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BUDGET AND TREASURY

Enquires: S Maphanga **Ref: 5/1/4**

TO : MUNICIPAL MANAGER
T.M MASHABELA

FROM : CHIEF FINANCIAL OFFICER
T.P MAHLANGU

DATE : 10 DECEMBER 2024

RE : SECTION 71 REPORT

PURPOSE

To provide the Executive Mayor/Council with the budget and financial performance report for 30 November 2024_25.

BACKGROUND

In terms of section 71(1) of the Municipal Finance Management Act (MFMA) No. 56 of 2003, the accounting officer of a municipality 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 treasuries a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month. The format was amended in line with the Municipal Budget and Reporting Regulation and approved in terms of Section 168 of the Municipal Finance Management Act per Government Gazette No. 32141 dated 17 April 2009for implementation with effect from 1 November 2009 as follows:

a) Actual revenue, per revenue source;
b) Actual borrowings;
c) Actual operating expenditure, per vote;
d) Actual capital expenditure, per vote;
e) The amount of any allocation received;
f) Actual expenditure on those allocations, excluding expenditure on – Its share of the local government equitable share; and

ii. Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph and;

g) When necessary, an explanation of –

iii. Any material variance from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;

iv. Any material variance from the service delivery and budget implementation plan; and

v. Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remains within the municipality's approved budget

The format was amended in line with the Municipal Budget and reporting regulations and approved in terms of section 168 of the MFMA, per government gazette no 32141 dated 17 NOVEMBER 2009 for implementation with effect from 1 NOVEMBER 2009 as follows:

Table C1 s71 actual monthly Budget Statement Summary;

Table C2 actual monthly Budget Statement- Financial Performance (standard classification);

Table C3 actual monthly Budget Statement – Financial Performance (per vote);

Table C4 actual monthly Budget Statement – Financial Performance (revenue and expenditure);

Table C5 actual monthly Budget Statement – Capital Expenditure (municipal vote, standard classification and funding);

Table C6 actual monthly budget statement – financial position.

Table C7 actual monthly statement - Cash flow.

DISCUSSION

To ensure legally sound financial management on the activities performed by the municipality and financial viability, also to provide monthly report on the implementation of the Annual Budget and the actual monthly expenditure and revenue on standard classification of votes.

3. EXECUTIVE SUMMARY

- Table C1: **Monthly Budget Statement Summary NOVEMBER 2024_25**

Description	Budget	Month Actual	YTD Actual	YTD Budget
Revenue	- 773 201 000	- 53 013 000	- 302 162 000	- 322 167 000
Expenditure	878 754 000	12 424 000	256 553 000	366 073 000
Surplus/Deficit	105 553 000	- 40 589 000	- 45 609 000	

Operating revenue for the month of November amounted to **R53 million** and a year-to-date revenue billed amounts to **R302 million**.

	Original budget	Monthly Actual	YTD Actual	YTD Budget	Variance	Variance %
R thousands						
Revenue By Source						
Exchange revenue						
Service charges - electricity revenue	225 890 000	20 901 000	88 938 300	94 121 000	- 5 182 700	-6%
Service charges - water revenue	74 236 000	6 994 000	26 830 000	30 932 000	- 4 102 000	-13%
Service charges - sanitation revenue	13 785 000	1 042 000	5 606 000	5 743 500	- 137 500	-2%
Service charges - refuse revenue	14 672 000	1 293 000	6 726 400	6 113 000	613 400	10%
Sale of Goods and rendering of services	6 926 000	120 000	898 000	2 886 000	- 1 988 000	-69%
Interest earned - outstanding debtors	90 454 000	7 353 000	36 951 000	37 688 500	- 737 500	-2%
Rental of facilities and equipment	1 572 000	141 500	635 000	655 000	- 20 000	-3%
Operational revenue	772 000	19 600	214 000	322 000	- 108 000	-34%
Interest from non_current Assets	-	-	-	-	-	
Non-exchange revenue					-	
Property rates	123 486 000	9 406 400	46 904 000	51 453 000	- 4 549 000	-9%
Fines, penalties and forfeits	2 141 000	12 000	565 000	892 000	- 327 000	-37%
Surcharges and Taxes	33 486 000	5 735 500	29 037 300	13 952 000	15 085 300	108%
interest	32 795 000	-	405 000	13 665 000	- 13 260 000	-97%
other Gains		-	-	-	-	
Transfers and Subsidies - Operational	152 985 000	- 3 000	58 452 000	63 744 000	- 5 292 000	-8%
Total revenue (excluding capital transf	**773 200 000**	**53 015 000**	**302 162 000**	**322 167 000**	**- 20 005 000**	**-6%**

REVENUE VARIANCES

Service Charges – Electricity

The billing for November amounted to **R20.9 million (-6%).** The project for replacing pre-paid meters is now complete. The blocking of all zero buy meters and implementation of new Nersa tariffs (**Time of use**) have yield significant improvement on the billing of Electricity revenue. The debt and credit control on zero buy is monitored on a monthly basis.

Service Charges – Water

The billing for November amounted to **R 6.9 million (-13%)**. The municipality will be embarking on the project of installing prepaid water meters for all indigents as part of circular 124 which in the next financial year.

Service Charges – Sanitation

The billing for November amounted to **R1 million** and when compared with the monthly budget, there is only a variance of **(-2%)**. As part of the budget-funding plan the municipality is doing a reconciliation on all the services charge per stand

Service Charges – Refuse

The billing for November amounted to **R1.2 million** and shows a positive variance of (**10%**). As part of the budget-funding plan the municipality is doing a reconciliation on all the services charge per stand

Property Rates

Billing for property rates for the month of November amounted to **R9.4 million (-9%).**

Rental of facilities and equipment

Billing for the month amounted to **R141 thousands (-3%).**

Surcharges and Taxes – Other revenue collected amounted to **R5 million (108%)**. Surcharges comprise of the flat rates for households in Botleng.

Payment rate

Total billing amounted to **R47 million** and only **R29 million** was collected. Collection rate has remained at **62%** as last month.

EXPENDITURE

Monthly Budget Statement - Financial Performance (Expenditure) – November 2024_25

	Original Budget 2024/25	Monthly Actual	YTD Actual	YTD budget	Variance	Variance %
R thousands						
Expenditure By Type						
Employee related costs	201 439 000	16 858 000	82 265 000	83 933 000	- 1 668 000	-2%
Remuneration of councillors	10 101 000	1 156 000	4 230 000	4 208 500	21 500	1%
Bulk purchases - Electricity	203 854 000	16 011 000	91 518 000	84 939 000	6 579 000	8%
Inventory consumed and Bulk pur	92 124 000	7 897 000	46 764 500	38 385 000	8 379 500	22%
Debt impairment	108 336 000	-	-	45 140 000	- 45 140 000	-100%
Depreciation and asset impairme	52 446 000	-	-	21 853 000	- 21 853 000	-100%
Finance charges	30 000 000	8 010 000	27 589 000	12 500 000	15 089 000	121%
Contracted services	92 062 000	10 939 000	40 728 500	38 358 500	2 370 000	6%
Transfers and subsidies	-	-	-	-	-	0%
Irrecoverable debts written off	29 800 000	-	-	12 417 000	- 12 417 000	-100%
Operationsl Costs	58 413 000	10 692 000	22 597 000	24 339 000	- 1 742 000	-7%
Other Losses	-	- 59 139 000	- 59 139 000	-	- 59 139 000	0%
Total Expenditure	**878 575 000**	**12 424 000**	**256 553 000**	**366 073 000**	**- 109 520 000**	**-30%**

Employee related cost – For the month of November 2024_25 total salaries, allowances and benefits amounted to **R18 million.** (-2%) indicates that we are still within the acceptable range.

Bulk Purchases-Electricity – Bulk invoices amounted to **R16 million** for November. The municipality remains non-compliant regarding circular 124 of the Eskom debt relief.
A payment of **R3.6 million** was made to Eskom for both the bulk and north sub-station account.

Inventory consumed – The consumables together with the bulk water invoices for November amounted to **R7.8 million.** A payment of **R5 million** was made to the Rand Water.

Finance charges – Interest charged amounted to **R8 million,** and it remains high as the debt for bulk purchases.

Contracted services – Expenditure on contracted services amounted to **R10.9 million**. Contracted services consist of legal fees, general maintenance of infrastructure, financial and non-financial systems, telephones, maintenance of toilets in informal settlement etc.

