



KANNALAND
MUNISIPALITEIT | MUNICIPALITY

Monthly Budget Report for September 2023/24



Prepared in terms of the Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 July 2009

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GLOSSARY

Adjustment's budget - Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Allocations - Money received from Provincial or National Government or other municipalities.

Budget - The financial plan of the Municipality.

Budget related policy - Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy, credit control and debt collection policy.

Capital expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

Cash flow statement - A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

DORA - Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

Equitable share - A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure - Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GFS - Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

GRAP - Generally Recognised Accounting Practice. The new standard for municipal accounting.

Irregular expenditure – is **expenditure** that was not incurred in the manner prescribed by legislation; in other words, somewhere in the process that led to the expenditure, the auditee did not comply with the applicable legislation (MFMA, PFMA).

IDP - Integrated Development Plan. The main strategic planning document of the Municipality.

MBRR - Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.

MFMA - Local Government: Municipal Finance Management Act (56/2003). The principal piece of legislation relating to municipal financial management. Sometimes referred to as the Act.

MTREF - Medium Term Revenue and Expenditure Framework. A medium-term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current year's financial position.

Operating expenditure - Spending on the day-to-day expenses of the Municipality such as salaries and wages.

Rates - Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

SDBIP - Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic objectives - The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorised expenditure - refers to **expenditure** that municipalities incurred without provision having been made for it in the budget approved by the council or which does not meet the conditions of a grant.

Virement - A transfer of budget.

Virement policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote - One of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality and which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

PART 1: IN-YEAR REPORT

Section 1 – Mayor’s Report

1.1 In -Year Report – Monthly Budget Statement

The monthly budget statement for **September 2023**, has been prepared in terms of the Municipal Budget and Reporting Regulations (2009) and the Municipal Finance Management Act 56 of 2003.

- a) The budget of the municipality has been implemented in terms of ***the Service Delivery Budget Implementation Plan (SDBIP)***. Details on the implementation and any material deviations from the SDBIP will be covered under Section 10 of this document.
- b) ***Financial problems or risks*** facing the municipality are numerous.

Cash flow has and will for the foreseeable future be a problem. In the short-term Kannaland Municipality has done well to meet the most pressing commitments such as employee related cost and meeting service delivery requirements. The municipality still experiences cash flow challenges due to constrained resources. A Budget Funding Plan has been approved and will be implemented to mitigate risk.

Section 2 – Resolutions

Recommendation:

That the Executive Mayor takes cognisance of the monthly budget statement **for September 2023**.

Section 3 – Executive Summary

1.1 Introduction

The Municipal Manager, as Accounting Officer of the Municipality, is required by Section 71(1) of the Municipal Finance Management Act to submit a monthly report in a prescribed format to the mayor, within 10 working days after the end of each month, on the implementation of the Municipality’s budget. The format and contents of the monthly budget report comply with the requirements as set out within the Municipal Budget and Reporting Regulations of 2009.

The report will be made available to the public on the municipal website at www.kannaland.gov.za

1.2 Consolidated Performance

The performance against the budget can be summarized as follow:

	Original Budget	Adjustments Budget	YTD Budget	YTD Actual	YTD Budget vs YTD Actual Variance	YTD Budget vs YTD Actual Variance %
Operating Revenue	R 226 346		R 60 482	R 57 027	R (3 455)	-6%
Operating Expenditure	R 241 455		R 60 409	R 37 514	R (22 895)	-38%
Capital	R 13 743		R 3 436	R 530	R (2 906)	-85%

Operating Revenue

The year-to-date operating revenue realised 6% below the forecasted amount. The before-mention under-performance can be contributed to the cyclical nature of the economy.

Operating expenditure

Operating expenditure realised 38% below the forecasted amount. Expenditure was only incurred in terms of revenue and the municipality has reduced expenditure to only the necessities without compromising service delivery. It should be noted that the creditors sub-system is not currently in use and that causes a delay in the recognition of expenditure. The municipality is in the process of addressing the issue.

Capital Expenditure

There was capital expenditure of R 530 thousand during the month of September 2023. Straight-line-budgeting did not consider the finalisation of procurement processes before expenditure will be incurred. Monthly capital expenditure will be aligned with project progress as planned and the budget will be broken down to align with the beforementioned. The municipality's capital budget is mainly funded from conditional grants.

TABLE C1 – MONTHLY BUDGET SUMMARY

WC041 Kannaland - Table C1 Monthly Budget Statement Summary - M03 September									
Description	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									
Financial Performance									
Property rates	25 562	26 915	26 915	2 300	7 119	6 729	390	6%	26 915
Service charges	101 947	117 388	117 388	10 410	29 382	29 347	34	0%	117 388
Investment revenue	1 845	960	960	176	562	240	322	134%	960
Transfers and subsidies - Operational	41 576	64 252	64 252	672	16 219	19 958	(3 739)	-19%	64 252
Other own revenue	12 828	16 831	16 831	1 261	3 746	4 208	(462)	-11%	16 831
Total Revenue (excluding capital transfers and contributions)	183 758	226 346	226 346	14 818	57 027	60 482	(3 455)	-6%	226 346
Employee costs	81 640	79 933	79 933	7 744	23 097	19 983	3 114	16%	79 933
Remuneration of Councillors	4 746	3 276	3 276	470	1 090	819	271	33%	3 276
Depreciation and amortisation	13 957	11 762	11 762	980	2 940	2 940	0	0%	11 762
Interest	6 069	8 000	8 000	0	1	2 000	(1 999)	-100%	8 000
Inventory consumed and bulk purchases	58 220	64 991	64 991	239	7 254	16 248	(8 994)	-55%	64 991
Transfers and subsidies	255	920	920	10	10	230	(220)	-96%	920
Other expenditure	97 034	72 573	72 573	1 180	3 121	18 189	(15 068)	-83%	72 573
Total Expenditure	261 921	241 455	241 455	10 623	37 514	60 409	(22 895)	-38%	241 455
Surplus/(Deficit)	(78 163)	(15 109)	(15 109)	4 195	19 513	73	19 440	26730%	(15 109)
Transfers and subsidies - capital (monetary allocations)	8 426	15 804	15 804	-	2 112	6 585	(4 473)	-68%	15 804
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(69 737)	695	695	4 195	21 626	6 658	14 968	225%	695
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(69 737)	695	695	4 195	21 626	6 658	14 968	225%	695
Capital expenditure & funds sources									
Capital expenditure	3 047	13 743	13 743	530	530	3 436	(2 906)	-85%	13 743
Capital transfers recognised	17 429	13 743	13 743	530	530	3 436	(2 906)	-85%	13 743
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	(21 435)	-	-	-	-	-	-	-	-
Total sources of capital funds	(4 007)	13 743	13 743	530	530	3 436	(2 906)	-85%	13 743
Financial position									
Total current assets	(40 402)	(23 714)	(23 714)	-	30 387	-	-	-	(23 714)
Total non current assets	317 657	1 981	1 981	-	322 459	-	-	-	1 981
Total current liabilities	82 146	(22 971)	(22 971)	-	32 515	-	-	-	(22 971)
Total non current liabilities	30 889	-	-	-	46 125	-	-	-	-
Community wealth/Equity	251 141	2 867	2 867	-	256 747	-	-	-	2 867
Cash flows									
Net cash from (used) operating	75 736	5 823	5 823	13 759	47 361	7 347	(40 014)	-545%	213 520
Net cash from (used) investing	(8 808)	(13 258)	(13 258)	(577)	(577)	3 315	3 892	117%	13 258
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	104 970	(7 435)	(7 435)	-	88 985	10 662	(78 323)	-735%	268 978
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	4 250	2 834	2 632	2 470	2 551	2 545	15 471	94 613	127 367
Creditors Age Analysis									
Total Creditors	8 819	445	397	463	64 260	-	-	-	74 384

Due to the cyclical nature of the economy and the current straight-line approach to budgeting, all deviations in excess of 5% will be treated as material unless otherwise stated. Material deviations will be explained, and recommendations will be made if the extent and nature of the deviation may necessitate action.

It should be noted that the straight-line budget approach will be addressed and adjusted to reflect the cyclical nature of the economy as soon as possible. It should be noted that grants to be received, are accounted for correctly. A costly seamlessly integrated financial accounting system, as required in terms of mSCOA, will take time to implement due to financial constraints.

