VICTOR KHANYE

LOCAL MUNICIPALITY – PLAASLIKE MUNISIPALITEIT

P.O BOX 6 DELMAS 2210
013 665 6008
013 665 2913
Email: thokom@victorkhanyelm.gov.za
Website: www.victorkhanyelm.gov.za

BUDGET & TREASURY OFFICE

QUALITY CERTIFICATE

I, **T.M Mashabela,** Municipal Manager of Victor Khanye Local Municipality, hereby certify that the Budget Statement for February 2024/25 has been prepared in accordance with the Municipal Finance Management Act and regulation made under that Act.

INITIALS AND SURNAME T. M MASHABELA

MUNICIPAL MANAGER OF VICTOR KHANYE LOCAL MUNICIPALITY MP311

SIGNATURE

DATE 2025/03/10

VICTOR KHANYE

LOCAL MUNICIPALITY – PLAASLIKE MUNISIPALITEIT

✉ 6 DELMAS 2210

☎013 665 6005

📠013 665 2913

Email: info@victorkhanyelm.gov.za

Website: www.victorkhanyelm.gov.za

BUDGET AND TREASURY

Enquires: S Maphanga **Ref: 8/2/1/2**

TO : MUNICIPAL MANAGER
T.M MASHABELA

FROM : CHIEF FINANCIAL OFFICER
T.P MAHLANGU

DATE : 10 MARCH 2025

RE : SECTION 71 REPORT

PURPOSE
To provide the Executive Mayor/Council with the budget and financial performance report for 28 February 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 FEBRUARY 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 FEBRUARY 2009 for implementation with effect from 1 FEBRUARY 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 FEBRUARY 2024_25**

Description	Budget	Adj budget	Month Actual	YTD Actual	YTD Budget
Revenue	- 773 201 000	- 877 815 000	- 43 923 000	- 376 357 000	- 536 390 000
Expenditure	878 574 000	999 340 000	108 831 000	496 077 000	609 869 000
Surplus/Deficit	105 373 000	121 525 000	64 908 000	119 720 000	

Operating revenue for the month of FEBRUARY amounted to **R43 million** and a year-to-date revenue billed amounted to **R376 million.**

REVENUE VARIANCES

	Original budget	Adjustment budget	Monthly Actual	YTD Actual	YTD Budget	Variance	Variance %
R thousands							
Revenue By Source							
Exchange revenue							
Service charges - electricity revenue	225 890 000	225 960 000	10 650 000	128 319 000	150 607 000	- 22 288 000	-15%
Service charges - water revenue	74 236 000	74 237 000	6 305 000	43 744 000	49 491 000	- 5 747 000	-12%
Service charges - sanitation revenue	13 785 000	13 785 000	1 070 000	8 887 000	9 190 000	- 303 000	-3%
Service charges - refuse revenue	14 672 000	14 672 000	1 286 000	10 521 000	9 781 000	740 000	8%
Sale of Goods and rendering of services	6 926 000	6 926 000	415 000	1 509 000	4 617 000	- 3 108 000	-67%
Interest earned - outstanding debtors	90 454 000	158 290 000	8 388 000	4 490 000	21 864 000	- 17 374 000	-79%
Rental of facilities and equipment	1 572 000	1 572 000	144 000	1 063 000	1 048 000	15 000	1%
Operational revenue	772 000	772 000	30 000	286 000	515 000	- 229 000	-44%
Interest from non_current Assets	-		-	-	-	-	
Non-exchange revenue						-	
Property rates	123 486 000	123 486 000	9 612 000	70 087 000	82 324 000	- 12 237 000	-15%
Surcharges and Taxes	33 486 000	70 193 000	5 923 000	47 003 000	29 665 000	17 338 000	58%
Fines, penalties and forfeits	2 141 000	2 141 000	100 000	1 228 000	1 428 000	- 200 000	-14%
interest	32 795 000	32 795 000	-	763 000	73 870 000	- 73 107 000	-99%
other Gains			-	2 000	-	2 000	
Transfers and Subsidies - Operational	152 985 000	152 985 000	-	58 455 000	101 990 000	- 43 535 000	-43%
Total revenue (excluding capital transf	**773 200 000**	**877 814 000**	**43 923 000**	**376 357 000**	**536 390 000**	**- 160 033 000**	**-30%**

Service Charges – Electricity

The billing for FEBRUARY amounted to **R10 million (-15%).** The TID project for replacing pre-paid meters is complete. The prepaid meters on zero buy is monitored on a monthly basis.

Service Charges – Water

The billing for FEBRUARY amounted to **R 6.3 million (-12%)**. 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 February amounted to **R1 million** and there is only a variance of **(-3%)**.

Service Charges – Refuse

The billing for February amounted to **R1 million** and shows a positive variance of (**8%)**.

Property Rates

Billing for property rates for the month of FEBRUARY amounted to **R9.6 million (-15%).**

Rental of facilities and equipment

Billing for the month amounted to **R144 thousands (1%).**

Surcharges and Taxes – Other revenue collected amounted to **R5.9 million (58%)**. Surcharges comprise of the flat rates for households in Botleng.

Interest

The interest earned from receivables amounted to **R8.3 million.**

Payment rate

Total billing amounted to **R53 million** and **R43 million** was collected. Collection rate decreased to **61** as opposed to the previous month **(82%).**

EXPENDITURE

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

Monthly Budget Statement - Financial Performance (Expenditure) - M08 February 2024-25							
Description							
	Original Budget 2024/25	Adjustment budget	Monthly Actual	YTD Actual	YTD budget	Variance	Variance %
R thousands							
Expenditure By Type							
Employee related costs	201 439 000	201 841 000	16 601 000	132 895 000	134 373 000	- 1 478 000	-1%
Remuneration of councillors	10 101 000	11 634 000	789 000	6 606 000	7 041 000	- 435 000	-6%
Bulk purchases - Electricity	203 854 000	233 854 000	14 967 000	137 845 000	141 903 000	- 4 058 000	-3%
Inventory consumed and Bulk pur	92 124 000	130 692 000	5 128 000	62 623 000	69 929 000	- 7 306 000	-10%
Debt impairment	108 336 000	88 336 000	-	-	68 224 000	- 68 224 000	-100%
Depreciation and asset impairme	52 446 000	51 033 000	-	-	31 481 000	- 31 481 000	-100%
Finance charges	30 000 000	50 005 000	7 301 000	49 646 000	24 001 000	25 645 000	107%
Contracted services	92 062 000	136 167 000	6 221 000	74 726 000	75 796 000	- 1 070 000	-1%
Transfers and subsidies	-	-	-	-	-	-	0%
Irrecoverable debts written off	29 800 000	29 800 000	-	-	19 867 000	- 19 867 000	-100%
Operationsl Costs	58 413 000	65 978 000	- 1 316 000	30 819 000	37 255 000	- 6 436 000	-17%
Lossess on disposal	-	-	59 139 000	-	-	-	0%
Other Losses	-	-	-	916 000	-	916 000	0%
Total Expenditure	**878 575 000**	**999 340 000**	**108 830 000**	**496 076 000**	**609 870 000**	**- 113 794 000**	**-19%**

Employee related cost – For the month of FEBRUARY 2024_25 total salaries, allowances and benefits amounted to **R17 million.** (-2%) indicates that we are still within the acceptable range.