Operational costs – For the month of November, general expenditure amounted to **R10.6 million.**

Other losses – The adjustments made by the AFS team amounted to a negative **R59 million and** thus affecting the expenditure for the month. A correctional journal will be passed and the changes will appear in the ledger, next month.

The operating expenditure for the month of November amounts to **R12 million** and the year-to-date expenditure amount to **R256 million**.

Norms and Ratio

Collection Rate	(Gross Debtors Closing Balance + Bailled revenue - Gross Debtors Opening Balance - Bad debts written off) Billed revenue x100	Statement of Financial Position, Statement of financial performance, Notes to the AFS, Budget in-year reports, IDP and AR	95%		62%
				Gross Debtors closing balance	1 177 205 532
				Gross Debtors opening balance	1 120 299 447
				Bad debts written Off	
				Billed Revenue	759 613 684

The norm for Collection rate is slightly stagnant and with the target of 95%. The collection rate has remained stable at 62%. The enhancement of revenue strategy must be intensified and the tariffs charged accordingly.

Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		0.36
				Current Assets	631 457 000
				Current Liabilities	1 760 862 000

The norm of Current ratio indicate that the municipality will not be able to pay its current obligations and provide for a risk cover to enable it to continue operation, once the current liabilities exceed the current assets it will highlight serious financial challenges of insufficient cash to meet its current obligations.

Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%		5%
				Contracted Services	40 729 000
				Total Operating Expenditure	878 574 000
				Taxation Expense	-

The norm of Contracted services is 5% and at the threshold. In addition, outsourcing decisions will have to be weighed against the ability to attract skills; however, increases in this ratio can further expose the municipality to other risks, such as its inability to build capacity and ongoing reliance on Contractors.

Repairs and Maintenance

Description R thousands	Original Budget 2024/25	Monthly Actual	Year to Date Actual	YTD budget	Variance	Variance %
Infrastructure	**15 260 000**	**6 387 000**	**11 016 000**	**6 358 000**	**- 8 778 000**	**-392%**
Roads Infrastructure	**5 000 000**	**23 000**	**23 000**	**2 083 000**	**- 2 060 000**	**-99%**
Capital Spares	5 000 000	23 000	23 000	2 083 000	2 060 000	99%
Electrical Infrastructure	**6 000 000**	**5 183 500**	**8 722 000**	**2 500 000**	**- 6 222 000**	**-249%**
Capital Spares	6 000 000	5 183 500	8 722 000	2 500 000	- 6 222 000	-249%
Water Supply Infrastructure	**1 700 000**	**30 000**	**571 000**	**708 500**	**137 500**	**19%**
Capital Spares	1 700 000	30 000	571 000	708 500	137 500	19%
Sanitation Infrastructure	**500 000**	**-**	**341 000**	**208 000**	**- 133 000**	**-64%**
Capital Spares	500 000	-	341 000	208 000	- 133 000	-64%
Costal Infrastracture	**2 060 000**	**1 150 500**	**1 359 000**	**858 500**	**- 500 500**	**-58%**
Capital Spares	2 060 000	1 150 500	1 359 000	858 500	- 500 500	-58%
Information and communication infrastructure	**10 792 000**	**146 000**	**489 000**	**4 497 000**	**4 008 000**	**89%**
Data centres	10 792 000	146 000	**489 000**	4 497 000	4 008 000	**89%**
Capital Spares	10 792 000	146 000	489 000	4 497 000	4 008 000	89%
Total Repairs and Maintenance Expenditure	**26 052 000**	**6 533 000**	**11 505 000**	**10 855 000**	**- 4 770 000**	**-6%**

Repairs and maintenance analysis Supporting table SC13c measures the extent to which Council's assets are maintained per asset class. Expenditure incurred for November amounts to **R6.5 million.**

4. BUDGET PERFOMANCE OVERVIEW

4.1 CAPITAL EXPENDITURE

Grants	Gazetted amount	Total Received To-Date	Nov Actual	YTD spending	% spent on received amt
MIG	28 420 000	16 994 000	2 371 744	8 731 676	51%
WSIG	25 000 000	15 611 000	692 799	2 681 498	17%

Total allocation for conditional grants from the National Treasury for the **2024-2025** financial year amounts to **R53.4 million for MIG and WSIG.**

4.2 CASH FLOW STATEMENT

Net Cash from operating activities

The net cash from operating activities for November shows a negative cash amount of **R4 million** which is supported by grants received from operational and capital project. As part of the budget funding plan the municipality is busy with the data cleansing, review of tariffs to be cost reflecting and meter audit to ensure that municipality is not grant depended.

Net Cash from investing activities

The net cash from investing activities for November shows a cash outflow of **R2.8** that is a payment of capital projects.

Net Increase/ Decrease in cash held

The municipality recorded an decrease in net cash held of **R20 million** in November 2024.

Description R thousands	Nov 2024_25 Actual
CASH FLOW FROM OPERATING ACTIVITIES	
Receipts	
Property rates, penalties & collection charges	7 062
Service charges	17 610
Other revenue	29 634
Government - operating	–
Government - capital	–
Interest	248
Dividends	–
Total receipts	**54 554**
Payments	
Suppliers and employees	(42 880)
Finance charges	(2 807)
Transfers and Grants	(4 842)
Total payments	**(50 529)**
NET CASH FROM/(USED) OPERATING ACTIVITIES	**4 025**
CASH FLOWS FROM INVESTING ACTIVITIES	
Receipts	
Received from arrangements	–
Disposal of assets	–
(Increase) / Decrease in non-current investments	–
Payments	2 807
Capital assets	2 807
NET CASH FROM/(USED) INVESTING ACTIVITIES	**2 807**
CASH FLOWS FROM FINANCING ACTIVITIES	
Receipts	
Increase in consumer deposits	3 891
Borrowing long term/refinancing	–
Payments	
Repayment of borrowing	–
Finance lease payments	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	**3 891**
NET INCREASE/ (DECREASE) IN CASH HELD	**(20 337)**
Cash/cash equivalents at beginning of the month:	36 331
Cash/cash equivalents at month end:	15 995

5. IN-YEAR BUDGET STATEMENT TABLES

Table C2: **Monthly Financial Performance by Vote** realized by vote for revenue and expenditure. The deviations by vote are reflected in the year-to-date (YTD) variance column.

The difference in revenue variations between Table C2 and Table C1 is the result of capital grants received, which are included in Table C2.

Table C3: **Monthly Financial Performance (Revenue and Expenditure by Vote):**

Table C3 measures the actual year to date against the year to date SDBIP figures, which have been realised by vote for the revenue and expenditure. The deviations by vote are reflected in the year-to-date (YTD) variance column. Total revenue by vote for the month of November resulted in a favourable balance of **R53 million** and total expenditure amounted to **R12 million**.

Table C4: **Monthly Financial Performance by Revenue Source and Expenditure Type**

Table C4 provides details of the service delivery targets for revenue by source and expenditure by type. For revenue, the main deviations are service charges: water, rental of facilities, interest on investments and outstanding debtors, fines, licenses and permits and agency services and other revenue. In the case of expenditure finance charges, contracted services, bulk purchases, other materials, transfer & subsidies and other expenditure. The total deficit in revenue is **-6%** and deviation of **-30%** for expenditure for the month compared to the budget.

Table C5: **Monthly Capital Expenditure by Vote**

Table C5 indicates the monthly actuals on capital expenditure for all votes and measures the year-to-date actuals against the year to date planning (SDBIP) figures. For the month of November, the expenditure amounted to **R2.8 million**.

All municipal departments have been sensitise on the urgency of spending on capital projects that are grant funded and the spending have been linked to the performance of each Executive Directorate.

Table C6: **Monthly Budget Statement Financial Position**

The table provides an overview of the financial position of the municipality's assets and liabilities. As at 30 November 2024_25, the community wealth amounts to an unfavourable **R171 million**, Total liabilities amounts to **R1.8 billion,** whilst total assets amount to **R1.6 billion** which resulted in an unfavourable net-assets of **R131 million**, all figures are accumulative.