Revenue by Source

WC041 Kannaland - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September										
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										
Revenue										
Exchange Revenue		112 995	127 346	127 346	11 493	32 664	31 837	828	3%	127 346
Service charges - Electricity		64 073	76 101	76 101	6 972	19 869	19 025	843	4%	76 101
Service charges - Water		20 258	22 267	22 267	1 898	4 834	5 567	(733)	-13%	22 267
Service charges - Waste Water Management		8 707	9 610	9 610	773	2 336	2 402	(66)	-3%	9 610
Service charges - Waste management		8 910	9 410	9 410	767	2 343	2 353	(10)	0%	9 410
Sale of Goods and Rendering of Services		428	396	396	14	61	99	(38)	-38%	396
Agency services		1 215	1 350	1 350	111	317	338	(20)	-6%	1 350
Interest		—	—	—	—	—	—	—	—	—
Interest earned from Receivables		6 176	5 929	5 929	703	2 065	1 482	582	39%	5 929
Interest earned from Current and Non Current Assets		1 845	960	960	176	562	240	322	134%	960
Dividends		—	—	—	—	—	—	—	—	—
Rent on Land		—	—	—	—	—	—	—	—	—
Rental from Fixed Assets		611	1 098	1 098	61	176	274	(98)	-36%	1 098
Licence and permits		171	159	159	13	52	40	13	32%	159
Operational Revenue		602	66	66	5	49	17	33	197%	66
Non-Exchange Revenue		70 762	99 000	99 000	3 325	24 362	28 645	(4 283)	-15%	99 000
Property rates		25 562	26 915	26 915	2 300	7 119	6 729	390	6%	26 915
Surcharges and Taxes		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		395	2 501	2 501	29	83	625	(543)	-87%	2 501
Licence and permits		0	30	30	0	0	8	(7)	-99%	30
Transfer and subsidies - Operational		41 576	64 252	64 252	672	16 219	19 958	(3 739)	-19%	64 252
Interest		2 561	2 802	2 802	266	767	700	66	9%	2 802
Fuel Levy		—	—	—	—	—	—	—	—	—
Operational Revenue		667	—	—	58	175	—	175	—	—
Gains on disposal of Assets		—	2 500	2 500	—	—	625	(625)	-100%	2 500
Other Gains		—	—	—	—	—	—	—	—	—
Discontinued Operations		—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		183 758	226 346	226 346	14 818	57 027	60 482	(3 455)	-6%	226 346

The performance against the revenue budget can be explained as follow:

- **Service Charges Water Revenue** - amounted to **R1.8 million** in **September 2023**. It represents a -13% variance from the YTD figures. A drop-off in consumption was expected, due to the cyclical nature of consumption and actual revenue is still expected to meet the annual forecast.
- **Interest Earned on Investments** – (**134%** deviation from the year-to-date budget). The budget did not take into account the timing of the grants to be received (interest on call account - cash backed grants) when the monthly budget split was done.
- **Interest on outstanding debtors** – (**39%** deviation from the year-to-date budget). This revenue item considered the write-off of indigent and prescription debt and as a result of the timing, this revenue item will deviate from the monthly forecast.
- **Fines, Penalties & Forfeits** – Almost no activity, with a **-87%** deviation, with no vendor appointed to provide cameras and administrative support on speed fines.
- **Other Revenue Deviations** - Can be explained as incidental and cyclical in nature.

Expenditure by Source

WC041 Kannaland - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September										
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										
Expenditure By Type										
Employee related costs		81 640	79 933	79 933	7 744	23 097	19 983	3 114	16%	79 933
Remuneration of councillors		4 746	3 276	3 276	470	1 090	819	271	33%	3 276
Bulk purchases - electricity		55 313	56 045	56 045	—	6 573	14 011	(7 438)	-53%	56 045
Inventory consumed		2 907	8 946	8 946	239	681	2 236	(1 556)	-70%	8 946
Debt impairment		59 016	16 691	16 691	—	—	4 173	(4 173)	-100%	16 691
Depreciation and amortisation		13 957	11 762	11 762	980	2 940	2 940	0	0%	11 762
Interest		6 069	8 000	8 000	0	1	2 000	(1 999)	-100%	8 000
Contracted services		22 841	33 727	33 727	218	613	8 432	(7 819)	-93%	33 727
Transfers and subsidies		255	920	920	10	10	230	(220)	-96%	920
Irrecoverable debts written off		46	—	—	32	70	—	70	—	—
Operational costs		14 873	22 156	22 156	929	2 438	5 584	(3 146)	-56%	22 156
Losses on Disposal of Assets		(609)	—	—	—	—	—	—	—	—
Other Losses		866	—	—	—	—	—	—	—	—
Total Expenditure		261 921	241 455	241 455	10 623	37 514	60 409	(22 895)	-38%	241 455
Surplus/(Deficit)		(78 163)	(15 109)	(15 109)	4 195	19 513	73	19 440	0	(15 109)
Transfers and subsidies - capital (monetary allocations)		8 426	15 804	15 804	—	2 112	6 585	(4 473)	(0)	15 804
Transfers and subsidies - capital (in-kind)		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions		(69 737)	695	695	4 195	21 626	6 658			695
Income Tax		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after income tax		(69 737)	695	695	4 195	21 626	6 658			695
Share of Surplus/Deficit attributable to Joint Venture		—	—	—	—	—	—	—	—	—
Share of Surplus/Deficit attributable to Minorities		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) attributable to municipality		(69 737)	695	695	4 195	21 626	6 658			695
Share of Surplus/Deficit attributable to Associate		—	—	—	—	—	—	—	—	—
Intercompany/Parent subsidiary transactions		—	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year		(69 737)	695	695	4 195	21 626	6 658			695

- **Employee Related Costs** – The employee related costs amounted to **R7.7 million for September 2023**, exceeding the year-to-date budget with 15%. Straight-line budgeting does not account for bonuses to be paid during November and therefor the deviation.
- **Remuneration of Councillors**- The total Remuneration for Councillors amounted to **R470 thousand in September 2023**, exceeding the year-to-date budget with 14%. This was caused by incorrect allocations that will be corrected.
- **Bulk purchases Electricity** –Expenditure deviated 53% below the year-to-date budget. The municipality does not recognise expenditure when incurred but only when actual payment are made.
- **Inventory Consumed** – The total was **R 239 thousand**, this includes direct purchases for the store and inventory issued out for the reporting period.
- **Contracted Services** – amounted to **R 218 thousand in September 2023**. The expenditure is expected to pick up in the next reporting periods.

- **Transfers and subsidies** – The total amounted to **10 thousand** for the month of **September 2023**. The Quarterly transfers for tourism was done but there were problems on the system with the processing of the payment and does not show the actual. The problem is being investigated.
- **Other Expenditure** - amounted to **R929 thousand** in **September 2023**.

Most expenditure items were less than forecasted and this is due to the lack of recognition of expenditure once incurred, in addition to cash flow issues that results in the municipality only spending in terms of available revenue.

Capital Expenditure

WC041 Kannaland - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 September										
Vote 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									
Multi-Year expenditure appropriation	2									
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		(0)	7 294	7 294	-	-	1 823	(1 823)	-100%	7 294
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES (Continued)		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	(0)	7 294	7 294	-	-	1 823	(1 823)	-100%	7 294
Single Year expenditure appropriation	2									
Vote 1 - MUNICIPAL MANAGER		0	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		(21 238)	-	-	-	-	-	-	-	-
Vote 3 - FINANCIAL SERVICES		6 856	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		17 429	6 449	6 449	530	530	1 612	(1 082)	-67%	6 449
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES (Continued)		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	3 047	6 449	6 449	530	530	1 612	(1 082)	-67%	6 449
Total Capital Expenditure	3	3 047	13 743	13 743	530	530	3 436	(2 906)	-85%	13 743
Capital Expenditure - Functional Classification										
Governance and administration		6 856	-	-	-	-	-	-	-	-
Executive and council		0	-	-	-	-	-	-	-	-
Finance and administration		6 856	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		(21 238)	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		(21 238)	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		17 429	13 743	13 743	530	530	3 436	(2 906)	-85%	13 743
Energy sources		873	485	485	-	-	121	(121)	-100%	485
Water management		(676)	6 449	6 449	530	530	1 612	(1 082)	-67%	6 449
Waste water management		17 231	6 809	6 809	-	-	1 702	(1 702)	-100%	6 809
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	3 047	13 743	13 743	530	530	3 436	(2 906)	-85%	13 743
Funded by:										
National Government		17 231	13 743	13 743	530	530	3 436	(2 906)	-85%	13 743
Provincial Government		197	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm		-	-	-	-	-	-	-	-	-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		17 429	13 743	13 743	530	530	3 436	(2 906)	-85%	13 743
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds	7	(21 435)	-	-	-	-	-	-	-	-
Total Capital Funding	7	(4 007)	13 743	13 743	530	530	3 436	(2 906)	-85%	13 743

Capital Expenditure

- The total capital expenditure for September 2023 amounted to R530 thousand.

1.3 Material differences to the SDBIP

Material differences to the SDBIP will be discussed under Section 10.

1.4 Remedial actions

- (a) Directorates are to ensure that the budget is implemented in accordance with the Service Delivery and Budget Implementation Plan (SDBIP) of the municipality;
- (b) Those strategic decisions /resolutions to improve the capital expenditure be implemented;
- (c) That monthly monitoring of the implementation of the Budget Funding Plan takes place;
- (d) That measures on debt collection are implemented and applied effectively;
- (e) That the funding plan addresses all issues and challenges on the financial performance of the municipality and adapt to an ever-changing environment.