Bulk Purchases-Electricity – Bulk invoices were not captured due to lateness, the invoice for sub account amounted to **R14 million**. The municipality remains non-compliant regarding circular 124 of the Eskom debt relief.

A payment of **R4.5 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 FEBRUARY amounted to **R5 million.** A payment of **R5 million** was made to Rand Water.

Finance charges – Interest charged amounted to **R7 million,** and it remains high as the debt for bulk purchases.

Contracted services – Expenditure on contracted services amounted to **R6 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 February, general expenditure amounted to an unfavourable **R1.3 million** as incorrectly drawn by the system.

The operating expenditure for the month of FEBRUARY amounts to **R108 million** and the year-to-date expenditure amount to **R496 million**.

Norms and Ratios

Current ratio (0:30

Shows the municipality will not be able to pay off its short-term liabilities using its short-term assets.

Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		0.38
				Current Assets	820 013 000
				Current Liabilities	2 170 266 000

Cash/Cost coverage ratio (0 Month)

Shows the municipality will also not meet its financial obligations, specifically its debt payments using cash and cash equivalents.

Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((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)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months		0 Month
				Cash and cash equivalents	18 305 064
				Unspent Conditional Grants	14 089 559
				Overdraft	-
				Short Term Investments	-
				Total Annual Operational Expenditure	999 340 000

Capital expenditure to Operating expenditure (3%)

This Ratio is used to assess the level of Capital Expenditure to Total Expenditure, which indicates the prioritisation of expenditure towards current operations versus future capacity in terms of Municipal Services.

Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) × 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%		3%
				Total Operating Expenditure	999 340 000
				Taxation Expense	-
				Total Capital Expenditure	32 920 000

Contracted services (7%)

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.

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%		7%
				Contracted Services	74 726 000
				Total Operating Expenditure	999 340 000
				Taxation Expense	-

Creditor's payment period (340 Days)

The number of day it takes the municipality to pay its suppliers after receiving goods or services, reflecting its payment policies and cash management calls for immediate intervention.

Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) × 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days		340 days
				Trade Creditors	1 447 661 000
				Contracted Services	74 726 000
				Repairs and Maintenance	32 667 000
				General expenses	18 776 420
				Bulk Purchases	1 428 590 000
				Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)*	-

Repairs and Maintenance

Description R thousands	Original Budget 2024/25	Adjustment budget	Monthly Actual	Year to Date Actual	YTD budget	Variance	Variance %
Infrastructure	**15 260 000**	**43 876 000**	**3 526 000**	**31 179 000**	**19 096 000**	**12 083 000**	**76%**
Roads Infrastructure	**5 000 000**	**4 300 000**	**390 000**	**737 000**	**3 193 000**	**- 2 456 000**	**-77%**
Capital Spares	5 000 000	4 300 000	390 000	737 000	3 193 000	- 2 456 000	-77%
Electrical Infrastructure	**6 000 000**	**26 000 000**	**3 129 000**	**23 993 000**	**8 000 000**	**15 993 000**	**200%**
Capital Spares	6 000 000	26 000 000	3 129 000	23 993 000	8 000 000	15 993 000	200%
Water Supply Infrastructure	**1 700 000**	**3 200 000**	**-**	**629 000**	**1 433 000**	**- 804 000**	**-56%**
Capital Spares	1 700 000	3 200 000	-	629 000	1 433 000	- 804 000	-56%
Sanitation Infrastructure	**500 000**	**7 000 000**	**1 032 000**	**5 269 000**	**4 833 000**	**436 000**	**9%**
Capital Spares	500 000	7 000 000	1 032 000	5 269 000	4 833 000	436 000	9%
Costal Infrastructure	**2 060 000**	**3 376 000**	**- 1 025 000**	**551 000**	**1 637 000**	**- 1 086 000**	**-66%**
Capital Spares	2 060 000	3 376 000	- 1 025 000	551 000	1 637 000	- 1 086 000	-66%
Information and communicat	**10 792 000**	**8 532 000**	**120 000**	**1 488 000**	**6 743 000**	**- 5 255 000**	**-78%**
Data centres	10 792 000	8 532 000	120 000	**1 488 000**	6 743 000	- 5 255 000	**-78%**
Capital Spares	10 792 000	8 532 000	120 000	1 488 000	6 743 000	- 5 255 000	-78%
Total Repairs and Maintenance Expenditure	**26 052 000**	**52 408 000**	**3 646 000**	**32 667 000**	**25 839 000**	**6 828 000**	**26%**

Repairs and maintenance analysis Supporting table SC13c measures the extent to which Council's assets are maintained per asset class. Expenditure incurred for February amounts to **R3.6 million.**

4. BUDGET PERFOMANCE OVERVIEW

4.1 CAPITAL EXPENDITURE

Grants	Gazetted Amnt	Total Received To-Date	Feb Actual	YTD spending	% spent on received amt
MIG	28 420 000	23 383 000	-	14 468 567	62%
WSIG	25 000 000	15 611 000	-	11 141 498	71%

Total allocation for capital 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 FEBRUARY shows a negative cash amount of **R174 thousand** 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 FEBRUARY shows a cash outflow of **R3.2 million** that is a payment of capital projects.

Net Increase/ Decrease in cash held

The municipality recorded an increase in net cash held of **R 1.5** in FEBRUARY 2024.

Description R thousands	Feb 2024_25 Actual
CASH FLOW FROM OPERATING ACTIVITIES	
Receipts	
Property rates, penalties & collection charges	9 563
Service charges	21 823
Other revenue	21 622
Government - operating	–
Government - capital	–
Interest	8 583
Dividends	–
Total receipts	**61 590**
Payments	
Suppliers and employees	(54 463)
Finance charges	(7 301)
Transfers and Grants	–
Total payments	**(61 764)**
NET CASH FROM/(USED) OPERATING ACTIVITIES	**(174)**
CASH FLOWS FROM INVESTING ACTIVITIES	
Receipts	
Received from arrangements	–
Disposal of assets	–
(Increase) / Decrease in non-current investments	–
Payments	(3 230)
Capital assets	(3 230)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(3 230)**
CASH FLOWS FROM FINANCING ACTIVITIES	
Receipts	
Increase in consumer deposits	2 920
Borrowing long term/refinancing	–
Payments	
Repayment of borrowing	–
Finance lease payments	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	**2 920**
NET INCREASE/ (DECREASE) IN CASH HELD	**1 524**
Cash/cash equivalents at beginning of the month:	16 781
Cash/cash equivalents at month end:	18 305