Table C7: **Monthly Budget Statement Cash Flow**

Table C7 provides detail of the actual year to date in-flow and out-flow. For the month of November, the net cash from operating activities is a favourable **R11.7 million**, the Net cash from investing activities amounted to an unfavourable **R3.2 million.** The net cash from financing activities amounts to **R0.** The Bank balance at the end of the month amounted to **R15 million**.

BANK NAME	TYPE OF ACCOUNT	BALANCE
STD BANK	MAIN ACCOUNT	1 283 356
STD BANK	CALL ACCOUNT	13 873 765
STD BANK	TRAFFIC	27 816
STD BANK	MONEY MARKET	694 208
ABSA BANK	CALL ACCOUNT	115 741
BALANCE		**15 994 886**

SUPPORTING DOCUMENTATION

3.1 PERFOMANCE INDICATORS:

- Supporting table SC2 provides detail on performance indicators in particular to revenue management.
- The measurement of the payment rate is based on the circular 71 methods as prescribed by National Treasury. The formula is based on the gross debtor opening balance plus billed revenue less gross debtor closing balance less bad debts written off divide by billed revenue.

3.2 DEBTORS/RECEIVABLES ANALYSIS:

- 3.3.1 Supporting table SC3 provides details on consumer debtors. Currently outstanding debtors amounts to **R1.1 billion** including interest on arrears. Outstanding debtors over 90days amounts to **R1 billion**. The table below reflects the debtor's age analysis by customer group, the data cleansing will commence shortly as the advert is been issued.

CUSTOMER GROUP	NOVEMBER
Organs of state	34 613 111.98
Commercial	109 789 515.25
Households	834 321 462.50
Mines	15 985 237.02
Farms	90 391 033.10
Indigents	68 725 129.72
Top 200	19 894 908.85
Other	3 485 133.29
	1 177 205 531.71

3.3 CREDITORS ANALYSIS:

Supporting table SC4 provides details on aged creditors. In terms of the Municipal Finance Management Act all creditors must be paid within 31 days of receiving the invoice or statement.

For the month ended in November 2024_25, creditors amounted to **R 1.4 billion** and the bulk of the creditors relates to Eskom account with an amount **R933 million** and Rand Water with an amount of **R452 million.**

3.4 COUNCILLORS ALLOWANCES AND EMPLOYEE BENEFITS ANALYSIS:

The table SC8 provides details for councillor and employee benefits. For the actual month of November 2024_25 total salaries, allowances and benefits amounted to **R18 million**.

3.5 CAPITAL EXPENDITURE TREND

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table, the capital expenditure incurred for the month amounted to **R2.8 million.**

Attached as Annexure are the following:

- The actual monthly Budget Statement Annexure "A"
- An analysis of top 20 creditors for the month Annexure "B"
- Actual year to date of consumer debtors – Age analysis Annexure "C"
- Non-compliance letter from Provincial Treasury and self-assessment for the month of November 2024 is attached as Annexure "D"
- MFMA Circular 124 – completeness of revenue for the month of November 2024 is attached Annexure É"

6. DEBTORS

Debtors' Age Analysis for the month ended 30 November 2024_25, outstanding debtors comprise of consumer and sundry debtors. The total outstanding debtors amounts to **R1.1 billion** of which consumer debtor's amount to **R1 million** and sundry debtors amount to **R154 thousand**. Creditors to the amount **R1.4 billion** were not paid during the month.

Description		Budget Year 2024/25											
R thousands	NT Code	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	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	29 345	3 266	2 998	247 215	–	–	–	–	282 824	247 215	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	20 855	10 770	1 198	17 078	–	–	–	–	49 902	17 078	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	7 810	4 827	5 442	168 596	–	–	–	–	186 676	168 596	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	1 017	573	528	23 060	–	–	–	–	25 178	23 060	–	–
Receivables from Exchange Transactions - Waste Management	1600	1 262	699	603	25 091	–	–	–	–	27 655	25 091	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	6 200	5 737	5 564	233 584	–	–	–	–	251 086	233 584	–	–
Interest on Arrear Debtor Accounts	1810	8 240	8 150	8 082	175 141	–	–	–	–	199 613	175 141	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	8 201	2 456	1 331	142 284	–	–	–	–	154 272	142 284	–	–
Total By Income Source	**2000**	**82 931**	**36 478**	**25 746**	**1 032 051**	**–**	**–**	**–**	**–**	**1 177 206**	**1 032 051**	**–**	**–**
2019/20 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	5 344	7 336	2 664	19 269	–	–	–	–	34 613	19 269	–	–
Commercial	2300	40 199	2 490	2 205	64 896	–	–	–	–	109 790	64 896	–	–
Households	2400	22 394	16 761	16 643	778 523	–	–	–	–	834 321	778 523	–	–
Other	2500	14 994	9 891	4 234	169 363	–	–	–	–	198 481	169 363	–	–
Total By Customer Group	**2600**	**82 931**	**36 478**	**25 746**	**1 032 051**	**–**	**–**	**–**	**–**	**1 177 206**	**1 032 051**	**–**	**–**

7. CREDITORS AGE ANALYSIS

MP311 Victor Khanye - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 - Nov

Description	NT Code	Budget Year 2024/25								
		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
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	20 644	21 830	–	25 146	865 703	–	–	–	933 323
Bulk Water	0200	10 024	10 751	11 740	11 265	408 652				452 432
PAYE deductions	0300	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	17 561	–	–	–	–	–	–	–	17 561
Auditor General	0800	2 774	2 735	1 883				–	–	7 392
Other	0900	–	–	–	–	–	–	–	–	–
Total By Customer Type	1000	51 003	35 316	13 623	36 411	1 274 355	–	–	–	1 410 708

8. Allocation and grant receipts and expenditure

Grants	Gazetted amount	Total Received To-Date	Nov Actual	YTD spending	% spent on received amount
Equitable share	149 824 000	62 427 000	2 718 750	65 145 749	104%
FMG	1 800 000	1 800 000	125 116	614 871	34%
EPWP	1 361 000	953 000	509 678	2 600 475	136%
MIG	28 420 000	16 994 000	2 371 744	8 731 676	51%
WSIG	25 000 000	15 611 000	629 799	2 618 498	17%
	206 405 000	97 785 000	6 355 088	79 711 269	

9. Councillor and board member allowances and employee benefits

Number of months---------> 5

	Pro-rata Budget	Nov Actual	Actual YTD	% Actual	Reason for Variance
Councillors:					
Allowances	4 208 750	799 945	3 872 945	92.0%	None
Employees:					
Basic salary	52 593 750	10 101 000	49 151 000	93.5%	None
Travelling allowance	4 405 000	913 000	4 430 000	100.6%	None
Overtime	3 772 083	1 429 000	7 085 000	187.8%	Audit season, TID Project and Ageing infrastructure
Employee social contribution	23 161 667	4 771 055	21 954 055	94.8%	
TOTAL	**88 141 250**	**18 014 000**	**86 493 000**	**98.1%**	

13. Conclusion

14. Annexure A: C Schedules

15. Annexure B: Compliance with the conditions for Municipal Debt Relief

16. Municipal Manager's quality certificate

Choose name from list - Table C1 Monthly Budget Statement Summary - M05 - November