Section 4 – In-year budget statement tables

TABLE C4 – MONTHLY FINANCIAL PERFORMANCE

WC041 Kannaland - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September										
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										
Revenue										
Exchange Revenue		112 995	127 346	127 346	11 493	32 664	31 837	828	3%	127 346
Service charges - Electricity		64 073	76 101	76 101	6 972	19 869	19 025	843	4%	76 101
Service charges - Water		20 258	22 267	22 267	1 898	4 834	5 567	(733)	-13%	22 267
Service charges - Waste Water Management		8 707	9 610	9 610	773	2 336	2 402	(66)	-3%	9 610
Service charges - Waste management		8 910	9 410	9 410	767	2 343	2 353	(10)	0%	9 410
Sale of Goods and Rendering of Services		428	396	396	14	61	99	(38)	-38%	396
Agency services		1 215	1 350	1 350	111	317	338	(20)	-6%	1 350
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 176	5 929	5 929	703	2 065	1 482	582	39%	5 929
Interest earned from Current and Non Current Assets		1 845	960	960	176	562	240	322	134%	960
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		611	1 098	1 098	61	176	274	(98)	-36%	1 098
Licence and permits		171	159	159	13	52	40	13	32%	159
Operational Revenue		602	66	66	5	49	17	33	197%	66
Non-Exchange Revenue		70 762	99 000	99 000	3 325	24 362	28 645	(4 283)	-15%	99 000
Property rates		25 562	26 915	26 915	2 300	7 119	6 729	390	6%	26 915
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		395	2 501	2 501	29	83	625	(543)	-87%	2 501
Licence and permits		0	30	30	0	0	8	(7)	-99%	30
Transfer and subsidies - Operational		41 576	64 252	64 252	672	16 219	19 958	(3 739)	-19%	64 252
Interest		2 561	2 802	2 802	266	767	700	66	9%	2 802
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		667	-	-	58	175	-	175	-	-
Gains on disposal of Assets		-	2 500	2 500	-	-	625	(625)	-100%	2 500
Other Gains		-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		183 758	226 346	226 346	14 818	57 027	60 482	(3 455)	-6%	226 346
Expenditure By Type										
Employee related costs		81 640	79 933	79 933	7 744	23 097	19 983	3 114	16%	79 933
Remuneration of councillors		4 746	3 276	3 276	470	1 090	819	271	33%	3 276
Bulk purchases - electricity		55 313	56 045	56 045	-	6 573	14 011	(7 438)	-53%	56 045
Inventory consumed		2 907	8 946	8 946	239	681	2 236	(1 556)	-70%	8 946
Debt impairment		59 016	16 691	16 691	-	-	4 173	(4 173)	-100%	16 691
Depreciation and amortisation		13 957	11 762	11 762	980	2 940	2 940	0	0%	11 762
Interest		6 069	8 000	8 000	0	1	2 000	(1 999)	-100%	8 000
Contracted services		22 841	33 727	33 727	218	613	8 432	(7 819)	-93%	33 727
Transfers and subsidies		255	920	920	10	10	230	(220)	-96%	920
Irrecoverable debts written off		46	-	-	32	70	-	70	-	-
Operational costs		14 873	22 156	22 156	929	2 438	5 584	(3 146)	-56%	22 156
Losses on Disposal of Assets		(609)	-	-	-	-	-	-	-	-
Other Losses		866	-	-	-	-	-	-	-	-
Total Expenditure		261 921	241 455	241 455	10 623	37 514	60 409	(22 895)	-38%	241 455
Surplus/(Deficit)		(78 163)	(15 109)	(15 109)	4 195	19 513	73	19 440	0	(15 109)
Transfers and subsidies - capital (monetary allocations)		8 426	15 804	15 804	-	2 112	6 585	(4 473)	(0)	15 804
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(69 737)	695	695	4 195	21 626	6 658			695
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(69 737)	695	695	4 195	21 626	6 658			695
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-			-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		(69 737)	695	695	4 195	21 626	6 658			695
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-			-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		(69 737)	695	695	4 195	21 626	6 658			695

TABLE C6 – MONTHLY BUDGETED FINANCIAL POSITION

WC041 Kannaland - Table C6 Monthly Budget Statement - Financial Position - M03 September						
Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		20 729	(14 630)	(14 630)	55 753	(14 630)
Trade and other receivables from exchange transactions		(19 814)	(9 478)	(9 478)	11 413	(9 478)
Receivables from non-exchange transactions		(5 459)	(1 128)	(1 128)	3 223	(1 128)
Current portion of non-current receivables		-	-	-	-	-
Inventory		2 400	(8 946)	(8 946)	5 204	(8 946)
VAT		(37 195)	10 468	10 468	(44 144)	10 468
Other current assets		(1 063)	-	-	(1 062)	-
Total current assets		(40 402)	(23 714)	(23 714)	30 387	(23 714)
Non current assets						
Investments		-	-	-	-	-
Investment property		1 116	-	-	1 250	-
Property, plant and equipment		316 531	1 981	1 981	321 212	1 981
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		-	-	-	-	-
Intangible assets		9	-	-	(4)	-
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
Total non current assets		317 657	1 981	1 981	322 459	1 981
TOTAL ASSETS		277 255	(21 733)	(21 733)	352 846	(21 733)
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		-	-	-	(403)	-
Consumer deposits		1 364	-	-	1 389	-
Trade and other payables from exchange transactions		99 664	(19 856)	(19 856)	30 492	(19 856)
Trade and other payables from non-exchange transactions		13 792	-	-	29 846	-
Provision		8 491	-	-	7 296	-
VAT		(41 164)	(3 115)	(3 115)	(36 105)	(3 115)
Other current liabilities		-	-	-	-	-
Total current liabilities		82 146	(22 971)	(22 971)	32 515	(22 971)
Non current liabilities						
Financial liabilities		-	-	-	418	-
Provision		19 349	-	-	35 348	-
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		11 540	-	-	10 360	-
Total non current liabilities		30 889	-	-	46 125	-
TOTAL LIABILITIES		113 035	(22 971)	(22 971)	78 641	(22 971)
NET ASSETS	2	164 220	1 238	1 238	274 206	1 238
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		250 680	2 867	2 867	256 978	2 867
Reserves and funds		462	-	-	(230)	-
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	251 141	2 867	2 867	256 747	2 867

TABLE C7 – MONTHLY BUDGETED CASH FLOW

WC041 Kannaland - Table C7 Monthly Budget Statement - Cash Flow - M03 September										
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									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		4 921	22 305	22 305	2 223	4 013	5 576	(1 563)	-28%	22 305
Service charges		73 390	120 923	120 923	8 088	22 282	30 231	(7 949)	-26%	120 923
Other revenue		2 794	9 067	9 067	4 197	5 122	2 267	2 856	126%	9 067
Transfers and Subsidies - Operational		43 410	64 252	64 252	1 195	19 176	21 954	(2 778)	-13%	64 252
Transfers and Subsidies - Capital		13 170	15 804	15 804	-	8 056	3 951	4 105	104%	15 804
Interest		1	50	50	0	0	12	(12)	-99%	50
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(61 949)	(226 578)	(226 578)	(1 943)	(11 288)	(56 644)	(45 356)	80%	(18 881)
Interest		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		75 736	5 823	5 823	13 759	47 361	7 347	(40 014)	-545%	213 520
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		(8 808)	(13 258)	(13 258)	(577)	(577)	3 315	3 892	117%	13 258
NET CASH FROM/(USED) INVESTING ACTIVITIES		(8 808)	(13 258)	(13 258)	(577)	(577)	3 315	3 892	117%	13 258
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		66 928	(7 435)	(7 435)	13 182	46 784	10 662			226 778
Cash/cash equivalents at beginning:		38 042	-	-		42 200	-			42 200
Cash/cash equivalents at month/year end:		104 970	(7 435)	(7 435)		88 985	10 662			268 978

The total bank balance ending of **September 2023** were as follow;

- Standard Bank Main Account is **R 966 thousand**;
- The Traffic Account has **R 559 thousand**;
- Deposit Account has **R 2.855 million**; and
- Call Account has **R15 million**.

The lack of revenue streams has left the municipality to be heavily dependent on grant funding to run its daily operations. The current national economic situation in addition having an adverse effect on an already difficult situation.