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 February resulted in a favourable balance of **R43 million** and total expenditure amounted to **R108 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 **-30%** and deviation of **-19%** 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 FEBRUARY, the expenditure amounted to **R3.2 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 28 February 2024_25, the community wealth amounts to an unfavourable **R284 million**, Total liabilities amounts to **R2.1 billion,** whilst total assets amount to **R1.1 billion** which resulted in an unfavourable net-assets of **R284 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 FEBRUARY, the net cash from operating activities is a favourable **R18 million**, the Net cash from investing activities amounted to an unfavourable **R924 thousand.** The net cash from financing activities amounts to **R0.** The Bank balance at the end of the month amounted to **R18 million.**

BANK NAME	TYPE OF ACCOUNT	BALANCE
STD BANK	MAIN ACCOUNT	1 426 672
STD BANK	CALL ACCOUNT	9 049 082
STD BANK	TRAFFIC	154 310
STD BANK	MONEY MARKET	809 658
ABSA BANK	CALL ACCOUNT	6 865 342
BALANCE		**18 305 064**

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 **(61%).**

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	FEBRUARY
Organs of state	22 610 565.53
Commercial	88 748 361.42
Households	868 846 913.33
Mines	16 859 604.09
Farms	88 754 231.61
Indigents	13 773 669.27
Top 200	6 386 516.38
Other	3 404 431.21
	1 109 384 292.84

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 FEBRUARY 2024_25, creditors amounted to **R 1.4 billion** and the bulk of the creditors relates to Eskom account with an amount **R968 million** and Rand Water with an amount of **R460 million.**

3.4 COUNCILLORS ALLOWANCES AND EMPLOYEE BENEFITS ANALYSIS:

The table SC8 provides details for councillor and employee benefits. For the actual month of FEBRUARY 2024_25 total salaries, allowances and benefits amounted to **R17 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 **R3 million** using own generated funds.

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 FEBRUARY 2025 is attached as Annexure "D"
- MFMA Circular 124 – completeness of revenue for the month of FEBRUARY 2025 is attached Annexure É"

6. DEBTORS

Debtors' Age Analysis for the month ended 28 February 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 **R973 thousand** and sundry debtors amount to **R135 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
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Water	1200	6 134	4 370	2 996	3 878	2 479	2 439	226 328	–	248 625	238 121
Trade and Other Receivables from Exchange Transactions - Electricity	1300	14 237	2 801	606	529	(185)	357	16 486	–	34 831	17 793
Receivables from Non-exchange Transactions - Property Rates	1400	8 911	4 426	3 861	2 451	2 969	3 050	159 736	–	185 404	172 067
Receivables from Exchange Transactions - Waste Water Management	1500	1 002	560	482	404	367	377	21 977	–	25 170	23 608
Receivables from Exchange Transactions - Waste Management	1600	1 219	698	627	565	539	519	24 200	–	28 367	26 449
Receivables from Exchange Transactions - Property Rental Debtors	1700	6 019	5 694	5 688	5 647	5 486	5 214	205 279	–	239 025	227 313
Interest on Arrear Debtor Accounts	1810	8 477	8 371	8 225	8 014	8 023	7 877	164 941	–	213 929	197 081
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–
Other	1900	3 438	(4 645)	1 343	1 329	845	1 129	130 595	–	134 035	135 242
Total By Income Source	**2000**	**49 436**	**22 275**	**23 828**	**22 819**	**20 523**	**20 962**	**949 541**	**–**	**1 109 384**	**1 037 673**
2019/20 - totals only										–	–
Debtors Age Analysis By Customer Group											
Organs of State	2200	1 668	728	732	(305)	697	817	18 273	–	22 611	20 214
Commercial	2300	14 228	2 680	2 203	1 992	1 661	1 674	64 310	–	88 748	71 840
Households	2400	21 111	18 916	17 203	17 872	15 312	15 631	762 803	–	868 847	828 820
Other	2500	12 429	(48)	3 690	3 259	2 853	2 840	104 155	–	129 178	116 798
Total By Customer Group	**2600**	**49 436**	**22 275**	**23 828**	**22 819**	**20 523**	**20 962**	**949 541**	**–**	**1 109 384**	**1 037 673**

7. CREDITORS AGE ANALYSIS

MP311 Victor Khanye - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 Feb 2024/25

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	21 843	19 759	20 948	–	905 823	–	–	–	968 373
Bulk Water	0200	12 124	11 017	10 544	10 024	416 508				460 217
PAYE deductions	0300	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	12 378	–	–	–	–	–	–	–	12 378
Auditor General	0800	111	156	1 222	2 755	1 435		–	–	5 680
Other	0900	266	747	–	–	–	–	–	–	1 014
Total By Customer Type	1000	46 722	31 679	32 715	12 780	1 323 766	–	–	–	1 447 661

8. Allocation and grant receipts and expenditure

Grants	Gazetted Amnt	Total Received to date	Feb Actual	YTD Spending	% spent on received amount
EQUITABLE SHARE	149 824 000	112 368 000	2 019 841	108 373 995	96%
FMG	1 800 000	1 800 000	35 248	1 094 376	61%
EPWP	1 361 000	1 361 000	-	1 361 000	100%
MIG	28 420 000	23 383 000	-	14 468 567	62%
WSIG	25 000 000	15 611 000	-	11 141 498	71%

EPWP expenditure is now paid using own generated funds and the incurred expenditure for February amounted to R 468 thousands.

9. Councillor and board member allowances and employee benefits

Number of months--------->	8				
	Pro-rata	Feb	Actual	%	Reason for Variance
	Budget	Actual	YTD	Actual	
Councillors:					
Allowances	6 734 000	789 000	6 606 000	98.1%	None
Employees:					
Basic salary	84 150 000	9 705 000	78 488 000	93.3%	None
Travelling allowance	7 048 000	1 081 000	7 078 000	100.4%	None
Overtime	5 280 917	1 528 000	11 958 000	226.4%	Planned and unplanned maintenance due to pipe bursts, burned transformers and cable faults.
Employee social contribution	32 426 333	4 289 000	39 628 000	122.2%	
TOTAL	**135 639 250**	**17 392 000**	**143 758 000**	**106.0%**	

13. Conclusion

14. Annexure A: C Schedules

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

16. Municipal Manager's quality certificate

Circular 124, for debt relief program - Eskom reconciliation as at 28 February 2025.