Description	2022/23	Budget Year 2023/24							
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	109 807	123 486	–	9 406	46 904	51 453	(4 549)	-9%	123 486
Service charges	265 429	328 584	–	30 230	128 101	136 910	(8 809)	-6%	328 584
Investment revenue	1 037	–	–	–	–	–	–		–
Transfers and subsidies - Operational	143 890	152 985	–	(3)	58 452	63 744	(5 292)	-8%	152 985
Other own revenue	142 671	168 146	–	13 382	68 706	70 061	(1 355)	-2%	–
Total Revenue (excluding capital transfers and contributions)	**662 834**	**773 201**	**–**	**53 015**	**302 162**	**322 167**	**(20 005)**	**-6%**	**773 201**
Employee costs	186 893	201 439	–	16 858	82 265	83 933	(1 668)	-2%	201 439
Remuneration of Councillors	9 364	10 101	–	1 156	4 230	4 209	21	0%	10 101
Depreciation and amortisation	29 000	52 446	–	–	–	21 853	(21 853)	-100%	52 446
Interest	85 022	30 000	–	8 010	27 589	12 500	15 089	121%	30 000
Inventory consumed and bulk purchases	332 402	295 978	–	23 908	138 282	123 324	14 958	12%	295 978
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	187 250	288 611	–	(37 507)	4 188	120 255	(116 067)	-97%	288 611
Total Expenditure	**829 929**	**878 574**	**–**	**12 424**	**256 553**	**366 073**	**(109 519)**	**-30%**	**878 574**
Surplus/(Deficit)	**(167 095)**	**(105 373)**	**–**	**40 590**	**45 609**	**(43 905)**	**89 514**	**-204%**	**(105 373)**
Transfers and subsidies - capital (monetary allocations)	–	53 420	–	–	–	22 258	(22 258)	-100%	53 420
Transfers and subsidies - capital (in-kind)	–	119 417	–	–	–	49 757	(49 757)	-100%	119 417
Surplus/(Deficit) after capital transfers &	**(167 095)**	**67 465**	**–**	**40 590**	**45 609**	**28 110**	**17 499**	**62%**	**67 465**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(167 095)**	**67 465**	**–**	**40 590**	**45 609**	**28 110**	**17 499**	**62%**	**67 465**
Capital expenditure & funds sources									
Capital expenditure	**68 494**	**65 740**	**–**	**2 807**	**22 655**	**27 392**	**(4 737)**	**-17%**	**65 740**
Capital transfers recognised	40 335	53 420	–	2 665	10 148	22 258	(12 110)	-54%	53 420
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**28 157**	**12 320**	**–**	**142**	**12 506**	**5 133**	**7 373**	**144%**	**12 320**
Total sources of capital funds	**68 493**	**65 740**	**–**	**2 807**	**22 655**	**27 392**	**(4 737)**	**-17%**	**65 740**
Financial position									
Total current assets	686 246	196 010	–		631 457				196 010
Total non current assets	1 050 682	996 847	–		1 055 702				996 847
Total current liabilities	1 769 662	(16 295)	–		1 760 862				(16 295)
Total non current liabilities	51 833	683 528	–		57 612				683 528
Community wealth/Equity	**(84 568)**	**525 624**	**–**		**(171 906)**				**525 624**
Cash flows									
Net cash from (used) operating	198 904	108 909	–	11 750	71 795	45 454	(26 341)	-58%	108 909
Net cash from (used) investing	75 837	(62 740)	–	(3 225)	(28 914)	(26 142)	2 772	-11%	(62 740)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**279 611**	**76 169**	**–**	**–**	**49 278**	**49 312**	**34**	**0%**	**52 566**
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	–	–	–	–	–	–	–	–	–
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	–	–

Choose name from list - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M05 - November

Description	Ref	2022/23	Budget Year 2023/24							
R thousands	1	Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
Revenue - Functional										
Governance and administration		**312 253**	**345 621**	**–**	**22 579**	**145 750**	**144 009**	1 741	1%	**345 621**
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		312 253	345 621	–	22 579	145 750	144 009	1 741	1%	345 621
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**5 013**	**6 572**	**–**	**210**	**1 843**	**2 738**	(895)	-33%	**6 572**
Community and social services		1 789	1 967	–	30	235	819	(585)	-71%	1 967
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		1 600	3 363	–	39	974	1 401	(427)	-31%	3 363
Housing		1 624	1 242	–	141	635	518	117	23%	1 242
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**–**	**4 772**	**–**	**–**	**–**	**1 988**	(1 988)	-100%	**4 772**
Planning and development		–	4 772	–	–	–	1 988	(1 988)	-100%	4 772
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**345 568**	**589 074**	**–**	**30 226**	**154 569**	**245 448**	**(90 878)**	-37%	**589 074**
Energy sources		178 524	210 547	–	20 900	88 930	87 728	1 203	1%	210 547
Water management		57 697	170 770	–	6 991	26 827	71 154	(44 327)	-62%	170 770
Waste water management		11 909	170 772	–	1 042	5 606	71 155	(65 549)	-92%	170 772
Waste management		97 438	36 986	–	1 293	33 205	15 411	17 795	115%	36 986
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Revenue - Functional	2	**662 834**	**946 039**	**–**	**53 015**	**302 162**	**394 183**	**(92 021)**	**-23%**	**946 039**
Expenditure - Functional										
Governance and administration		**304 609**	**332 800**	**–**	**25 760**	**104 173**	**138 667**	(34 494)	-25%	**332 800**
Executive and council		43 024	45 646	–	1 964	24 504	19 019	5 485	29%	45 646
Finance and administration		261 580	287 154	–	23 797	79 668	119 647	(39 979)	-33%	287 154
Internal audit		5	–	–	–	–	–	–		–
Community and public safety		**70 222**	**65 962**	**–**	**(50 002)**	**(23 274)**	**27 484**	(50 758)	-185%	**65 962**
Community and social services		27 975	9 424	–	(56 477)	(45 837)	3 926	(49 763)	-1267%	9 424
Sport and recreation		2 300	3 037	–	3 081	3 351	1 265	2 085	165%	3 037
Public safety		38 648	53 102	–	3 218	18 476	22 126	(3 650)	-16%	53 102
Housing		1 299	400	–	176	736	167	570	342%	400
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**39 913**	**52 238**	**–**	**1 422**	**6 468**	**21 766**	(15 298)	-70%	**52 238**
Planning and development		13 919	15 074	–	356	1 010	6 281	(5 271)	-84%	15 074
Road transport		25 474	36 374	–	1 050	5 407	15 156	(9 748)	-64%	36 374
Environmental protection		520	791	–	16	51	329	(279)	-85%	791
Trading services		**415 186**	**427 574**	**–**	**35 244**	**169 186**	**178 156**	**(8 969)**	-5%	**427 574**
Energy sources		262 678	242 182	–	23 775	118 252	100 909	17 343	17%	242 182
Water management		107 799	114 299	–	7 667	35 650	47 625	(11 975)	-25%	114 299
Waste water management		35 738	40 620	–	3 092	13 476	16 925	(3 449)	-20%	40 620
Waste management		8 970	30 473	–	710	1 809	12 697	(10 888)	-86%	30 473
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Expenditure - Functional	3	**829 929**	**878 574**	**–**	**12 424**	**256 553**	**366 073**	**(109 519)**	**-30%**	**878 574**
Surplus/ (Deficit) for the year		**(167 095)**	**67 465**	**–**	**40 590**	**45 609**	**28 110**	**17 499**	**62%**	**67 465**

Choose name from list - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M05 - November

Vote Description	Ref	2022/23	Budget Year 2023/24							
R thousands		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
Revenue by Vote	1									
Vote 1 - Office of the Municipal Manager		–	–	–	–	–	–	–		–
Vote 2 - Budget and Treasury		312 253	345 621	–	22 579	145 750	144 009	1 741	1.2%	345 621
Vote 3 - Corporate Services		–	–	–	–	–	–	–		–
Vote 4 - Community and Social Services		1 789	1 967	–	30	235	819	(585)	-71.4%	1 967
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–		–
Vote 6 - Public Safety		1 600	3 363	–	39	974	1 401	(427)	-30.5%	3 363
Vote 7 - Housing		1 624	1 242	–	141	635	518	117	22.7%	1 242
Vote 8 - Health Services		–	–	–	–	–	–	–		–
Vote 9 - Planning and Development		–	4 772	–	–	–	1 988	(1 988)	-100.0%	4 772
Vote 10 - Roads Transport		–	–	–	–	–	–	–		–
Vote 11 - Electricity Services		178 524	210 547	–	20 900	88 930	87 728	1 203	1.4%	210 547
Vote 12 - Water Services		57 697	170 770	–	6 991	26 827	71 154	(44 327)	-62.3%	170 770
Vote 13 - Waste Water Management		11 909	170 772	–	1 042	5 606	71 155	(65 549)	-92.1%	170 772
Vote 14 - Solid Waste Management		97 438	36 986	–	1 293	33 205	15 411	17 795	115.5%	36 986
Vote 15 -		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**662 834**	**946 039**	**–**	**53 015**	**302 162**	**394 183**	**(92 021)**	**-23.3%**	**946 039**
Expenditure by Vote	1									
Vote 1 - Office of the Municipal Manager		58 063	58 090	–	2 432	28 259	24 204	4 054	16.7%	58 090
Vote 2 - Budget and Treasury		234 880	263 576	–	21 320	67 032	109 823	(42 791)	-39.0%	263 576
Vote 3 - Corporate Services		8 940	137	–	988	4 764	57	4 707	8250.0%	137
Vote 4 - Community and Social Services		27 975	9 424	–	(56 477)	(45 837)	3 926	(49 763)	-1267.4%	9 424
Vote 5 - Sport and Recreation		2 300	3 037	–	3 081	3 351	1 265	2 085	164.8%	3 037
Vote 6 - Public Safety		38 648	53 102	–	3 218	18 476	22 126	(3 650)	-16.5%	53 102
Vote 7 - Housing		1 299	400	–	176	736	167	570	341.8%	400
Vote 8 - Health Services		520	791	–	16	51	329	(279)	-84.6%	791
Vote 9 - Planning and Development		7 746	7 317	–	72	146	3 049	(2 902)	-95.2%	7 317
Vote 10 - Roads Transport		25 612	50 077	–	1 469	5 786	20 866	(15 080)	-72.3%	50 077
Vote 11 - Electricity Services		262 678	242 182	–	23 775	118 252	100 909	17 343	17.2%	242 182
Vote 12 - Water Services		107 799	114 299	–	7 667	35 650	47 625	(11 975)	-25.1%	114 299
Vote 13 - Waste Water Management		35 738	40 620	–	3 092	13 476	16 925	(3 449)	-20.4%	40 620
Vote 14 - Solid Waste Management		8 970	30 473	–	710	1 809	12 697	(10 888)	-85.8%	30 473
Vote 15 -		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**821 170**	**873 524**	**–**	**11 539**	**251 950**	**363 968**	**(112 019)**	**-30.8%**	**873 524**
Surplus/ (Deficit) for the year	2	**(158 335)**	**72 515**	**–**	**41 475**	**50 212**	**30 214**	**19 998**	**66.2%**	**72 515**