TABLE C2 – MONTHLY BUDGETED FINANCIAL PERFORMANCE (Functional Classification)

WC041 Kannaland - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September										
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									
Revenue - Functional										
<i>Governance and administration</i>		68 359	50 659	50 659	3 018	23 760	16 977	6 783	40%	50 659
Executive and council		33 573	12 961	12 961	–	14 728	5 353	9 375	175%	12 961
Finance and administration		34 786	37 698	37 698	3 018	9 032	11 623	(2 592)	-22%	37 698
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		11 776	36 120	36 120	439	3 195	6 238	(3 043)	-49%	36 120
Community and social services		11 666	15 750	15 750	439	3 195	6 238	(3 043)	-49%	15 750
Sport and recreation		0	–	–	–	–	–	–	–	–
Public safety		110	–	–	–	(0)	–	(0)	–	–
Housing		–	20 370	20 370	–	–	–	–	–	20 370
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		2 239	4 604	4 604	201	594	1 577	(983)	-62%	4 604
Planning and development		–	–	–	–	–	–	–	–	–
Road transport		2 239	4 604	4 604	201	594	1 577	(983)	-62%	4 604
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		109 810	150 767	150 767	11 160	31 591	42 275	(10 684)	-25%	150 767
Energy sources		65 268	81 032	81 032	6 990	19 922	21 080	(1 157)	-5%	81 032
Water management		23 004	37 355	37 355	2 203	5 731	11 464	(5 732)	-50%	37 355
Waste water management		10 774	16 612	16 612	992	2 983	5 043	(2 060)	-41%	16 612
Waste management		10 764	15 769	15 769	975	2 954	4 688	(1 734)	-37%	15 769
<i>Other</i>	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	192 184	242 150	242 150	14 818	59 139	67 067	(7 928)	-12%	242 150
Expenditure - Functional										
<i>Governance and administration</i>		89 810	86 605	86 605	5 578	15 998	21 651	(5 653)	-26%	86 605
Executive and council		23 144	24 748	24 748	1 853	5 064	6 187	(1 122)	-18%	24 748
Finance and administration		66 666	61 858	61 858	3 725	10 934	15 464	(4 530)	-29%	61 858
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		15 746	31 175	31 175	1 038	3 176	7 839	(4 663)	-59%	31 175
Community and social services		10 203	8 894	8 894	769	2 285	2 269	16	1%	8 894
Sport and recreation		1 096	532	532	61	248	133	115	86%	532
Public safety		1 342	280	280	110	369	70	299	428%	280
Housing		3 105	21 469	21 469	98	275	5 367	(5 093)	-95%	21 469
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		16 913	17 691	17 691	1 270	3 452	4 423	(971)	-22%	17 691
Planning and development		5	–	–	–	–	–	–	–	–
Road transport		16 908	17 691	17 691	1 270	3 452	4 423	(971)	-22%	17 691
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		139 453	105 983	105 983	2 737	14 887	26 496	(11 609)	-44%	105 983
Energy sources		64 460	70 336	70 336	593	8 271	17 584	(9 313)	-53%	70 336
Water management		35 304	14 006	14 006	848	2 923	3 501	(578)	-17%	14 006
Waste water management		20 940	10 984	10 984	600	1 542	2 746	(1 204)	-44%	10 984
Waste management		18 749	10 657	10 657	696	2 151	2 664	(514)	-19%	10 657
<i>Other</i>		–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	261 921	241 455	241 455	10 623	37 514	60 409	(22 895)	-38%	241 455
Surplus/ (Deficit) for the year		(69 737)	695	695	4 195	21 626	6 658	14 968	225%	695

**TABLE C3 – MONTHLY BUDGETED FINANCIAL PERFORMANCE
(Revenue & Expenditure by Municipal Vote)**

WC041 Kannaland - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September										
Vote 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										
Revenue by Vote	1									
Vote 1 - MUNICIPAL MANAGER		33 573	12 961	12 961	–	14 728	5 353	9 375	175,1%	12 961
Vote 2 - CORPORATE SERVICES		13 175	41 883	41 883	426	3 398	7 475	(4 077)	-54,5%	41 883
Vote 3 - FINANCIAL SERVICES		33 986	34 750	34 750	3 013	8 952	10 887	(1 934)	-17,8%	34 750
Vote 4 - TECHNICAL SERVICES		111 450	152 556	152 556	11 379	32 061	43 352	(11 291)	-26,0%	152 556
Vote 5 - CALITZDORP SPA		–	–	–	–	–	–	–	–	–
Vote 6 - CORPORATE SERVICES (Continued)		–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	192 184	242 150	242 150	14 818	59 139	67 067	(7 928)	-11,8%	242 150
Expenditure by Vote	1									
Vote 1 - MUNICIPAL MANAGER		23 144	24 748	24 748	1 853	5 064	6 187	(1 122)	-18,1%	24 748
Vote 2 - CORPORATE SERVICES		37 994	55 025	55 025	2 924	9 075	13 756	(4 681)	-34,0%	55 025
Vote 3 - FINANCIAL SERVICES		47 368	38 044	38 044	1 934	5 390	9 511	(4 121)	-43,3%	38 044
Vote 4 - TECHNICAL SERVICES		152 035	121 333	121 333	3 892	17 880	30 379	(12 499)	-41,1%	121 333
Vote 5 - CALITZDORP SPA		–	–	–	–	–	–	–	–	–
Vote 6 - CORPORATE SERVICES (Continued)		1 381	2 305	2 305	19	105	576	(472)	-81,8%	2 305
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	261 921	241 455	241 455	10 623	37 514	60 409	(22 895)	-37,9%	241 455
Surplus/ (Deficit) for the year	2	(69 737)	695	695	4 195	21 626	6 658	14 968	224,8%	695

PART 2 SUPPORTING DOCUMENTATION

Section 5 – Debtors' analysis

WC041 Kannaland - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September													
Description	NT Code	Budget Year 2023/24									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		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			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	2 102	631	779	709	835	829	5 287	20 691	31 864	28 351	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1 411	234	125	78	80	77	370	694	3 068	1 299	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	3 115	736	637	596	535	517	2 798	20 818	29 753	25 265	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	736	357	321	318	317	317	1 914	11 220	15 500	14 086	-	-
Receivables from Exchange Transactions - Waste Management	1600	1 476	607	532	521	515	516	3 050	16 637	23 856	21 240	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	0	0	0	-	-
Interest on Arrear Debtor Accounts	1810	36	52	73	91	115	135	1 216	21 102	22 821	22 659	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	(4 627)	217	164	156	155	153	837	3 450	505	4 750	-	-
Total By Income Source	2000	4 250	2 834	2 632	2 470	2 551	2 545	15 471	94 613	127 367	117 650	-	-
2022/23 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	(2 744)	88	57	48	20	14	53	474	(1 989)	610	-	-
Commercial	2300	1 341	336	226	187	188	186	982	4 459	7 905	6 003	-	-
Households	2400	5 818	2 211	2 147	2 048	2 157	2 153	13 332	76 709	106 575	96 399	-	-
Other	2500	(165)	200	202	186	186	191	1 105	12 971	14 876	14 639	-	-
Total By Customer Group	2600	4 250	2 834	2 632	2 470	2 551	2 545	15 471	94 613	127 367	117 650	-	-

- The total amount owed to Kannaland Municipality amounts to **R127 million**.
- **R94 million or 74%** of the total outstanding debtors are older than one year.
- **R117 million or 92%** of the outstanding debtors are outstanding for more than 90 days and are less likely to be recoverable debt.

The biggest concern regarding debt collection in Kannaland Municipality is the ability to collect service charges for water, refuse and sewerage in areas where electricity is not supplied by the municipality.

Section 6 – Creditors' analysis

WC041 Kannaland - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

W0047 Ramulana - Supporting Table 004 Monthly Budget Statement - Aged Creditors - 1000 September											
Description	NT Code	Budget Year 2023/24									
		0 -	31 -	61 -	91 -	121 -	151 -	181 Days -	Over 1	Total	
R thousands		30 Days	60 Days	90 Days	120 Days	150 Days	180 Days	1 Year	Year		
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	7 901	-	-	-	39 323	-	-	-	47 224	
Bulk Water	0200	55	-	-	-	-	-	-	-	55	
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	
Loan repay ments	0600	-	-	-	-	-	-	-	-	-	
Trade Creditors	0700	545	250	276	195	1 639	-	-	-	2 905	
Auditor General	0800	180	80	73	76	7 849	-	-	-	8 259	
Other	0900	139	114	47	192	15 450	-	-	-	15 942	
Total By Customer Type	1000	8 819	445	397	463	64 260	-	-	-	74 384	

The total outstanding creditors amounts to **R74 million**.

The biggest outstanding creditors are Eskom (**R47 million**), the Auditor-General of South Africa (**R8 259 million**). Combined the before mentioned represents **75%** of all outstanding creditors.

The outstanding trade creditors continue to have a negative influence on service delivery and the ability to fully comply with supply chain management regulations. Creditors are owed money for extended periods of time, and this is causing a reluctance to quote and take part in competitive bidding processes. Pressure on cash flow is increasing, due to long outstanding creditors demanding settlement.

Section 7 – Investment portfolio analysis

- The municipality has no long-term debt obligations and any investments other than call account investments.

Section 8 – Allocation and grant receipts and expenditure

The Following Grants were received:

Provincial Government Grants:

- **Municipal Replacement Fund (Library)** amounted to **R 1.185 million**

Other

Garden Route (Security Assistance) amounted to **135 thousand**.