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	R 17 162 736	R 2 574 410	R 1 824 451	R 21 561 597	R 10 000 000	R 799 879 201
Aug-24	564900948545	R 799 879 201	R 12 738 610	R 1 910 792	R 2 051 139	R 16 700 540	R 4 000 000	R 812 579 741
Sep-24	564422207920	R 812 579 741	R 10 760 785	R 1 614 118	R 2 390 542	R 14 765 445	R 2 800 000	R 824 545 186
Oct-24	564768854268	R 824 545 186	R 8 687 767	R 1 303 165	R 2 996 569	R 12 987 502	R 2 150 000	R 835 382 688
Nov-24	564143391475	R 835 382 688	R 8 117 419	R 1 217 613	R 2 068 133	R 11 403 165	R 3 050 000	R 843 735 853
Dec-24	564514175441	R 843 735 853	R 7 621 902	R 1 143 285	R 3 013 503	R 11 778 690	R 9 500 000	R 846 014 543
Jan-25	564088945638	R 846 014 543	R 7 713 487	R 1 157 023	R 2 491 282	R 11 361 792	R 2 000 000	R 855 376 335
Feb-25	564015816898	R 855 376 335	R 8 139 316	R 1 220 897	R 2 499 977	R 11 860 190	R 1 000 000	R 866 236 525
Mar-25								
Apr-25								
May-25								
Jun-25								
			R 80 942 021.24	**R 12 141 303.19**	**R 19 335 596.04**			

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 =
Jul-24	889668296263	R 50 012 521	R 12 890 776	R 1 933 616	R 198 411	R 15 022 803	R 10 000 000	R 55 035 324
Aug-24	889135332215	R 55 035 324	R 12 873 889	R 1 931 083	R 282 903	R 15 087 875	R 4 000 000	R 66 123 199
Sep-24	889612650615	R 66 123 199	R 8 623 201	R 1 293 480	R 464 334	R 10 381 015	R 3 200 000	R 73 304 215
Oct-24	889920803715	R 74 504 215	R 7 024 922	R 1 053 738	R 764 061	R 8 842 722	R 2 450 000	R 80 896 936
Nov-24	889330761790	R 80 896 936	R 7 613 829	R 1 142 074	R 484 468	R 9 240 371	R 550 000	R 89 587 307
Dec-24	889660984388	R 89 587 307	R 7 245 563	R 1 086 835	R 837 024	R 9 169 422	R 11 500 000	R 87 256 730
Jan-25	889565729430	R 87 256 730	R 6 776 279	R 1 016 442	R 604 959	R 8 397 679		R 95 654 409
Feb-25	889286723150	R 95 654 409	R 8 063 342	R 1 209 501	R 709 603	R 9 982 445	R 3 500 000	R 102 136 854
Mar-25								
Apr-25								
May-25								
Jun-25								
			71 111 800.85	**10 666 770.14**	**4 345 761.89**			

Choose name from list - Table C1 Monthly Budget Statement Summary - M08 - February

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	123.486	9.612	70.087	82.324	(12.237)	-15%	123.486
Service charges	265.429	328.584	328.654	19.311	191.472	219.070	(27.598)	-13%	328.654
Investment revenue	1.037	–	–	–	–	–	–		–
Transfers and subsidies - Operational	143.890	152.985	152.985	–	58.455	101.990	(43.535)	-43%	152.985
Other own revenue	142.671	168.146	272.689	15.000	56.343	133.006	(76.663)	-58%	–
Total Revenue (excluding capital transfers and contributions)	**662.834**	**773.201**	**877.815**	**43.923**	**376.357**	**536.390**	**(160.033)**	**-30%**	**877.815**
Employee costs	186.893	201.439	201.841	16.601	132.895	134.373	(1.478)	-1%	201.841
Remuneration of Councillors	9.364	10.101	11.634	789	6.606	7.041	(434)	-6%	11.634
Depreciation and amortisation	29.000	52.446	51.033	–	–	31.481	(31.481)	-100%	51.033
Interest	85.022	30.000	50.005	7.301	49.646	24.001	25.645	107%	50.005
Inventory consumed and bulk purchases	332.402	295.978	364.546	20.096	200.468	211.832	(11.364)	-5%	364.546
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	187.250	288.611	320.281	64.044	106.461	201.141	(94.680)	-47%	320.281
Total Expenditure	**829.929**	**878.574**	**999.340**	**108.831**	**496.077**	**609.869**	**(113.792)**	**-19%**	**999.340**
Surplus/(Deficit)	**(167.095)**	**(105.373)**	**(121.526)**	**(64.908)**	**(119.720)**	**(73.479)**	**(46.241)**	**63%**	**(121.526)**
Transfers and subsidies - capital (monetary allocations)	–	53.420	53.420	–	–	35.613	(35.613)	-100%	53.420
Transfers and subsidies - capital (in-kind)	–	119.417	119.417	–	–	79.612	(79.612)	-100%	119.417
Surplus/(Deficit) after capital transfers &	**(167.095)**	**67.465**	**51.312**	**(64.908)**	**(119.720)**	**41.746**	**(161.466)**	**-387%**	**51.312**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(167.095)**	**67.465**	**51.312**	**(64.908)**	**(119.720)**	**41.746**	**(161.466)**	**-387%**	**51.312**
Capital expenditure & funds sources									
Capital expenditure	**68.494**	**65.740**	**81.572**	**3.230**	**32.920**	**46.993**	**(14.073)**	**-30%**	**81.572**
Capital transfers recognised	40.335	53.420	53.472	–	15.158	35.624	(20.466)	-57%	53.472
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**28.157**	**12.320**	**28.100**	**3.230**	**17.762**	**11.369**	**6.393**	**56%**	**28.100**
Total sources of capital funds	**68.493**	**65.740**	**81.572**	**3.230**	**32.920**	**46.993**	**(14.073)**	**-30%**	**81.572**
Financial position									
Total current assets	686.246	196.010	156.347		820.013				156.347
Total non current assets	1.050.682	996.847	1.014.092		1.065.968				1.014.092
Total current liabilities	1.769.662	(16.295)	(22.560)		2.112.654				(22.560)
Total non current liabilities	51.833	683.528	683.528		57.612				683.528
Community wealth/Equity	**(84.568)**	**525.624**	**509.471**		**(284.285)**				**509.471**
Cash flows									
Net cash from (used) operating	198.904	108.909	121.486	18.311	69.302	103.397	34.095	33%	121.486
Net cash from (used) investing	75.837	(62.740)	(78.572)	(924)	(36.979)	(42.532)	(5.553)	13%	(78.572)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**279.611**	**76.169**	**72.914**	**–**	**339.942**	**90.865**	**(249.077)**	**-274%**	**350.532**
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) - M08 - February