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Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 - November

Description	Ref	2022/23	Budget Year 2023/24							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		184 431	225 890	–	20 901	88 938	94 121	(5 182)	-6%	225 890
Service charges - Water		56 595	74 236	–	6 994	26 830	30 932	(4 101)	-13%	74 236
Service charges - Waste Water Management		11 909	13 785	–	1 042	5 606	5 744	(138)	-2%	13 785
Service charges - Waste management		12 494	14 672	–	1 293	6 726	6 113	612	10%	14 672
Sale of Goods and Rendering of Services		2 266	6 926	–	120	898	2 886	(1 988)	-69%	6 926
Agency services		–	–	–	–	–	–	–		–
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		85 315	90 454	–	–	405	37 689	(37 284)	-99%	90 454
Interest from Current and Non Current Assets		1 037	–	–	–	–	–	–		–
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		1 624	1 572	–	141	635	655	(20)	-3%	1 572
Licence and permits		–	–	–	–	–	–	–		–
Operational Revenue		337	772	–	19	214	322	(108)	-33%	772
Non-Exchange Revenue								–		
Property rates		109 807	123 486	–	9 406	46 904	51 453	(4 549)	-9%	123 486
Surcharges and Taxes		49 204	33 486	–	5 735	29 037	13 952	15 084	108%	33 486
Fines, penalties and forfeits		744	2 141	–	12	565	892	(327)	-37%	2 141
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		143 890	152 985	–	(3)	58 452	63 744	(5 292)	-8%	152 985
Interest		–	32 795	–	7 353	36 951	13 665	23 286	170%	32 795
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		–	–	–	–	–	–	–		–
Other Gains		3 179	–	–	2	2	–	2	#DIV/0!	–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**662 834**	**773 201**	**–**	**53 015**	**302 162**	**322 167**	**(20 005)**	**-6%**	**773 201**
Expenditure By Type										
Employee related costs		186 893	201 439	–	16 858	82 265	83 933	(1 668)	-2%	201 439
Remuneration of councillors		9 364	10 101	–	1 156	4 230	4 209	21	0%	10 101
Bulk purchases - electricity		203 040	203 854	–	16 011	91 518	84 939	6 578	8%	203 854
Inventory consumed		129 362	92 124	–	7 897	46 765	38 385	8 380	22%	92 124
Debt impairment		–	108 336	–	–	–	45 140	(45 140)	-100%	108 336
Depreciation and amortisation		29 000	52 446	–	–	–	21 853	(21 853)	-100%	52 446
Interest		85 022	30 000	–	8 010	27 589	12 500	15 089	121%	30 000
Contracted services		115 261	92 062	–	10 939	40 729	38 359	2 370	6%	92 062
Transfers and subsidies		–	–	–	–	–	–	–		–
Irrecoverable debts written off		–	29 800	–	–	–	12 417	(12 417)	-100%	29 800
Operational costs		61 482	58 413	–	10 692	22 597	24 339	(1 741)	-7%	58 413
Losses on Disposal of Assets		–	–	–	(59 139)	(59 139)	–	(59 139)	#DIV/0!	–
Other Losses		10 507	–	–	–	–	–	–		–
Total Expenditure		**829 929**	**878 574**	**–**	**12 424**	**256 553**	**366 073**	**(109 519)**	**-30%**	**878 574**
Surplus/(Deficit)		**(167 095)**	**(105 373)**	**–**	**40 590**	**45 609**	**(43 905)**	**89 514**	**-204%**	**(105 373)**
Transfers and subsidies - capital (monetary allocations)		–	53 420	–	–	–	22 258	(22 258)	-100%	53 420
Transfers and subsidies - capital (in-kind)		–	119 417	–	–	–	49 757	(49 757)	-100%	119 417
Surplus/(Deficit) after capital transfers & contributions		**(167 095)**	**67 465**	**–**	**40 590**	**45 609**	**28 110**			**67 465**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**(167 095)**	**67 465**	**–**	**40 590**	**45 609**	**28 110**			**67 465**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–		–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–		–
Surplus/(Deficit) attributable to municipality		**(167 095)**	**67 465**	**–**	**40 590**	**45 609**	**28 110**			**67 465**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		**(167 095)**	**67 465**	**–**	**40 590**	**45 609**	**28 110**			**67 465**

Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M05 - November

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		–	–	–	–	–	–	–		–
Vote 2 - Budget and Treasury		–	–	–	–	–	–	–		–
Vote 3 - Corporate Services		–	–	–	–	–	–	–		–
Vote 4 - Community and Social Services		–	–	–	–	–	–	–		–
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–		–
Vote 6 - Public Safety		–	–	–	–	–	–	–		–
Vote 7 - Housing		–	–	–	–	–	–	–		–
Vote 8 - Health Services		–	–	–	–	–	–	–		–
Vote 9 - Planning and Development		–	–	–	–	–	–	–		–
Vote 10 - Roads Transport		–	–	–	–	–	–	–		–
Vote 11 - Electricity Services		–	–	–	–	–	–	–		–
Vote 12 - Water Services		–	–	–	–	–	–	–		–
Vote 13 - Waste Water Management		–	–	–	–	–	–	–		–
Vote 14 - Solid Waste Management		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Single Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		709	2 700	–	127	213	1 125	(912)	-81%	2 700
Vote 2 - Budget and Treasury		324	500	–	15	91	208	(117)	-56%	500
Vote 3 - Corporate Services		–	–	–	–	–	–	–		–
Vote 4 - Community and Social Services		–	20	–	–	–	8	(8)	-100%	20
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–		–
Vote 6 - Public Safety		–	–	–	–	–	–	–		–
Vote 7 - Housing		–	–	–	–	–	–	–		–
Vote 8 - Health Services		–	–	–	–	–	–	–		–
Vote 9 - Planning and Development		–	100	–	–	–	42	(42)	-100%	100
Vote 10 - Roads Transport		10 881	19 421	–	1 119	8 414	8 092	322	4%	19 421
Vote 11 - Electricity Services		29 396	6 500	–	321	10 953	2 708	8 245	304%	6 500
Vote 12 - Water Services		23 889	31 499	–	790	2 549	13 125	(10 576)	-81%	31 499
Vote 13 - Waste Water Management		3 167	3 000	–	–	–	1 250	(1 250)	-100%	3 000
Vote 14 - Solid Waste Management		127	2 000	–	435	435	833	(399)	-48%	2 000
Vote 15 -		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	68 494	65 740	–	2 807	22 655	27 392	**(4 737)**	**-17%**	65 740
Total Capital Expenditure		**68 494**	**65 740**	**–**	**2 807**	**22 655**	**27 392**	**(4 737)**	**-17%**	**65 740**
Capital Expenditure - Functional Classification										
Governance and administration		**1 034**	**8 200**	**–**	**142**	**3 017**	**3 417**	(399)	-12%	**8 200**
Executive and council		–	200	–	–	–	83	(83)	-100%	200
Finance and administration		1 034	8 000	–	142	3 017	3 333	(316)	-9%	8 000
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**–**	**20**	**–**	**–**	**–**	**8**	(8)	-100%	**20**
Community and social services		–	20	–	–	–	8	(8)	-100%	20
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**10 881**	**14 521**	**–**	**1 119**	**5 700**	**6 050**	(350)	-6%	**14 521**
Planning and development		–	100	–	–	–	42	(42)	-100%	100
Road transport		10 881	14 421	–	1 119	5 700	6 009	(308)	-5%	14 421
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**56 579**	**42 999**	**–**	**1 546**	**13 937**	**17 916**	(3 979)	-22%	**42 999**
Energy sources		29 396	6 500	–	321	10 953	2 708	8 245	304%	6 500
Water management		23 889	31 499	–	790	2 549	13 125	(10 576)	-81%	31 499
Waste water management		3 167	3 000	–	–	–	1 250	(1 250)	-100%	3 000
Waste management		127	2 000	–	435	435	833	(399)	-48%	2 000
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**68 494**	**65 740**	**–**	**2 807**	**22 655**	**27 392**	**(4 737)**	**-17%**	**65 740**
Funded by:										
National Government		40 335	53 420	–	2 665	10 148	22 258	(12 110)	-54%	53 420
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		–	–	–	–	–	–	–		–
Transfers recognised - capital		40 335	53 420	–	2 665	10 148	22 258	**(12 110)**	**-54%**	53 420
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		28 157	12 320	–	142	12 506	5 133	7 373	144%	12 320
Total Capital Funding		**68 493**	**65 740**	**–**	**2 807**	**22 655**	**27 392**	**(4 737)**	**-17%**	**65 740**

