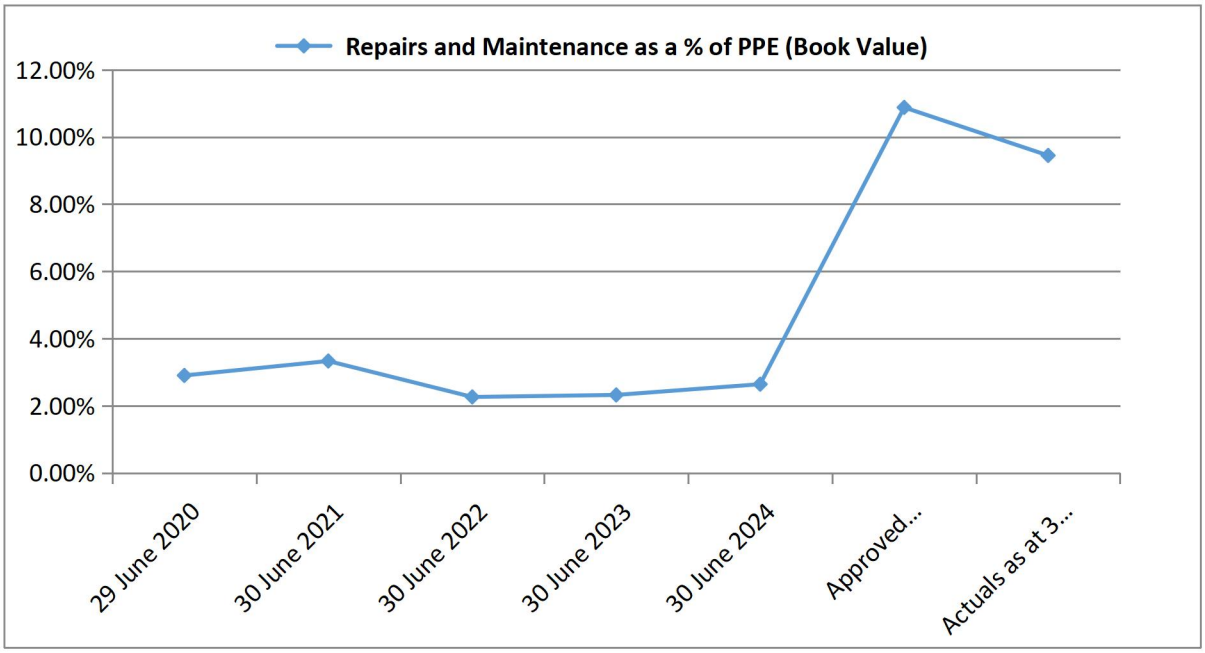
The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to minimise breakdowns and interruptions in service delivery.

The ratio is determined as follows:

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

As at 30 June 2025, repairs and maintenance expenditure constituted 9.45% 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%.



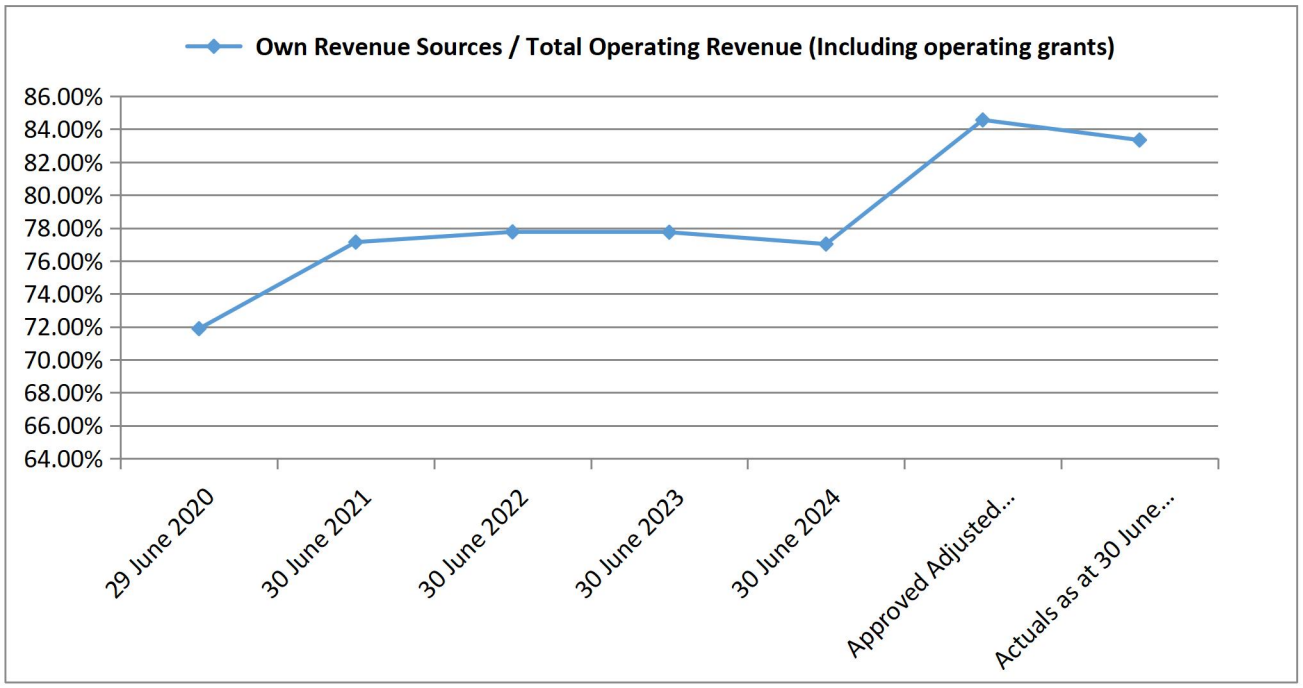
Own Revenue Generation

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 30 June 2025, the Municipality's own revenue sources constituted 83.34% 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 30 June 2025 amounted to 67.88%, compared to the approved adjusted budget ratio of 95%.