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**	**354.015**	**37.014**	**168.221**	**232.093**	(63.871)	-28%	**354.015**
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		312.253	345.621	354.015	37.014	168.221	232.093	(63.871)	-28%	354.015
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**5.013**	**6.572**	**6.902**	**251**	**2.957**	**4.447**	(1.490)	-34%	**6.902**
Community and social services		1.789	1.967	1.967	19	334	1.311	(977)	-75%	1.967
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		1.600	3.363	3.363	88	1.560	2.242	(682)	-30%	3.363
Housing		1.624	1.242	1.572	144	1.063	894	169	19%	1.572
Health		–	–	–	–	–	–	–		–
Economic and environmental services		–	**4.772**	**4.172**	–	–	**3.061**	(3.061)	-100%	**4.172**
Planning and development		–	4.772	4.172	–	–	3.061	(3.061)	-100%	4.172
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**345.568**	**589.074**	**685.564**	**6.658**	**205.179**	**412.014**	**(206.836)**	-50%	**685.564**
Energy sources		178.524	210.547	239.199	(2.002)	115.547	146.095	(30.548)	-21%	239.199
Water management		57.697	170.770	195.011	6.305	43.744	118.695	(74.951)	-63%	195.011
Waste water management		11.909	170.772	199.289	1.070	8.887	119.551	(110.664)	-93%	199.289
Waste management		97.438	36.986	52.064	1.286	37.001	27.673	9.328	34%	52.064
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**662.834**	**946.039**	**1.050.652**	**43.923**	**376.357**	**651.615**	**(275.258)**	**-42%**	**1.050.652**
Expenditure - Functional										
Governance and administration		**304.609**	**332.800**	**365.102**	**14.212**	**158.498**	**228.327**	(69.829)	-31%	**365.102**
Executive and council		43.024	45.646	54.551	4.099	36.509	32.212	4.297	13%	54.551
Finance and administration		261.580	287.154	310.551	10.113	121.989	196.115	(74.127)	-38%	310.551
Internal audit		5	–	–	–	–	–	–		–
Community and public safety		**70.222**	**65.962**	**89.386**	**62.255**	**53.679**	**48.660**	5.020	10%	**89.386**
Community and social services		27.975	9.424	32.945	61.157	20.596	10.987	9.609	87%	32.945
Sport and recreation		2.300	3.037	3.041	(2.985)	713	2.025	(1.313)	-65%	3.041
Public safety		38.648	53.102	51.359	4.030	31.306	35.053	(3.747)	-11%	51.359
Housing		1.299	400	2.041	53	1.065	595	470	79%	2.041
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**39.913**	**52.238**	**50.901**	**2.015**	**12.583**	**34.558**	(21.975)	-64%	**50.901**
Planning and development		13.919	15.074	12.607	(211)	2.051	9.556	(7.505)	-79%	12.607
Road transport		25.474	36.374	37.503	2.238	10.462	24.475	(14.013)	-57%	37.503
Environmental protection		520	791	791	(13)	70	527	(458)	-87%	791
Trading services		**415.186**	**427.574**	**493.952**	**30.349**	**271.317**	**298.325**	**(27.008)**	-9%	**493.952**
Energy sources		262.678	242.182	308.752	19.290	185.593	174.769	10.824	6%	308.752
Water management		107.799	114.299	126.842	7.414	57.458	78.708	(21.250)	-27%	126.842
Waste water management		35.738	40.620	50.122	3.798	25.761	28.980	(3.219)	-11%	50.122
Waste management		8.970	30.473	8.237	(153)	2.504	15.868	(13.364)	-84%	8.237
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	**829.929**	**878.574**	**999.340**	**108.831**	**496.077**	**609.869**	**(113.792)**	**-19%**	**999.340**
Surplus/ (Deficit) for the year		**(167.095)**	**67.465**	**51.312**	**(64.908)**	**(119.720)**	**41.746**	**(161.466)**	**-387%**	**51.312**

2023/10/04 11:49:42

Choose name from list - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M08 - February

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	354.015	37.014	168.221	232.093	(63.871)	-27.5%	354.015
Vote 3 - Corporate Services		–	–	–	–	–	–	–		–
Vote 4 - Community and Social Services		1.789	1.967	1.967	19	334	1.311	(977)	-74.5%	1.967
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–		–
Vote 6 - Public Safety		1.600	3.363	3.363	88	1.560	2.242	(682)	-30.4%	3.363
Vote 7 - Housing		1.624	1.242	1.572	144	1.063	894	169	18.9%	1.572
Vote 8 - Health Services		–	–	–	–	–	–	–		–
Vote 9 - Planning and Development		–	4.772	4.172	–	–	3.061	(3.061)	-100.0%	4.172
Vote 10 - Roads Transport		–	–	–	–	–	–	–		–
Vote 11 - Electricity Services		178.524	210.547	239.199	(2.002)	115.547	146.095	(30.548)	-20.9%	239.199
Vote 12 - Water Services		57.697	170.770	195.011	6.305	43.744	118.695	(74.951)	-63.1%	195.011
Vote 13 - Waste Water Management		11.909	170.772	199.289	1.070	8.887	119.551	(110.664)	-92.6%	199.289
Vote 14 - Solid Waste Management		97.438	36.986	52.064	1.286	37.001	27.673	9.328	33.7%	52.064
Vote 15 -		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**662.834**	**946.039**	**1.050.652**	**43.923**	**376.357**	**651.615**	**(275.258)**	**-42.2%**	**1.050.652**
Expenditure by Vote	1									
Vote 1 - Office of the Municipal Manager		58.063	58.090	68.922	4.362	42.030	40.893	1.137	2.8%	68.922
Vote 2 - Budget and Treasury		234.880	263.576	281.980	14.217	108.539	179.398	(70.859)	-39.5%	281.980
Vote 3 - Corporate Services		8.940	137	268	(5.552)	1.206	118	1.089	926.6%	268
Vote 4 - Community and Social Services		27.975	9.424	32.945	61.157	20.596	10.987	9.609	87.5%	32.945
Vote 5 - Sport and Recreation		2.300	3.037	3.041	(2.985)	713	2.025	(1.313)	-64.8%	3.041
Vote 6 - Public Safety		38.648	53.102	51.359	4.030	31.306	35.053	(3.747)	-10.7%	51.359
Vote 7 - Housing		1.299	400	2.041	53	1.065	595	470	79.1%	2.041
Vote 8 - Health Services		520	791	791	(13)	70	527	(458)	-86.8%	791
Vote 9 - Planning and Development		7.746	7.317	7.717	27	768	4.958	(4.190)	-84.5%	7.717
Vote 10 - Roads Transport		25.612	50.077	52.702	7.724	16.556	33.910	(17.354)	-51.2%	52.702
Vote 11 - Electricity Services		262.678	242.182	308.752	19.290	185.593	174.769	10.824	6.2%	308.752
Vote 12 - Water Services		107.799	114.299	126.842	7.414	57.458	78.708	(21.250)	-27.0%	126.842
Vote 13 - Waste Water Management		35.738	40.620	50.122	3.798	25.761	28.980	(3.219)	-11.1%	50.122
Vote 14 - Solid Waste Management		8.970	30.473	8.237	(153)	2.504	15.868	(13.364)	-84.2%	8.237
Vote 15 -		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**821.170**	**873.524**	**995.718**	**113.369**	**494.166**	**606.788**	**(112.623)**	**-18.6%**	**995.718**
Surplus/ (Deficit) for the year	2	**(158.335)**	**72.515**	**54.934**	**(69.446)**	**(117.809)**	**44.827**	**(162.636)**	**-362.8%**	**54.934**