Choose name from list - Table C6 Monthly Budget Statement - Financial Position - M05 - November

Description	Ref	2022/23	Budget Year 2023/24			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		(15 706)	76 041	–	(16 325)	76 041
Trade and other receivables from exchange transactions		265 882	66 959	–	169 520	66 959
Receivables from non-exchange transactions		89 964	84 982	–	47 825	84 982
Current portion of non-current receivables		–	–	–	–	–
Inventory		(30 543)	(31 972)	–	6 403	(31 972)
VAT		377 839	–	–	426 724	–
Other current assets		(1 190)	–	–	(2 690)	–
Total current assets		**686 246**	**196 010**	**–**	**631 457**	**196 010**
Non current assets						
Investments		–	–	–	–	–
Investment property		89 163	68 123	–	88 433	68 123
Property, plant and equipment		960 381	927 495	–	966 131	927 495
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		1 075	1 075	–	1 075	1 075
Intangible assets		64	155	–	64	155
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		**1 050 682**	**996 847**	**–**	**1 055 702**	**996 847**
TOTAL ASSETS		**1 736 927**	**1 192 857**	**–**	**1 687 159**	**1 192 857**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		6 804	–	–	7 224	–
Consumer deposits		1 704	1 781	–	1 722	1 781
Trade and other payables from exchange transactions		1 430 287	57 000	–	1 409 151	57 000
Trade and other payables from non-exchange transactions		51 301	(86 622)	–	23 657	(86 622)
Provision		2 376	11 546	–	9 577	11 546
VAT		276 008	–	–	309 532	–
Other current liabilities		1 182	–	–	–	–
Total current liabilities		**1 769 662**	**(16 295)**	**–**	**1 760 862**	**(16 295)**
Non current liabilities						
Financial liabilities		1 349	7 528	–	(2 301)	7 528
Provision		16 505	676 000	–	18 905	676 000
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		33 979	–	–	41 008	–
Total non current liabilities		**51 833**	**683 528**	**–**	**57 612**	**683 528**
TOTAL LIABILITIES		**1 821 495**	**667 233**	**–**	**1 818 474**	**667 233**
NET ASSETS	2	**(84 568)**	**525 624**	**–**	**(131 315)**	**525 624**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		(84 568)	525 624	–	(171 906)	525 624
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**(84 568)**	**525 624**	**–**	**(171 906)**	**525 624**

Choose name from list - Table C7 Monthly Budget Statement - Cash Flow - M05 - November

Description	Ref	2022/23	Budget Year 2023/24							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		89 893	137 878	–	7 568	42 648	57 449	(14 802)	-26%	137 878
Service charges		280 527	337 393	–	20 430	113 391	140 580	(27 190)	-19%	337 393
Other revenue		71 673	48 503	–	1 168	42 989	20 210	22 780	113%	48 503
Transfers and Subsidies - Operational		88 228	152 985	–	–	30 451	63 744	(33 292)	-52%	152 985
Transfers and Subsidies - Capital		30 000	53 420	–	8 460	15 611	22 258	(6 647)	-30%	53 420
Interest		1 423	–	–	–	405	–	405	#DIV/0!	–
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(362 839)	(621 270)	–	(25 875)	(173 700)	(258 788)	85 088	-33%	(621 270)
Interest		–	–	–	–	–	–	–		–
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**198 904**	**108 909**	**–**	**11 750**	**71 795**	**45 454**	**(26 341)**	**-58%**	**108 909**
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		75 837	(62 740)	–	(3 225)	(28 914)	(26 142)	(2 772)	11%	(62 740)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**75 837**	**(62 740)**	**–**	**(3 225)**	**(28 914)**	**(26 142)**	**2 772**	**-11%**	**(62 740)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**274 741**	**46 169**	**–**	**8 525**	**42 881**	**19 312**			**46 169**
Cash/cash equivalents at beginning:		4 870	30 000	–		6 397	30 000			6 397
Cash/cash equivalents at month/year end:		279 611	76 169	–		49 278	49 312			52 566

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Choose name from list - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M05 - November

Summary of Employee and Councillor remuneration	Ref	2022/23	Budget Year 2023/24							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		5 543	10 101	–	764	2 469	4 209	(1 740)	-41%	10 101
Pension and UIF Contributions		987	–	–	86	418	–	418	#DIV/0!	–
Medical Aid Contributions		336	–	–	30	151	–	151	#DIV/0!	–
Motor Vehicle Allowance		260	–	–	30	146	–	146	#DIV/0!	–
Cellphone Allowance		773	–	–	67	335	–	335	#DIV/0!	–
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		1 464	–	–	179	712	–	712	#DIV/0!	–
Sub Total - Councillors		**9 364**	**10 101**	**–**	**1 156**	**4 230**	**4 209**	**21**	**0%**	**10 101**
% increase	4		**7.9%**							**7.9%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5 407	5 759	–	600	2 024	2 400	(375)	-16%	5 759
Pension and UIF Contributions		135	237	–	14	59	99	(40)	-41%	237
Medical Aid Contributions		60	–	–	5	26	–	26	#DIV/0!	–
Overtime		64	–	–	1	3	–	3	#DIV/0!	–
Performance Bonus		87	–	–	–	83	–	83	#DIV/0!	–
Motor Vehicle Allowance		669	–	–	59	314	–	314	#DIV/0!	–
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		120	–	–	10	50	–	50	#DIV/0!	–
Other benefits and allowances		0	4	–	0	0	2	(1)	-83%	4
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		–	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		**6 543**	**6 001**	**–**	**689**	**2 559**	**2 500**	**59**	**2%**	**6 001**
% increase	4		**-8.3%**							**-8.3%**
Other Municipal Staff										
Basic Salaries and Wages		108 365	120 466	–	9 501	47 035	50 194	(3 160)	-6%	120 466
Pension and UIF Contributions		24 692	25 881	–	2 223	10 758	10 784	(26)	0%	25 881
Medical Aid Contributions		9 905	9 960	–	939	4 703	4 150	553	13%	9 960
Overtime		9 049	9 053	–	1 429	7 085	3 772	3 313	88%	9 053
Performance Bonus		7 837	9 945	–	787	3 723	4 144	(421)	-10%	9 945
Motor Vehicle Allowance		9 001	10 572	–	854	4 179	4 405	(226)	-5%	10 572
Cellphone Allowance		42	–	–	11	57	–	57	#DIV/0!	–
Housing Allowances		1 239	1 101	–	11	87	459	(371)	-81%	1 101
Other benefits and allowances		7 004	5 105	–	295	1 458	2 127	(669)	-31%	5 105
Payments in lieu of leave		1 178	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		256		–	25	125	–	125	#DIV/0!	–
Acting and post related allowance		1 782	3 355	–	94	495	1 398	(903)	-65%	3 355
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		**180 349**	**195 438**	**–**	**16 169**	**79 705**	**81 432**	**(1 727)**	**-2%**	**195 438**
% increase	4		**8.4%**							**8.4%**
Total Parent Municipality		**196 257**	**211 539**	**–**	**18 014**	**86 494**	**88 141**	**(1 647)**	**-2%**	**211 539**
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Basic Salaries and Wages		–	–	–	–	–	–	–		–
Pension and UIF Contributions		–	–	–	–	–	–	–		–
Medical Aid Contributions		–	–	–	–	–	–	–		–
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		–	–	–	–	–	–	–		–
Motor Vehicle Allowance		–	–	–	–	–	–	–		–
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		–	–	–	–	–	–	–		–
Board Fees	5	–	–	–	–	–	–	–		–
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations		–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		–	–	–	–	–	–	–		–