The following were expenditure for the month under review:

National Government Grants:

- **Municipal Infrastructure Grant** amounted to **530 thousand**
- **Municipal Infrastructure Grant Project Management Unit** amounted to **R47 thousand**
- **Financial Management Grant** amounted to **R 40 thousand**
- **Expended Public Works Program** amounts to **R 172 thousand**

Provincial Government Grant:

- **Municipal Replacement Fund (Library)** amounted to **R 257 thousand**

Section 9 – Expenditure on Councillor, Senior Managers and Other Staff

WC041 Kannaland - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September									
Summary of Employee and Councillor remuneration	Ref	2022/23	Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %
R thousands		A	B	C					D
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages		4 300	2 990	2 990	429	968	748	220	29%
Pension and UIF Contributions		36	-	-	3	10	-	10	-
Medical Aid Contributions		67	-	-	9	28	-	28	-
Motor Vehicle Allowance		52	-	-	3	9	-	9	-
Cellphone Allowance		292	286	286	25	75	71	4	5%
Housing Allowances		-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-
Sub Total - Councillors		4 746	3 276	3 276	470	1 090	819	271	33%
% increase	4		-31,0%	-31,0%					-31,0%
Senior Managers of the Municipality									
Basic Salaries and Wages		2 729	4 449	4 449	278	396	1 112	(716)	-64%
Pension and UIF Contributions		5	9	9	1	1	2	(1)	-43%
Medical Aid Contributions		-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-
Motor Vehicle Allowance		80	509	509	35	55	127	(72)	-56%
Cellphone Allowance		50	113	113	9	10	28	(18)	-65%
Housing Allowances		-	-	-	-	-	-	-	-
Other benefits and allowances		98	88	88	0	0	22	(22)	-100%
Payments in lieu of leave		-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		2 963	5 167	5 167	323	462	1 292	(829)	-64%
% increase	4		74,4%	74,4%					74,4%
Other Municipal Staff									
Basic Salaries and Wages		52 231	52 793	52 793	5 272	16 010	13 198	2 812	21%
Pension and UIF Contributions		7 132	8 568	8 568	650	1 979	2 142	(162)	-8%
Medical Aid Contributions		2 168	1 687	1 687	187	565	422	143	34%
Overtime		6 568	4 876	4 876	548	1 853	1 219	634	52%
Performance Bonus		1 975	752	752	-	12	188	(176)	-94%
Motor Vehicle Allowance		2 790	2 359	2 359	281	893	590	304	51%
Cellphone Allowance		127	100	100	12	35	25	10	39%
Housing Allowances		337	173	173	29	87	43	44	101%
Other benefits and allowances		6 515	2 851	2 851	398	1 028	713	315	44%
Payments in lieu of leave		(1 166)	150	150	43	172	38	135	359%
Long service awards		-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		78 677	74 309	74 309	7 420	22 635	18 577	4 058	22%
% increase	4		-5,6%	-5,6%					-5,6%
Total Parent Municipality		86 386	82 752	82 752	8 214	24 187	20 688	3 499	17%
Unpaid salary, allowances & benefits in arrears:									
TOTAL SALARY, ALLOWANCES & BENEFITS		86 386	83 209	83 209	8 214	24 187	20 802	3 385	16%
% increase	4		-3,7%	-3,7%					-3,7%
TOTAL MANAGERS AND STAFF		81 640	79 476	79 476	7 744	23 097	19 869	3 228	16%

Section 10 – Material variances to the SDBIP

Section 1 of the MFMA defines the SDBIP as:

“a detailed plan approved by the mayor of a municipality in terms of section 53(1)(c)(ii) for implementing the municipality’s delivery of services and the execution of its annual budget and which must include (as part of the top-layer) the following:

(a) projections for each month of-

(i) revenue to be collected, by source; and

(ii) operational and capital expenditure, by vote;

(b) service delivery targets and performance indicators for each quarter”.

There are no variances for this month under review other than those already disclosed in this report.

Section 11– Capital programme performance

TABLE SC12 – CAPITAL EXPENDITURE TRENDS

WC041 Kannaland - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 September									
Month	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
R thousands									%
Monthly expenditure performance trend									
July	–	1 145	1 145	–	–	1 145	–	0,0%	0%
August	7	1 145	1 145	–	–	2 290	–	0,0%	0%
September	–	1 145	1 145	530	530	3 436	2 906	84,6%	4%
October	–	1 145	1 145	–	530	4 581	4 051	88,4%	4%
November	17	1 145	1 145	–	530	5 726	5 196	90,7%	4%
December	852	1 145	1 145	–	530	6 871	6 341	92,3%	4%
January	–	1 145	1 145	–	530	8 017	7 487	93,4%	4%
February	10	1 145	1 145	–	530	9 162	8 632	94,2%	4%
March	78	1 145	1 145	–	530	10 307	9 777	94,9%	4%
April	370	1 145	1 145	–	530	11 452	10 922	95,4%	4%
May	1 567	1 145	1 145	–	530	12 598	12 068	95,8%	4%
June	145	1 145	1 145	–	530	13 743	13 213	96,1%	4%
Total Capital expenditure	3 047	13 743	13 743	530					

Section 12 – Implementation of the budget funding plan


The implementation of the funding plan is taking place on monthly basis and will be reported on a monthly basis for any material issues that may arise and that will need attention. A report covering the implementation of the Budget Funding Plan, will be included as from October 2023.