2023/10/04 11:49:47

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 - February

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	225.960	10.650	128.319	150.607	(22.288)	-15%	225.960
Service charges - Water		56.595	74.236	74.237	6.305	43.744	49.491	(5.747)	-12%	74.237
Service charges - Waste Water Management		11.909	13.785	13.785	1.070	8.887	9.190	(303)	-3%	13.785
Service charges - Waste management		12.494	14.672	14.672	1.286	10.521	9.781	740	8%	14.672
Sale of Goods and Rendering of Services		2.266	6.926	6.926	415	1.509	4.617	(3.108)	-67%	6.926
Agency services		–	–	–	–	–	–	–		–
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		85.315	90.454	158.290	–	763	73.870	(73.107)	-99%	158.290
Interest from Current and Non Current Assets		1.037	–	–	–	–	–	–		–
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		1.624	1.572	1.572	144	1.063	1.048	15	1%	1.572
Licence and permits		–	–	–	–	–	–	–		–
Operational Revenue		337	772	772	30	285	515	(230)	-45%	772
Non-Exchange Revenue								–		
Property rates		109.807	123.486	123.486	9.612	70.087	82.324	(12.237)	-15%	123.486
Surcharges and Taxes		49.204	33.486	70.193	5.923	47.003	29.665	17.338	58%	70.193
Fines, penalties and forfeits		744	2.141	2.141	100	1.227	1.427	(200)	-14%	2.141
Licence and permits		–	–	–	–	–	–	–		–
ansfers and subsidies - Operational		143.890	152.985	152.985	–	58.455	101.990	(43.535)	-43%	152.985
..erest		–	32.795	32.795	8.388	4.490	21.863	(17.373)	-79%	32.795
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		–	–	–	–	–	–	–		–
Other Gains		3.179	–	–	–	2	–	2	#DIV/0!	–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**662.834**	**773.201**	**877.815**	**43.923**	**376.357**	**536.390**	**(160.033)**	**-30%**	**877.815**
Expenditure By Type										
Employee related costs		186.893	201.439	201.841	16.601	132.895	134.373	(1.478)	-1%	201.841
Remuneration of councillors		9.364	10.101	11.634	789	6.606	7.041	(434)	-6%	11.634
Bulk purchases - electricity		203.040	203.854	233.854	14.967	137.845	141.903	(4.057)	-3%	233.854
Inventory consumed		129.362	92.124	130.692	5.128	62.623	69.929	(7.307)	-10%	130.692
Debt impairment		–	108.336	88.336	–	–	68.224	(68.224)	-100%	88.336
Depreciation and amortisation		29.000	52.446	51.033	–	–	31.481	(31.481)	-100%	51.033
Interest		85.022	30.000	50.005	7.301	49.646	24.001	25.645	107%	50.005
Contracted services		115.261	92.062	136.167	6.221	74.726	75.796	(1.070)	-1%	136.167
Transfers and subsidies		–	–	–	–	–	–	–		–
Irrecoverable debts written off		–	29.800	29.800	–	–	19.867	(19.867)	-100%	29.800
Operational costs		61.482	58.413	65.978	(1.316)	30.819	37.255	(6.436)	-17%	65.978
Losses on Disposal of Assets		–	–	–	59.139	–	–	–		–
Other Losses		10.507	–	–	–	916	–	916	#DIV/0!	–
Total Expenditure		**829.929**	**878.574**	**999.340**	**108.831**	**496.077**	**609.869**	**(113.792)**	**-19%**	**999.340**
rplus/(Deficit)		**(167.095)**	**(105.373)**	**(121.526)**	**(64.908)**	**(119.720)**	**(73.479)**	**(46.241)**	**63%**	**(121.526)**
ransfers and subsidies - capital (monetary allocations)		–	53.420	53.420	–	–	35.613	(35.613)	-100%	53.420
Transfers and subsidies - capital (in-kind)		–	119.417	119.417	–	–	79.612	(79.612)	-100%	119.417
Surplus/(Deficit) after capital transfers & contributions		**(167.095)**	**67.465**	**51.312**	**(64.908)**	**(119.720)**	**41.746**			**51.312**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**(167.095)**	**67.465**	**51.312**	**(64.908)**	**(119.720)**	**41.746**			**51.312**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–		–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–		–
Surplus/(Deficit) attributable to municipality		**(167.095)**	**67.465**	**51.312**	**(64.908)**	**(119.720)**	**41.746**			**51.312**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		**(167.095)**	**67.465**	**51.312**	**(64.908)**	**(119.720)**	**41.746**			**51.312**

2023/10/04 11:49:51

Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M08 - February

Vote Description	Ref	2022/23	Budget Year 2023/24							
R thousands	1	Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
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	5.250	3.201	3.480	2.310	1.170	51%	5.250
Vote 2 - Budget and Treasury		324	500	650	–	337	363	(26)	-7%	650
Vote 3 - Corporate Services		–	–	–	–	–	–	–		–
ote 4 - Community and Social Services		–	20	20	–	–	13	(13)	-100%	20
te 5 - Sport and Recreation		–	–	–	–	–	–	–		–
Vote 6 - Public Safety		–	–	80	–	–	16	(16)	-100%	80
Vote 7 - Housing		–	–	–	–	–	–	–		–
Vote 8 - Health Services		–	–	–	–	–	–	–		–
Vote 9 - Planning and Development		–	100	100	29	29	67	(38)	-57%	100
Vote 10 - Roads Transport		10.881	19.421	28.864	–	13.736	14.836	(1.100)	-7%	28.864
Vote 11 - Electricity Services		29.396	6.500	18.409	–	11.937	6.715	5.222	78%	18.409
Vote 12 - Water Services		23.889	31.499	26.200	–	2.549	19.940	(17.391)	-87%	26.200
Vote 13 - Waste Water Management		3.167	3.000	–	–	–	1.400	(1.400)	-100%	–
Vote 14 - Solid Waste Management		127	2.000	1.999	–	852	1.333	(481)	-36%	1.999
Vote 15 -		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	68.494	65.740	81.572	3.230	32.920	46.993	**(14.073)**	**-30%**	81.572
Total Capital Expenditure		**68.494**	**65.740**	**81.572**	**3.230**	**32.920**	**46.993**	**(14.073)**	**-30%**	**81.572**
Capital Expenditure - Functional Classification										
Governance and administration		**1.034**	**8.200**	**13.900**	**3.201**	**8.244**	**6.607**	1.638	25%	**13.900**
Executive and council		–	200	200	157	157	133	23	18%	200
Finance and administration		1.034	8.000	13.700	3.044	8.088	6.473	1.614	25%	13.700
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**–**	**20**	**100**	**–**	**–**	**29**	(29)	-100%	**100**
Community and social services		–	20	20	–	–	13	(13)	-100%	20
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	80	–	–	16	(16)	-100%	80
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
onomic and environmental services		**10.881**	**14.521**	**20.964**	**29**	**9.338**	**10.969**	(1.631)	-15%	**20.964**
Planning and development		–	100	100	29	29	67	(38)	-57%	100
Road transport		10.881	14.421	20.864	–	9.309	10.903	(1.593)	-15%	20.864
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**56.579**	**42.999**	**46.608**	**–**	**15.338**	**29.388**	(14.050)	-48%	**46.608**
Energy sources		29.396	6.500	18.409	–	11.937	6.715	5.222	78%	18.409
Water management		23.889	31.499	26.200	–	2.549	19.940	(17.391)	-87%	26.200
Waste water management		3.167	3.000	–	–	–	1.400	(1.400)	-100%	–
Waste management		127	2.000	1.999	–	852	1.333	(481)	-36%	1.999
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**68.494**	**65.740**	**81.572**	**3.230**	**32.920**	**46.993**	**(14.073)**	**-30%**	**81.572**
Funded by:										
National Government		40.335	53.420	53.472	–	15.158	35.624	(20.466)	-57%	53.472
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		–	–	–	–	–	–	–		–
Transfers recognised - capital		**40.335**	**53.420**	**53.472**	**–**	**15.158**	**35.624**	**(20.466)**	**-57%**	**53.472**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		28.157	12.320	28.100	3.230	17.762	11.369	6.393	56%	28.100
Total Capital Funding		**68.493**	**65.740**	**81.572**	**3.230**	**32.920**	**46.993**	**(14.073)**	**-30%**	**81.572**