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Choose name from list - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M05 - November

Month	2022/23	Budget Year 2023/24							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
Monthly expenditure performance trend									
July	3 453	5 478	–	4 364	4 364	5 478	1 114	20.3%	7%
August	2 022	5 478	–	8 730	13 094	10 957	(2 138)	-19.5%	20%
September	4 071	5 478	–	1 762	14 856	16 435	1 578	9.6%	23%
October	2 302	5 478	–	4 992	19 848	21 913	2 065	9.4%	30%
November	6 708	5 478	–	2 807	22 655	27 392	4 737	17.3%	34%
December	3 994	5 478	–	–		32 870	–		
January	4 071	5 478	–	–		38 348	–		
February	335	5 478	–	–		43 827	–		
March	10 544	5 478	–	–		49 305	–		
April	13 195	5 478	–	–		54 783	–		
May	9 385	5 478	–	–		60 262	–		
June	8 414	5 478	–	–		65 740	–		
Total Capital expenditure	**68 494**	**65 740**	**–**	**22 655**					

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Annexure A2 - Monthly

National Treasury

Municipal Debt Relief

MFMA Circular No. 124

Municipal Finance Management Act No. 56 of 2003

Municipality Self-Assessment

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Period	Nov'24
National Financial Year	2024/25
Demarcation Code of Municipality being assessed	MP311
District	**Nkangala**
Demarcation Description	**Victor Khanye**

I, Carol Coetzee, hereby certify that the provincial treasury monitored the compliance against the conditions of Municipal Debt Relief as set-out in **MFMA Circular No. 124** and that the Provincial Treasury is satisfied and certifies that the said municipality fully complies with the conditions as set-out in the table below:

Municipal Debt Relief Conditions (Monthly reporting)

Choose from drop down list

Condition	6,3 + 6,12	Maintaining the Eskom and bulk water current account – (current account for the purpose of this exercise means the account for a single month's consumption):		Notes/Comments
1	6.12.2	- Has the municipality paid its ***bulk water current account*** within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? ***Note*** *- refer condition 6.12 .2*	No	
2	6.12.2	- Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za?	Yes	
3	6.12.2	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/ or Water Trading Entity?	Yes	
4	6.3.1	- Has the municipality paid its ***Eskom bulk current account*** within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? ***Note*** *- current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New arrears" (March 2023 and / or subsequent current account(s) up to the date of NT approval of the application.*	No	
5	6.3.2 6.3.3	- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za?	Yes	
6	6.3.4	- Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	Yes	
	6.4	Compliance with a funded MTREF – *(choose from drop down list the MTREF assessed)*	2024/25 Adopted MTREF	
7	6.4.1	- Is the municipality's MTREF funded and aligning to the National Treasury's Budget Funding Guidelines - http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx?	Yes	
8	6.4.1	- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes	

9	6.4.1	- Has the municipality made adequate provision for debt impairment *(considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget)* on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes	
		Note *- For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (also property rates), the provision for debt impairment aligning with the historic collection trend should align to 40 per cent of the 2023/24 MTREF revenue projections (also propert rates). If the municipality merely used the debt impairment to 'balance' the budget and there is no real alignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as: "No".*		
10	6.4.1	- Has the municipality made adequate provision for depreciation and asset impairment *(considering its asset register and physical state of assets)* on the A1 Schedule) Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes	
		Note *- If the municipality merely used the depreciation and asset impairment to 'balance' the budget and there is no real alignment between the provision for such with the state of assets/asset register, the Provincial Treasury must respond to this item as: "No".*		
11	6.4.2	- ***If the municipality's MTREF is not funded***, has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?	Yes	
		Note *- if the municipality has an FRP, a separate budget funding plan is not necesary. However, the PT / NT must assesses whether the existing FRP incorporates / will give effect to a funded MTREF. If not, the FRP requires strenghtening*		
12	6.4.2	- ***If the municipality's MTREF is not funded and it has an FRP per the legislative framework***, does the existing FRP incorporate a credible Budget Funding Plan (will the FRP give effect to a funded MTREF over the period of the FRP) - aligning with the principles of a budget funding plan as envisaged in item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)? ***Note*** *- only if the municipality does not have an FRP may "N/A" be selected from the dropdown list.*	N/a	
13	6.4.2	- Does the municipality's annual and monthly cashflow projections included on the A1 Schedule (Table A7 - Budgeted Cash Flows and Supporting Table SA 30 – Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations aligns with and gives effect to the municipality's Budget Funding Plan strategy (or the FRP strategy) and related seasonal trends *(For example higher winter Eskom tariffs, lower January collection rates, etc.?)*	Yes	
14	6.5	**Cost reflective tariffs –** (excluding metros) has the municipality included its completed tariff tool (refer MFMA Circular no. 98 and item 5.2 of MFMA Budget Circular no. 122) as part of the municipality's annual tabled and adopted MTREF submissions with effect the tabling of the 2023/24 MTREF?	Yes	
	6.6	**Electricity and water as collection tools –** has the municipality, with effect from the tabling of the 2023/24 MTREF, ***demonstrated, through its by-laws and budget related policies*** that:		
15	6.6.1	- the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, thereafter to water, wastewater, refuse removal and lastly to electricity?	Yes	
16	6.6.2	- the municipality disconnects electricity services and/or block the purchasing of pre-paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?	Yes	
17	6.6.3	- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/ property owner unless the defaulter already registered as an indigent consumer with the municipality? Note: In terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.	Yes	
18	6.6.4	- If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively? ***Note –*** *the municipality's monthly MFMA s.71 statement must include as part of the narratives the Indigent Information in the required NT format.*	Yes	
	6.6	***Supporting evidence*** *: The National Treasury and/ or provincial treasury's related budget assessment confirms the municipality's relevant MTREF's related budget policies and by-laws demonstrate compliance with paragraph 6.6.*		
	6.7	**Maintain a minimum average quarterly collection of property rates and services charges –**		
19	6.7.1	- Has the municipality achieved a minimum of *80 per cent average quarterly collection* of property rates and service charges **with effect from 01 April 2023** and *85 per cent average quarterly collection* **with effect from 01 April 2024** during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and mSCOA data strings uploaded via the GoMuni Upload Portal?	No	