Section 13 – SCM Deviations

SEPTEMBER 2023					
VOORSIENINGSKANAAL AFWYKINGS: ART 36- SCM REGULASIES					
NOMMER	DATUM	DEPARTEMENT	VERSKAFFER	BEDRAG	REDE
8/1/4/R	10/08/2023	FINANCE	LUCROMSOFT	R 38 640,00	THE MUNICIPALITY DOES NOT HAVE THE FACILITIES TO PERFORM THESE METER READING THEMSELVES. THE CURRENT APPOINTED SERVICE PROVIDER FOR THE READING OF ALL WATER AND ELECTRICITY METERS IS NOT IN A POSITION TO PROVIDE THIS INFORMATION AS THIS WAS NOT INCLUDED IN THE TENDER AWARDED. A NEW TENDER IS IN PROCESS SPECIALLY WITH REGARDS TO THE READING OF AMR METERS.
8/1/4/R	15/08/2023	ADMINISTRATION	BIDVEST STEINER	R 11 989,21	THE ORIGINAL AGREEMENTS WITH THE SERVICE PROVIDER TO PROVIDE THESE SERVICES HAS LAPSED AND THUS RESULTED IN THE MUNICIPALITY HAVING TO RETAIN THESE SERVICES ON A MONTH TO MONTH BASIS. THE NEED FOR EXTERNAL SPECIFIED CLEANSING SERVICES/PRODUCTS ARE A CHALLENGE IN KANNALAND MUNICIPALITY AS WE HAVE LIMITED SOURCES.
8/1/4/R	15/08/2023	ADMINISTRATION	VALLEY CONTAINERS	R 20 642,50	THE MUNICIPALITY HAS NO OTHER CHOICE BUT TO APPOINT THE CURRENT SERVICE PROVIDER UP UNTIL A PROCUREMENT AND TENDER PROCESS FOR A MORE PERMANENT SERVICE PROVIDER HAS BEEN FINALIZED. THE AIM OF THIS PROJECT IS TO PROVIDER CONTAINERS FOR STORAGE AND OFFICE IN VARIOUS AREAS WITHIN THE KANNALAND MUNICIPALITY.
8/1/4/R	16/08/2023	FINANCE	KONICA MINOLTA SOUTH AFRICA	R 3 454,37	THE AGREEMENTS WITH THE SERVICES PROVIDERS TO PROVIDE, INSTALL AND MAINTAIN THE CURRENT MEDIUM VOLUME MULTIFUNCTION COPIERS AT THE MUNICIPALITY ON A RENTAL BASIS HAS LAPSED AND THUS RESULTED IN THE MUNICIPALITY STARTING THE PROCUREMENT PROCESS FOR THE APPOINTMENT OF A NEW SERVICE PROVIDER ON A 36 MONTHS CONTRACT.
8/1/4/R	23/08/2023	MUNICIPAL MANAGER	ICT WIZE GROUP	R 28 319,00	ICT WOULD HAVE GONE OUT ON TENDER BUT THE PREVIOUS DIRECTOR FINANCE FORGOT TO FORWARD THE INPUTS OF ICT BUDGET AND TREASURY OFFICES. CURRENTLY, KANNALAND MUNICIPALITY HAS NO APPOINTED NETWORK ADMINISTRATOR. THEREFOE THE APPOINTMENT OF ICT WIZE GROUP HAS THE ABILITY TO HELP KANNALAND. WITH THE ROUTING OF THE CALITZDORP AND ZOAR TO LADISMITH WHICH MAKES IT POSSIBLE FOR CALITZDORP AND ZOAR OFFICIALS TO WORK REMOTELY IN LADISMITH, AND ALL OTHER SATELLITE OFFICES CONNECTED TO THE MAIN BUILDING IN LADISMITH. KANNALAND HAS BEEN MAKING USE OF IZT WIZE GROUP FOR ABOUT 10 (TEN YEARS).
8/1/4/R	23/08/2023	MUNICIPAL MANAGER	TELKOM SA LIMITED	R 33 214,58	THE ORIGINAL AGREEMENT WITH THE SERVICE PROVIDER TO PROVIDE TELECOMMUNICATION SERVICES HAS LAPSED AND THUS RESULTED IN THE MUNICIPALITY HAVING TO START THE PROCUREMENT PROCESS FOR THE APPOINTMENT OF A NEW SERVICE PROVIDER ON A LONG-TERM BASIS.
8/1/4/R	23/08/2023	MUNICIPAL MANAGER	KONICA MINOLTA SOUTH AFRICA	R 51 061,58	THE AGREEMENTS WITH THE SERVICES PROVIDERS TO PROVIDE, INSTALL AND MAINTAIN THE CURRENT MEDIUM VOLUME MULTIFUNCTION COPIERS AT THE MUNICIPALITY ON A RENTAL BASIS HAS LAPSED AND THUS RESULTED IN THE MUNICIPALITY STARTING THE PROCUREMENT PROCESS FOR THE APPOINTMENT OF A NEW SERVICE PROVIDER ON A 36 MONTHS CONTRACT.
8/1/4/R	24/08/2023	MUNICIPAL MANAGER	ICT WIZE GROUP	R 28 319,00	ICT WOULD HAVE GONE OUT ON TENDER BUT THE PREVIOUS DIRECTOR FINANCE FORGOT TO FORWARD THE INPUTS OF ICT BUDGET AND TREASURY OFFICES. CURRENTLY, KANNALAND MUNICIPALITY HAS NO APPOINTED NETWORK ADMINISTRATOR. THEREFOE THE APPOINTMENT OF ICT WIZE GROUP HAS THE ABILITY TO HELP KANNALAND. WITH THE ROUTING OF THE CALITZDORP AND ZOAR TO LADISMITH WHICH MAKES IT POSSIBLE FOR CALITZDORP AND ZOAR OFFICIALS TO WORK REMOTELY IN LADISMITH, AND ALL OTHER SATELLITE OFFICES CONNECTED TO THE MAIN BUILDING IN LADISMITH. KANNALAND HAS BEEN MAKING USE OF IZT WIZE GROUP FOR ABOUT 10 (TEN YEARS).
8/1/4/R	24/08/2023	MUNICIPAL MANAGER	ICT WIZE GROUP	R 28 319,00	ICT WOULD HAVE GONE OUT ON TENDER BUT THE PREVIOUS DIRECTOR FINANCE FORGOT TO FORWARD THE INPUTS OF ICT BUDGET AND TREASURY OFFICES. CURRENTLY, KANNALAND MUNICIPALITY HAS NO APPOINTED NETWORK ADMINISTRATOR. THEREFOE THE APPOINTMENT OF ICT WIZE GROUP HAS THE ABILITY TO HELP KANNALAND. WITH THE ROUTING OF THE CALITZDORP AND ZOAR TO LADISMITH WHICH MAKES IT POSSIBLE FOR CALITZDORP AND ZOAR OFFICIALS TO WORK REMOTELY IN LADISMITH, AND ALL OTHER SATELLITE OFFICES CONNECTED TO THE MAIN BUILDING IN LADISMITH. KANNALAND HAS BEEN MAKING USE OF IZT WIZE GROUP FOR ABOUT 10 (TEN YEARS).
8/1/4/R	24/08/2023	MUNICIPAL MANAGER	ICT WIZE GROUP	R 28 319,00	ICT WOULD HAVE GONE OUT ON TENDER BUT THE PREVIOUS DIRECTOR FINANCE FORGOT TO FORWARD THE INPUTS OF ICT BUDGET AND TREASURY OFFICES. CURRENTLY, KANNALAND MUNICIPALITY HAS NO APPOINTED NETWORK ADMINISTRATOR. THEREFOE THE APPOINTMENT OF ICT WIZE GROUP HAS THE ABILITY TO HELP KANNALAND. WITH THE ROUTING OF THE CALITZDORP AND ZOAR TO LADISMITH WHICH MAKES IT POSSIBLE FOR CALITZDORP AND ZOAR OFFICIALS TO WORK REMOTELY IN LADISMITH, AND ALL OTHER SATELLITE OFFICES CONNECTED TO THE MAIN BUILDING IN LADISMITH. KANNALAND HAS BEEN MAKING USE OF IZT WIZE GROUP FOR ABOUT 10 (TEN YEARS).
8/1/4/R	24/08/2023	MUNICIPAL MANAGER	ICT WIZE GROUP	R 28 319,00	ICT WOULD HAVE GONE OUT ON TENDER BUT THE PREVIOUS DIRECTOR FINANCE FORGOT TO FORWARD THE INPUTS OF ICT BUDGET AND TREASURY OFFICES. CURRENTLY, KANNALAND MUNICIPALITY HAS NO APPOINTED NETWORK ADMINISTRATOR. THEREFOE THE APPOINTMENT OF ICT WIZE GROUP HAS THE ABILITY TO HELP KANNALAND. WITH THE ROUTING OF THE CALITZDORP AND ZOAR TO LADISMITH WHICH MAKES IT POSSIBLE FOR CALITZDORP AND ZOAR OFFICIALS TO WORK REMOTELY IN LADISMITH, AND ALL OTHER SATELLITE OFFICES CONNECTED TO THE MAIN BUILDING IN LADISMITH. KANNALAND HAS BEEN MAKING USE OF IZT WIZE GROUP FOR ABOUT 10 (TEN YEARS).
8/1/4/R	07/09/2023	COUNCIL	FTMG CORPORATE ADVISORY SERVICES	R 48 125,00	COUNCIL AND MPAC HAVE TASKED THE ACTING MUNICIPAL MANAGER TO INVESTIGATE SEVERAL ISSUES OF CONCERNED AS A MATTER OF URGENCY. SINCE 2017 TO 2020 LITTLE HAS BEEN DONE TO EXECUTE RULINGS MADE BY MPAC TO COLLECT FRUITLESS AND WASTEFUL OF IRREGULAR EXPENSES AND LOSSES.
8/1/4/R	08/09/2023	FINANCE	LUCROMSOFT	R 38 640,00	THE MUNICIPALITY DOES NOT HAVE THE FACILITIES TO PERFORM THESE METER READING THEMSELVES. THE CURRENT APPOINTED SERVICE PROVIDER FOR THE READING OF ALL WATER AND ELECTRICITY METERS IS NOT IN A POSITION TO PROVIDE THIS INFORMATION AS THIS WAS NOT INCLUDED IN THE TENDER AWARDED. A NEW TENDER IS IN PROCESS SPECIALLY WITH REGARDS TO THE READING OF AMR METERS.
8/1/4/R	11/09/2023	FINANCE	SA POSTOFFICE	R 44 922,50	SAP0 IS CURRENTLY THE SOLE SERVICE PROVIDER FOR THE POSTING OF THE MUNICIPALITY'S MONTHLY SERVICE ACCOUNTS. IN THE EVENT THAT THE SERVICE ACCOUNTS ARE NOT DELIVERED TO THE CONSUMERS, THE MUNICIPALITY CANNOT GENERATE REVENUE FOR SERVICE DELIVERED.
8/1/4/R	21/09/2023	TECHNICAL	DEKLIN	R 85 297,80	THE MUNICIPALITY IS CURRENTLY EXPERIENCING PROBLEM WITH SUSTAINABLE WATER PROVISIONING, ESPECIALLY WITH THE WATER DELIVERY TO RURAL AREAS WITHIN THE KANNALAND MUNICIPALITY, LADISMITH, CALITZDORP AND ZOAR
				R 517 582,54	

Section 13 – Progress on Municipal Debt Relief

- Municipality's self-assessment in the format of the compliance certificate issued in MFMA Circular No. 124: Annexure A (signed by the Municipal Manager / (Acting); Attached as Annexure A
- Supporting information substantiating its compliance with conditions 6.1 – 6.14 in MFMA Circular No. 124.




ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

KANNALAND LOCAL MUNICIPALITY
ATT CHIEF FINANCIAL OFFICER
P O BOX 30
LADISMITH
6655

WESTERN REGION
PO BOX 377 BELVILLE 7535

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA



TEL: 08600 37566
SMS: 35328

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

WESTERN REGION
PO BOX 377 BELVILLE 7535

YOUR ACCOUNT NO	7052108005
SECURITY HELD	0.01
BILLING DATE	2023-09-08
TAX INVOICE NO	705982455454
ACCOUNT MONTH	SEPTEMBER 2023
CURRENT DUE DATE	2023-10-09
VAT REG NO	4540197268

TAX INVOICE

E-MAIL: krediteure@kannaland.gov.za

ACCOUNT TRANSACTION SUMMARY

DESCRIPTION	AMOUNT	CREDIT	DEBIT
FIXED CHARGE	R		25,465.00
ADMINISTRATION CHARGE	R		4,987.28
TRANSMISSION NETWORK CAPACITY	R		142,400.00
DIST. NETWORK CAPACITY CHARGE	R		102,500.00
NETWORK DEMAND CHARGE	R		99,198.91
URBAN LOW VOLTAGE SUBSIDY	R		251,000.00
ANCILLARY SERVICE (ALL)	R		14,733.73
ENERGY CHARGE (STD)	851,527.00	R	1,379,539.02
ENERGY CHARGE (PEAK)	385,429.00	R	1,836,998.13
ENERGY CHARGE (OFF)	1,049,772.00	R	937,045.89
ELECTRIFICATION AND RURAL SUBS (ALL)		R	315,075.19
REACTIVE ENERGY	140,429.00	R	35,261.72
SERVICE CHARGE		R	11,064.52
TOTAL CHARGES FOR BILLING PERIOD		R	5,155,269.39