2023/10/04 11:49:54

Choose name from list - Table C6 Monthly Budget Statement - Financial Position - M08 - February

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	22.130	223.459	22.130
Trade and other receivables from exchange transactions		265.882	66.959	118.092	102.178	118.092
Receivables from non-exchange transactions		89.964	84.982	53.853	50.177	53.853
Current portion of non-current receivables		–	–	–	–	–
Inventory		(30.543)	(31.972)	(37.728)	8.556	(37.728)
VAT		377.839	–	–	442.130	–
Other current assets		(1.190)	–	–	(6.486)	–
Total current assets		**686.246**	**196.010**	**156.347**	**820.013**	**156.347**
Non current assets						
Investments		–	–	–	–	–
Investment property		89.163	68.123	68.123	88.433	68.123
Property, plant and equipment		960.381	927.495	944.740	976.397	944.740
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		1.075	1.075	1.075	1.075	1.075
Intangible assets		64	155	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**	**1.014.092**	**1.065.968**	**1.014.092**
TOTAL ASSETS		**1.736.927**	**1.192.857**	**1.170.439**	**1.885.981**	**1.170.439**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		6.804	–	–	7.224	–
Consumer deposits		1.704	1.781	(8.865)	1.732	(8.865)
Trade and other payables from exchange transactions		1.430.287	57.000	61.381	1.753.567	61.381
Trade and other payables from non-exchange transactions		51.301	(86.622)	(86.622)	23.657	(86.622)
Provision		2.376	11.546	11.546	9.577	11.546
VAT		276.008	–	–	316.897	–
Other current liabilities		1.182	–	–	–	–
Total current liabilities		**1.769.662**	**(16.295)**	**(22.560)**	**2.112.654**	**(22.560)**
Non current liabilities						
Financial liabilities		1.349	7.528	7.528	(2.301)	7.528
Provision		16.505	676.000	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**	**683.528**	**57.612**	**683.528**
TOTAL LIABILITIES		**1.821.495**	**667.233**	**660.968**	**2.170.266**	**660.968**
NET ASSETS	2	**(84.568)**	**525.624**	**509.471**	**(284.285)**	**509.471**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		(84.568)	525.624	509.471	(284.285)	509.471
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**(84.568)**	**525.624**	**509.471**	**(284.285)**	**509.471**

Choose name from list - Table C7 Monthly Budget Statement - Cash Flow - M08 - February

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	208.071	11.796	71.859	144.221	(72.362)	-50%	208.071
Service charges		280.527	337.393	405.230	33.283	194.440	366.805	(172.365)	-47%	405.230
Other revenue		71.673	48.503	56.066	1.502	52.776	50.745	2.031	4%	56.066
Transfers and Subsidies - Operational		88.228	152.985	112.002	–	30.451	159.025	(128.574)	-81%	112.002
Transfers and Subsidies - Capital		30.000	53.420	53.420	–	15.611	29.645	(14.034)	-47%	53.420
Interest		1.423	–	–	–	763	–	763	#DIV/0!	–
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(362.839)	(621.270)	(733.308)	(28.270)	(296.598)	(647.044)	350.446	-54%	(733.308)
Interest		–	–	20.005	–	–	–	–		20.005
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**198.904**	**108.909**	**121.486**	**18.311**	**69.302**	**103.397**	**34.095**	**33%**	**121.486**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
yments										
apital assets		75.837	(62.740)	(78.572)	(924)	(36.979)	(42.532)	5.553	-13%	(78.572)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**75.837**	**(62.740)**	**(78.572)**	**(924)**	**(36.979)**	**(42.532)**	**(5.553)**	**13%**	**(78.572)**
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**	**42.914**	**17.387**	**32.324**	**60.865**			**42.914**
Cash/cash equivalents at beginning:		4.870	30.000	30.000		307.618	30.000			307.618
Cash/cash equivalents at month/year end:		279.611	76.169	72.914		339.942	90.865			350.532

2023/10/04 11:50:01

Choose name from list - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M08 - February

Summary of Employee and Councillor remuneration R thousands	Ref	2022/23 Audited Outcome	Budget Year 2023/24 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	6.690	436	3.781	6.052	(2.270)	-38%	6.690
Pension and UIF Contributions		987	–	1.179	86	675	236	439	186%	1.179
Medical Aid Contributions		336	–	429	33	248	86	162	189%	429
Motor Vehicle Allowance		260	–	410	30	235	82	153	186%	410
Cellphone Allowance		773	–	944	67	539	189	350	185%	944
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		1.464	–	1.983	137	1.129	397	732	185%	1.983
Sub Total - Councillors		**9.364**	**10.101**	**11.634**	**789**	**6.606**	**7.041**	**(434)**	**-6%**	**11.634**
% increase	4		**7.9%**	**24.2%**						**24.2%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5.407	5.759	5.111	351	3.068	3.710	(642)	-17%	5.111
Pension and UIF Contributions		135	237	101	(23)	64	131	(67)	-51%	101
Medical Aid Contributions		60	–	70	6	43	14	29	205%	70
Overtime		64	–	9	1	5	2	4	202%	9
Performance Bonus		87	–	–	(83)	–	–	–		–
Motor Vehicle Allowance		669	–	605	(146)	278	121	157	129%	605
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		120	–	140	10	80	28	52	186%	140
Other benefits and allowances		0	4	5	3	3	3	0	4%	5
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**	**6.041**	**118**	**3.541**	**4.009**	**(468)**	**-12%**	**6.041**
% increase	4		**-8.3%**	**-7.7%**						**-7.7%**
Other Municipal Staff										
Basic Salaries and Wages		108.365	120.466	106.041	9.354	75.420	77.426	(2.006)	-3%	106.041
Pension and UIF Contributions		24.692	25.881	28.786	2.116	17.186	17.835	(649)	-4%	28.786
Medical Aid Contributions		9.905	9.960	12.258	1.036	7.702	7.100	603	8%	12.258
Overtime		9.049	9.053	19.819	1.528	11.958	8.189	3.770	46%	19.819
Performance Bonus		7.837	9.945	9.743	891	6.226	6.590	(363)	-6%	9.743
Motor Vehicle Allowance		9.001	10.572	12.627	1.081	7.078	7.459	(382)	-5%	12.627
Cellphone Allowance		42	–	137	11	91	27	63	231%	137
Housing Allowances		1.239	1.101	795	41	316	673	(356)	-53%	795
Other benefits and allowances		7.004	5.105	3.839	297	2.386	3.150	(765)	-24%	3.839
Payments in lieu of leave		1.178	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		256	–	150	25	200	30	170	567%	150
Acting and post related allowance		1.782	3.355	1.604	104	792	1.886	(1.095)	-58%	1.604
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		**180.349**	**195.438**	**195.800**	**16.483**	**129.354**	**130.364**	**(1.010)**	**-1%**	**195.800**
% increase	4		**8.4%**	**8.6%**						**8.6%**
Total Parent Municipality		**196.257**	**211.539**	**213.475**	**17.390**	**139.501**	**141.413**	**(1.912)**	**-1%**	**213.475**
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		–	–	–	–	–	–	–		–