		Note - although the norm and standard for collection (MFMA Circular No. 71) is a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm.		
	6.7.2	- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, **has the municipality demonstrated to the satisfaction of National Treasury the following** :		
20	6.7.2.1	* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool and that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1;	No	
21	6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)?	Yes	
22	6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed and the reason(s) for the failure?	No	
23	6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection and only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	Yes	
24	6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	Yes	
25	6.7.5	- Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	Yes	
	6.8	**Municipality's Completeness of the revenue base –**		
26	6.8.1	- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer?	Yes	
27	6.8.1	- If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? ***Note** - monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting in the MFMA s.71 statement*	N/a	
28	6.8.2	- **For the latest ending Quarter** -Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on https://lgupl oadportal.treasury.gov.za?	Yes	
	6.9	**Monitor and report on implementation –**		
29	6.9.1	**- MFMA section 71 reporting –** has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	Yes	
30	6.9.2	- If progress is slow in terms of paragraph 6.9.1, is the **active intervention evident** from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string? ***Note** - condition 6.9.2 has a typing error and must refer to 6.9.1.*	Yes	
31	6.9.3	- **Municipalities with financial recovery plans (FRP)** – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive?	No FRP	
32	6.9.4	- If the municipality has an FRP, with effect from 01 April 2023, parallel to submitting its monthly FRP progress report to the Provincial Executive, has the municipality also submitted the FRP progress report to the National Treasury: Municipal Financial Recovery Service (MFRS) timeously via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za?	No FRP	
		Note - a municipality with a FRP may only benefit from the Municipal Debt Support programme if the FRP progress report was submitted to both the Provincial Executive and MFRS.		
	6.10	*Provincial Treasury Note - Provincial Treasury certification of municipal compliance – in terms of section 5 and 74 of the MFMA, with effect from 01 April 2023, a delegated municipality may not benefit from Municipal Debt Relief, unless:*		
33	6.10.1	- has the relevant Provincial Treasury (delegated) / National Treasury (non-delegated) monthly monitored the municipality's compliance in terms of these conditions?	Yes	

34	6.10.2	- has the Head of the relevant Provincial Treasury (delegated) monthly certified the municipality's compliance to these conditions, to the National Treasury's satisfaction as envisaged in the **conditions for provincial treasuries** (refer paragraph 4.1.1 to 4.1.5 of MFMA Circular no. 124) and timeously uploaded the compliance certificate via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za? ***Note*** *- in the case of a non-delegated municipality the National Treasury to issue the compliance certificate.*	Yes
35	6.10.3	- has the Provincial Treasury failed to rectify any provincial treasury non-compliance with any of the **conditions for provincial treasuries** (refer paragraph 4.1.1 to 4.1.6 of MFMA Circular no. 124) within one month of the non-compliance occurring?	No
		Note *- if the PT failed to address its failure such non-compliance will be considered as non-compliance by the municipality in terms of paragraph 6.1.1.*	
36	6.11	**Limitation on municipality borrowing powers -** has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?	No
		Note *- there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme. NT confirms that MFMA Circular No. 124: condition 6.11 (Limitation on municipality borrowing powers) will only be enforced in relation to new long term loans (entered into after the effective date of debt relief approval) as envisaged in MFMA section 46. Short term borrowing, including making use of an overdraft for in year bridging purposes are not considered within the ambit of this condition.*	
	6.12	**For the duration of the Municipal Debt Relief (to ensure proper management of resources):**	
37	6.12.1	- has the municipality **apportioned and ring-fenced in a sub-account** to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) **the component of the** Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?	No
38	6.12.2	- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?	No
		Note: *Only if relevant in the specific circumstances, will a request be made to the Minister of Finance upon the municipality's request to exempt the municipality from MFMA s.8(3).*	
39		***Supporting evidence*** : Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue.	Yes
40	6.13	**Accounting Treatment -** has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date? ***Note*** *- to include accounting for any related benefit (e.g. interest suppression, etc.) and alignment with mSCOA.*	Yes
41	6.14	'NERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?	Yes
		Note: *By applying for Municipal Debt Relief as set-out in paragraph 3. of MFMA Circular no. 124, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to revoke the municipality's license in terms of section 17 of the Electricity Regulation Act, 2006 (Act no. 4 of 2006). Any such application must be preceded by the relevant processes for appointing an external mechanism as envisaged in Chapter 8 of the Municipal Systems Act, 2000, including the necessary service delivery agreement aligning with the Municipal Systems Act, 2000 and Electricity Regulation Act, 2006. In terms of the conditions of government's wider support to Eskom, Eskom will once again have to enforce its credit control and debt collection policies also in relation to the municipality's arrears that are the subject of municipal debt relief, etc.*	

PT: HOD/ NT / MM Name: TSWALEDI M. MASHABELA

Signature of HOD/ NT/ MM:

Date: 12/12/2024

****Note** *– if the official is signing on behalf of the Head of the Provincial Treasury (HOD) / Municipal Manager, the written procuration of the HOD / MM must be attached as an Annexure to this Certificate of Compliance.*

Circular 124, for debt relief program - Eskom reconciliation as at 30 November 2024.

Kindly note the payments are made on an accrual basis.

ESKOM MAIN ACCOUNT

Segment in ledger ==================>			*Bulk Purchases*	*VAT*	*Interest expense*			
MONTH	**INVOICE NO**	**BALANCE BROUGHT FORWARD**	**TOTAL EXC**	**VAT**	**INTEREST**	**TOTAL INC**	**AMOUNT PAID**	**BALANCE + INVOICE - PAID**
Jul-24	564970455838	R 788 317 604.03	R 17 162 735.76	R 2 574 410.36	R 1 824 450.58	R 21 561 596.70	**R 10 000 000.00**	R 799 879 200.73
Aug-24	564900948545	R 799 879 200.73	R 12 738 610.06	R 1 910 791.51	R 2 051 138.83	R 816 579 741.13	**R 4 000 000.00**	R 812 579 741.13
Sep-24	564422207920	R 812 579 741.13	R 10 760 784.63	R 1 614 117.70	R 2 390 542.28	R 827 345 185.74	**R 2 800 000.00**	R 824 545 185.74
Oct-24	564768854268	R 824 545 185.74	R 8 687 767.27	R 1 303 165.09	R 2 996 569.42	R 837 532 687.52	**R 2 150 000.00**	R 835 382 687.52
Nov-24	564143391475	R 835 382 687.52	R 8 117 419.27	R 1 217 612.89	R 2 068 132.83	R 846 785 852.51	**R 3 050 000.00**	R 843 735 852.51
Dec-24						R -		R -
Jan-25						R -		R -
Feb-25						R -		R -
Mar-25						R -		R -
Apr-25						R -		R -
May-25						R -		R -
Jun-25						R -		R -
			R 57 467 316.99	**R 8 620 097.55**	**R 11 330 833.94**			

ESKOM SUB ACCOUNT

Segment in ledger ==================>			*Bulk Purchases*	*VAT*	*Interest expense*			
MONTH	**INVOICE NO**	**BALANCE BROUGHT FORWARD**	**TOTAL EXC**	**VAT**	**INTEREST**	**TOTAL INC**	**AMOUNT PAID**	**BALANCE + INVOICE - PAID = TOTAL DUE**
Jul-24	889668296263	R 50 012 521.37	R 12 890 775.60	R 1 933 616.34	R 198 410.58	R 15 022 802.52	**R 10 000 000.00**	R 55 035 323.89
Aug-24	889135332215	R 55 035 323.89	R 12 873 889.17	R 1 931 083.38	R 282 902.76	R 70 123 199.20	**R 4 000 000.00**	R 66 123 199.20
Sep-24	889612650615	R 66 123 199.20	R 8 623 201.00	R 1 293 480.15	R 464 334.26	R 76 504 214.61	**R 2 000 000.00**	R 74 504 214.61
Oct-24	889920803715	R 74 504 214.61	R 7 024 922.42	R 1 053 738.36	R 764 060.83	R 83 346 936.22	**R 2 450 000.00**	R 80 896 936.22
Nov-24	889330761790	R 80 896 936.22	R 7 613 828.85	R 1 142 074.33	R 484 468.05	R 90 137 307.45	**R 550 000.00**	R 89 587 307.45
Dec-24						R -		R -
Jan-25						R -		R -
Feb-25						R -		R -
Mar-25						R -		R -
Apr-25						R -		R -
May-25						R -		R -
Jun-25						R -		R -
			49 026 617.04	**7 353 992.56**	**2 194 176.48**			

17. Recommendations

1. That the Municipal Council consider the report in terms of Section 71 of MFMA.
2. That the Municipal Council consider that Table c1 – Table C7 is obtained in terms guided by the National Treasury.
3. That the Municipality consider that both Eskom and Rand Water debt as at 30 November 2024_25 amounts to **R 933 million** and **R452 million** respectively;
4. That the Municipal Council consider that the debt book amounts to **R1,7 million;**
5. That the Municipal Council consider the November payments made to Eskom and Rand Water amounts to **R3.6 million** and **R5 million** respectively;
6. Therefore, the implementation of credit control and debt collection policy must be intensified.

PP

T.P MAHLANGU
CHIEF FINANCIAL OFFICER