ACCOUNT SUMMARY FOR SEPTEMBER 2023

DESCRIPTION	AMOUNT	CREDIT	DEBIT
BALANCE BROUGHT FORWARD (Due Date 2023-08-07)	R	13,919,334.09	
PAYMENT(S) RECEIVED Cash - 2023-08-11	R	-7,559,469.88	
TOTAL CHARGES FOR BILLING PERIOD	R		5,155,269.39
ADJUSTMENT Interest on overdue account	R		43.07
ADJUSTMENT Interest on overdue account	R		6,761.64
ADJUSTMENT Interest on overdue payment arrangement debt	R		381,649.57
PAYMENT ARRANGEMENT 7058862348 (Balance o/s R 30,984,140.65)	R	550,000.00	
VAT RAISED ON ITEMS AT 14%	R		0.00
VAT RAISED ON ITEMS AT 15%	R		773,290.41

ACCOUNT NO / REFERENCE NO

7052108005

NAME

KANNALAND LOCAL MUNICIPALITY

FAX NUMBER

0866160914

0934 7052108005


ARREARS					CURRENT	TOTAL DUE
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS			
0.00	0.00	6,359,864.41	0.00	6,867,014.08	R	13,226,878.49

Account OVERDUE - Subject to Disconnection


TOTAL AMOUNT DUE

13,226,878.45

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VAT REG NO 4740101508

KANNALAND LOCAL MUNICIPALITY
ATT CHIEF FINANCIAL OFFICER
P O BOX 30
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WESTERN REGION
PO BOX 377 BELVILLE 7535

DIRECT DEPOSIT DETAIL

BANK: ABISA
BRANCH CODE: 334110
BANK ACC NO: 340167430

YOUR ACCOUNT NO	6940893537
SECURITY HELD	0.01
BILLING DATE	2023-09-08
TAX INVOICE NO	694362092665
ACCOUNT MONTH	SEPTEMBER 2023
CURRENT DUE DATE	2023-10-09
VAT REG NO	4540197268

TAX INVOICE

E-MAIL: krediteure@kannaland.gov.za

ACCOUNT TRANSACTION SUMMARY

ADMINISTRATION CHARGE	R	4,987.28
DIST. NETWORK CAPACITY CHARGE	R	76,512.80
NETWORK DEMAND CHARGE (C/KWH)	R	35,231.29
ANCILLARY SERVICE (ALL)	R	3,391.79
ENERGY CHARGE (PEAK)	83,886.00	R 432,919.81
ENERGY CHARGE (STD)	205,131.00	R 342,020.78
ENERGY CHARGE (OFF)	188,699.00	R 173,482.64
ELECTRIFICATION AND RURAL SUBS (ALL)		R 66,402.68
REACTIVE ENERGY	47,260.00	R 5,203.33
SERVICE CHARGE		R 11,064.52

TOTAL CHARGES FOR BILLING PERIOD R 1,151,216.88

ACCOUNT SUMMARY FOR SEPTEMBER 2023

BALANCE BROUGHT FORWARD	(Due Date 2023-09-07)	R	3,481,514.87
PAYMENT(S) RECEIVED	Cash - 2023-08-21	R	-346,818.14
TOTAL CHARGES FOR BILLING PERIOD		R	1,151,216.88
ADJUSTMENT	Interest on overdue account	R	15,153.17
ADJUSTMENT	Interest on overdue payment arrangement debt	R	102,128.89
PAYMENT ARRANGEMENT	6944304075 (Balance o/s R 8,338,477.05)	R	100,000.00
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	172,682.53

ARREARS					CURRENT	TOTAL DUE R	4,675,878.00
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS				
0.00	1,106,605.27	2,028,091.46	0.00	1,541,181.27			

Account OVERDUE - Subject to Disconnection

ACCOUNT NO / REFERENCE NO

6940893537

NAME

KANNALAND LOCAL MUNICIPALITY

FAX NUMBER

0934 6940893537

11341 6940893537



9207 2694 0893 5379



TOTAL AMOUNT DUE

4,675,878.00

PAYMENT ARRANGEMENT

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REPRINT CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420543546	User Name	KANNALAND MUNICIPALITY
User ID	OCK31	Reference	2023279004
Sub Module	SSVS	Action date	20231007
Description	LJT64 20231006 18:23:03.5		
Finalreleasingoperators	RVX68 CM CLAASEN (A)		GAV53 M SCHEFFERS
Sub-batch	001	From Account no	0000420543546
		From Account Name	KANNALAND MUNICIPALITY (MAIN)
Trans No	1		
Acc No / CDI	55161638814		
Branch No	200910		
Statement Ref	7052108005		
Account Name	ESKOM HOLDINGS WC REGION		
Creditor Code	ESKOM NEW		
Amount	6,867,014.08		
StatusDescription	FINAL AUDIT TO BE DOWNLOADED		
RTGS/RTC	F		
ISN/Bus Ref	91		
Pay Alert	N		

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REPRINT CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420543548	User Name	KANNALAND MUNICIPALITY
User ID	OCK31	Reference	2023279004
Sub Module	SSVS	Action date	20231007
Description	LJT84 20231008 18:23:03.5		
Finalreleasingoperators	RVX88 CM CLAASEN (A)		GAV53 M SCHEFFERS
Sub-batch	001	From Account no	0000420543548
		From Account Name	KANNALAND MUNICIPALITY (MAIN)
Trans No	2		
Acc No / CDI	55181838814		
Branch No	200910		
Statement Ref	CALTIZDORP BULK		
Account Name	ESKOM HOLDINGS WC REGION		
Creditor Code	ESKOM NEW		
Amount	1,541,181.27		
StatusDescription	FINAL AUDIT TO BE DOWNLOADED		
RTGS/RTC			
ISN/Bus Ref	0		
Pay Alert	N		

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CURRENT ACCOUNT - STATEMENT DETAILS

Account	0000420543546	KANNALAND MUNICIPAL	Statement For	20231007	VAT Registration	4540197268
Branch	000113	LADISMITH CAPE	Statement No	206		

Page	Details	Service Fee	Debit	Credit	Date	Balance
1	BALANCE BROUGHT FORWARD	0.00	0.00	0.00	20231006	9,440,239.05
1	CREDIT CARD EFTPOS SETTLEMENT	0.00	0.00	612.60	20231006	9,440,851.65
	CR EFTPOS BIF 2 0008003109453					
1	CREDIT CARD EFTPOS SETTLEMENT	0.00	0.00	684.00	20231006	9,441,535.65
	CR EFTPOS PLC 9 0002163109577					
1	CREDIT CARD EFTPOS SETTLEMENT	0.00	0.00	11,710.20	20231006	9,453,245.85
	DR EFTPOS PLC 9 0002163109577					
1	CREDIT CARD EFTPOS SETTLEMENT	0.00	0.00	32,753.14	20231006	9,485,998.99
	DR EFTPOS BIF 2 0008003109453					
1	FEE: CASH DEPOSIT - NOTES ##	0.00	-64.12	0.00	20231006	9,485,934.87
	420543546 R14032,10 06/10					
1	FEE: CASH DEPOSIT - COINS ##	0.00	-0.01	0.00	20231006	9,485,934.86
	420543546 R14032,10 06/10					
1	FEE: CASH DEPOSIT - NOTES ##	0.00	-28.52	0.00	20231006	9,485,906.34
	420543546 R6248,00 06/10					
1	FEE: CASH DEPOSIT - COINS ##	0.00	-0.04	0.00	20231006	9,485,906.30
	420543546 R6248,00 06/10					
1	MAGTAPE CREDIT	0.00	0.00	698.00	20231007	9,486,604.30
	CBL5505					
1	ELECTRONIC BANKING PAYMENT TO	0.00	-1,541,181.27	0.00	20231007	7,945,423.03
	ESKOM ESKOM HOLDING RVX8808:12					
1	ELECTRONIC BANKING PAYMENT TO	0.00	-4,366.40	0.00	20231007	7,941,056.63
	SAPTO SAPTOE ROSLYN RVX8808:12					
1	ELECTRONIC BANKING PAYMENT TO	0.00	-28,319.00	0.00	20231007	7,912,737.63
	PC025 ICT WIZE GROU RVX8808:12					
1	ELECTRONIC BANKING PAYMENT TO	0.00	-28,083.36	0.00	20231007	7,884,654.27
	H22 HENDRICKS C RVX8808:12					
1	ELECTRONIC BANKING PAYMENT TO	0.00	-8,867,014.08	0.00	20231007	1,017,640.19
	ESKOM ESKOM HOLDING RVX8808:12					
1	ELECTRONIC BANKING PAYMENT TO	0.00	-54,563.91	0.00	20231007	963,076.28
	C2 CALITZDORP BE RVX8808:12					
1	ELECTRONIC BANKING PAYMENT TO	0.00	-11,577.50	0.00	20231007	951,498.78
	A23 ARTHURS WORKS RVX8808:12					
1	ELECTRONIC BANKING PAYMENT TO	0.00	-249,791.00	0.00	20231007	701,707.78
	JANSE JANSSEN & SAMS RVX8808:12					
1	ELECTRONIC BANKING PAYMENT TO	0.00	-11,959.20	0.00	20231007	689,748.58
	VAN D VAN DER BERG RVX8808:12					