Choose name from list - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M08 - February

Month R thousands	2022/23	Budget Year 2023/24							
	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	5.478	4.364	4.364	5.478	1.114	20.3%	7%
August	2.022	5.478	5.478	8.730	13.094	10.957	(2.138)	-19.5%	20%
September	4.071	5.478	5.478	1.762	14.856	16.435	1.578	9.6%	23%
October	2.302	5.478	5.478	4.992	19.848	21.913	2.065	9.4%	30%
November	6.708	5.478	5.478	2.807	22.655	27.392	4.737	17.3%	34%
December	3.994	5.478	5.478	5.679	28.334	32.870	4.536	13.8%	43%
January	4.071	5.478	5.478	1.356	29.690	38.348	8.658	22.6%	45%
February	335	5.478	8.645	3.230	32.920	46.993	14.073	29.9%	50%
March	10.544	5.478	8.645	–		55.638	–		
April	13.195	5.478	8.645	–		64.283	–		
May	9.385	5.478	8.645	–		72.928	–		
June	8.414	5.478	8.645	–		81.572	–		
Total Capital expenditure	**68.494**	**65.740**	**81.572**	**32.920**					

2023/10/04 11:50:37

Choose name from list - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M08 - February

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**46.078**	**26.052**	**52.408**	**3.646**	**32.667**	**25.839**	(6.828)	**-26.4%**	**52.408**
Roads Infrastructure		690	5.000	4.300	390	737	3.193	2.456	**76.9%**	4.300
Roads		–	–	–	–	–	–	–		–
Road Structures		–	–	–	–	–	–	–		–
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares		690	5.000	4.300	390	737	3.193	(2.456)	(0)	4.300
Storm water Infrastructure		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		37.421	6.000	26.000	3.129	23.993	8.000	(15.993)	**-199.9%**	26.000
Power Plants		–	–	–	–	–	–	–		–
HV Substations		–	–	–	–	–	–	–		–
HV Switching Station		–	–	–	–	–	–	–		–
HV Transmission Conductors		–	–	–	–	–	–	–		–
MV Substations		–	–	–	–	–	–	–		–
MV Switching Stations		–	–	–	–	–	–	–		–
MV Networks		–	–	–	–	–	–	–		–
LV Networks		–	–	–	–	–	–	–		–
Capital Spares		37.421	6.000	26.000	3.129	23.993	8.000	15.993	0	26.000
Water Supply Infrastructure		1.449	1.700	3.200	–	629	1.433	804	**56.1%**	3.200
Dams and Weirs		–	–	–	–	–	–	–		–
Boreholes		–	–	–	–	–	–	–		–
Reservoirs		–	–	–	–	–	–	–		–
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		–	–	–	–	–	–	–		–
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	–	–	–	–	–	–		–
Distribution Points		–	–	–	–	–	–	–		–
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		1.449	1.700	3.200	–	629	1.433	(804)	(0)	3.200
Sanitation Infrastructure		1.409	500	7.000	1.032	5.269	4.833	(435)	**-9.0%**	7.000
Pump Station		–	–	–	–	–	–	–		–
Reticulation		–	–	–	–	–	–	–		–
Waste Water Treatment Works		–	–	–	–	–	–	–		–
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		–	–	–	–	–	–	–		–
Capital Spares		1.409	500	7.000	1.032	5.269	4.833	435	0	7.000
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Landfill Sites		–	–	–	–	–	–	–		–
Waste Transfer Stations		–	–	–	–	–	–	–		–
Waste Processing Facilities		–	–	–	–	–	–	–		–
Waste Drop-off Points		–	–	–	–	–	–	–		–
Waste Separation Facilities		–	–	–	–	–	–	–		–
Electricity Generation Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Rail Lines		–	–	–	–	–	–	–		–
Rail Structures		–	–	–	–	–	–	–		–
Rail Furniture		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
MV Substations		–	–	–	–	–	–	–		–
LV Networks		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Coastal Infrastructure		258	2.060	3.376	(1.025)	551	1.637	1.085	**66.3%**	3.376
Sand Pumps		–	–	–	–	–	–	–		–
Piers		–	–	–	–	–	–	–		–
Revetments		–	–	–	–	–	–	–		–
Promenades		–	–	–	–	–	–	–		–
Capital Spares		258	2.060	3.376	(1.025)	551	1.637	(1.085)	(0)	3.376
Information and Communication Infrastructure		4.851	10.792	8.532	120	1.488	6.743	5.255	**77.9%**	8.532
Data Centres		–	–	–	–	–	–	–		–
Core Layers		–	–	–	–	–	–	–		–
Distribution Layers		–	–	–	–	–	–	–		–
Capital Spares		4.851	10.792	8.532	120	1.488	6.743	(5.255)	(0)	8.532
Community Assets		–	–	–	–	–	–	–		–
Community Facilities		–	–	–	–	–	–	–		–
Halls		–	–	–	–	–	–	–		–

2023/10/04 11:50:45

Choose name from list - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M08 - February

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
Machinery and Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Transport Assets		–	–	–	–	–	–	–		–
Transport Assets		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Total Repairs and Maintenance Expenditure	1	46.078	26.052	52.408	3.646	32.667	25.839	(6.828)	-26.4%	52.408

2023/10/04 11:50:45

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 28 February 2024_25 amounts to **R 968 million** and **R460 million** respectively;
4. That the Municipal Council consider that the debt book amounts to **R1 billion;**
5. That the Municipal Council consider the FEBRUARY payments made to Eskom and Rand Water amounts to **R4.5 million** and **R5 million** respectively;
6. Therefore, the implementation of credit control and debt collection policy must be intensified.

T.P MAHLANGU
CHIEF FINANCIAL OFFICER

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	Feb'25
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)

Condition	6.3 + 6.12	Maintaining the Eskom and bulk water current account –	*Choose from drop down list*	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*	Yes	
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?	No	
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 necessary. 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.*	No
	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 <u>and</u> 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)?	No
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 <u>and</u> the reason(s) for the failure?	Yes
23	6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection <u>and</u> 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?	No
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*	No
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://lguploadportal.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?	No
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*	No
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
	6.10	*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.* *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?	Yes
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?	Yes
		***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: T.M. MASHABELA

Signature of HOD/ NT/ MM:

Date: 12/03/2025

***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.