** END OF REPORT **

Calitzdorp Besproeiingsraad

Posbus/P O Box 197, Calitzdorp, 6660
Tel: 044 213 3802 / 084 589 7776 Email: calitzdorpwater@telkomsa.net
BTW/VAT Reg: 4260157971

BELASTINGFAKTUUR

Munisipale Bestuurder
Kannaland Munisipaliteit
Posbus 30
LADISMITH
6655

Faktuur Nr: 305
Datum: 12 September 2023

BTW Nr 4540197268

MUNISIPALE WATERVERBRUIK – CALITZDORP: August 2023

Sub Oorverbruik

Maand	Aug-23	Aug-23
Meterlesing einde	Aug-23	6962050
Meterlesing begin	Aug-23	6909130
Ontrek	kl	52920
Dae @ 455 kl per dag toelaag	31	14105
Sub Oorverbruik 38815 - 4287 = 34528	kl	38815
Min beurt teruggegee	kl	0
Oorverbruik	kl	34528
0-26000 kl tarief @ 1.10	26000	R 28 600.00
26000-36000kl @ 2.21kl	8528	R 18 846.88
46000 - 56000 kl tarief	0	R -
56 000 en meer tarief	0	R -
Sub Oorverbruik		R 47 446.88
Plus 15% BTW		R 7 117.03
Totaal verskuldig		R 54 563.91

Glyskaal met ingang 2023

Dae		31
Toegelaat per dag - kl		455
0 - 26000 kl tarief	R	1.10
26000 - 36000 kl tarief	R	2.21
36000 - 46000 kl tarief	R	3.69
46000 - 56000 kl tarief	R	7.37
56 000 kl en meer tarief	R	14.74

Beurt teruggegee formule

1 cusec = 101.96 m3		101.96
Stroomsterkte cusek/uur		6.18
Ure teruggegee		0
Kl = Ure teruggegee x 101.96m3 x stroomsterkte	kl	0

Bankbesonderhede:

Naam: Calitzdorp Besproeiingsraad
Bank: Standard Bank
Tak: Calitzdorp 050014
Rek Nr: 280110022

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REPRINT CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420543546	User Name	KANNALAND MUNICIPALITY
User ID	OCK31	Reference	2023279003
Sub Module	SSVS	Action date	20231007
Description	LJT64 20231006 18:19:22.9		
Finalreleasingoperators	RVX68 CM CLAASEN (A)		GAV53 M SCHEFFERS
Sub-batch	001	From Account no	6000420543546
		From Account Name	KANNALAND MUNICIPALITY (MAIN)
Trans No	7		
Acc No / CDI	280110022		
Branch No	50014		
Statement Ref	KANNALAND MUN		
Account Name	CALITZDORP BESPROEINGSRAAD		
Creditor Code	C2		
Amount	54,563.91		
StatusDescription	FINAL AUDIT TO BE DOWNLOADED		
RTGS/RTC			
ISN/Bus Ref	0		
Pay Alert	N		

Standard Bank of South Africa

The Standard Bank of South Africa Limited Registered Bank Reg. No. 1962/000738/06

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CURRENT ACCOUNT - STATEMENT DETAILS

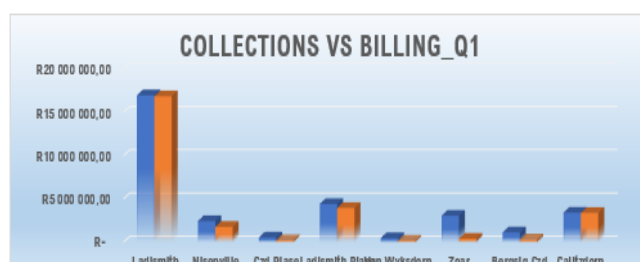
Account	0000420543546	KANNALAND MUNICIPAL	Statement For	20231007	VAT Registration	4540197268
Branch	000113	LADISMITH CAPE	Statement No	206		

Page	Details	Service Fee	Debit	Credit	Date	Balance
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	CR EFTPOS BIF 2 0008003109453					
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	420543546 R14032,10 06/10					
1	FEE: CASH DEPOSIT - NOTES ##	0.00	-28.52		20231008	9,485,906.34
	420543546 R6248,00 06/10					
1	FEE: CASH DEPOSIT - COINS ##	0.00	-0.04		20231008	9,485,906.30
	420543546 R6248,00 06/10					
1	MAGTAPE CREDIT	0.00		698.00	20231007	9,486,604.30
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	ESKOM ESKOM HOLDING RVX8808:12					
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	PC025 ICT WIZE GROU RVX8808:12					
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	VAN D VAN DER BERG RVX8808:12					

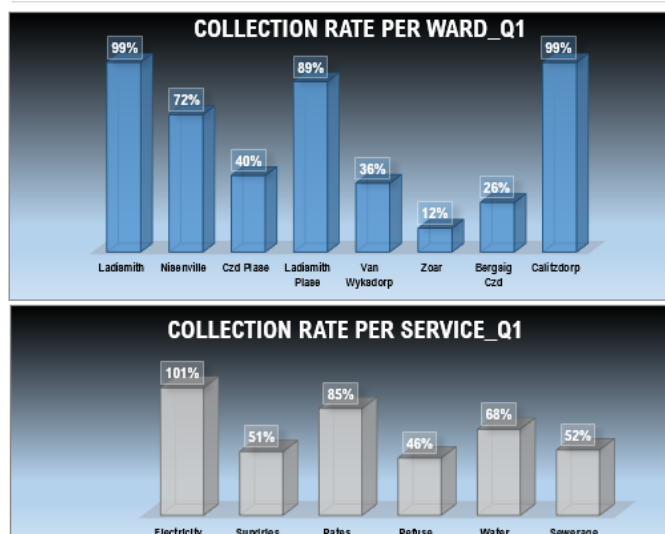
** END OF REPORT **

- The monthly MFMA s.71 narratives must explicitly reflect the municipality's progress towards restricting free basic services (condition 6.6) and achieving a minimum average quarterly collection of 80 per cent (condition 6.7);

	Billing	Collections	
Ladismith	R 16 922 194,84	R 16 814 518,40	99%
Nisenville	R 2 409 444,80	R 1 734 004,18	72%
Czd Plase	R 506 247,70	R 203 025,88	40%
Ladismith Plase	R 4 379 771,78	R 3 913 586,44	89%
Van Wyksdorp	R 440 643,44	R 158 934,48	36%
Zoar	R 3 029 425,33	R 378 295,02	12%
Bergsig Czd	R 1 095 336,41	R 284 436,05	26%
Calitzdorp	R 3 381 378,22	R 3 357 893,59	99%
	<u>R 32 164 442,52</u>	<u>R 26 844 694,04</u>	<u>83,5%</u>



Service	1st Quarter Levied	1st Quarter Receipt	Collection rate	
Electricity	R 14 747 492,35	-R 14 921 257,32	101%	
Sundries	R 226 958,22	-R 114 638,33	51%	
Rates	R 6 666 526,86	-R 5 654 093,80	85%	
Refuse	R 2 645 118,73	-R 1 204 032,27	46%	
Water	R 5 231 328,96	-R 3 571 022,39	68%	
Sewerage	R 2 647 017,40	-R 1 373 654,84	52%	



- If the municipality has a budget funding plan, the MFMA s.71 monthly statement must include progress against the budget funding plan as part of the narrative component required for the MFMA s.71 statement as well as demonstrate progress (as per mSCOA data string) against the budget funding plan.

Progress on the Funding Plan will be updated and reported from October 2023.

- If the municipality has a Financial Recovery Plan, such must monthly be submitted to the Provincial Executive and NT: MFRS.

The Municipality does not have a Financial Recovery Plan.

- The monthly MFMA s.71 statement to track the municipality's progress against the planned corrective action to address any variances evident from the property rates reconciliation.

The municipality performed a supplementary valuation to address differences on the property rates/valuation recon.

The supplementary came into effect with the August billing

Section 14 – Quality certification

I, **Mornè Marshall Hoogbaard**, the Acting Accounting Officer of **Kannaland Municipality WC041**, hereby certify that the Monthly Budget Statement for **September 2023**, has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: Mornè Marshall Hoogbaard

Signature:

Date:



KANNALAND

MUNISIPALITEIT | MUNICIPALITY

Posbus 30 P.O. Box
LADISMITH
6655

info@kannaland.co.za
Tel : (028) 551 1023
Fax : (028) 551 1766

Kerkstr. 32 Church St.
LADISMITH
6655

QUALITY CERTIFICATE

I, Mornè Marshall Hoogbaard Accounting Officer of **Kannaland Municipality WC041**, (name of municipality), hereby certify that –


(mark as appropriate)

- ☒ The monthly budget statement
- ☐ Quality report on the implementation of the budget and financial state affairs of the municipality
- ☐ Mid- year budget and performance assessment

For the month of **September 2023** (month/year) has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: Mornè Marshall Hoogbaard

Municipal Manager of **Kannaland Municipality WC041**

Signature 

Date :11 October 2023