



**KANNALAND**  
MUNISIPALITEIT | MUNICIPALITY

## **Monthly Budget Report for November 2023/24**



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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.

**Approved budget** - means an annual budget—

- a) approved by a municipal council; or
- b) approved by a provincial or the national executive following an intervention in terms of section 139 of the Constitution, and includes such an annual budget as revised by an adjustments budget in terms of section 28;

**Budget** - The financial plan of the Municipality.

**Budget related policy** - Policy of a municipality affecting or affected by the budget, examples include the Tariff Policy, Property Rates Policy, Customer Care, Credit Control and Debt Collection Policy etc.

**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** – summarizes the amount of cash and cash equivalents entering and leaving the municipality. The cash flow statement measures how well the municipality manages its cash position. It should be noted that there could be a difference between the timing of the actual cash flow compared to the recognition of expenditure. For example, when an invoice is received by the Municipality it is recognised as expenditure in the month it is dated, even though it may not be paid within the same month.

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

**Equitable share** - A general unconditional grant paid to municipalities. It is predominantly targeted to subsidise the delivery of 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 standard for municipal accounting.

**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. From here on to be 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 outer year 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. It provides a short-term benefit, normally less than a year.

**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** - in relation to a municipality, means any expenditure

incurred by a municipality otherwise than in accordance with section 15 or 11(3), and includes—

- a) overspending of the total amount appropriated in the municipality's approved budget;
- b) overspending of the total amount appropriated for a vote in the approved budget;  
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.

## LEGISLATIVE FRAMEWORK

The Municipal Budget and Reporting Regulations (MBRR) are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver basic services by facilitating improved financial sustainability and better medium-term planning and policy choices on service delivery.

This report has been prepared in terms of the following legislative framework:

- The Municipal Finance Management Act – No. 56 of 2003, Sections 71 & 52,
- and The Municipal Budget and Reporting Regulations

The MBRR highlights the format of the monthly budget statements.

*28. The monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.*

The objective of these Regulations is to secure sound and sustainable management of the budgeting and reporting practices of municipalities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting process and other relevant matters as required by the Act.

## Report of the Executive Mayor

### In -Year Report – Monthly Budget Statement

The monthly budget statement for November 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.

## Executive Mayor

## Recommendations

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

## SECTION 1 – 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](http://www.kannaland.gov.za)

### 1.2 CONSOLIDATED PERFORMANCE

The performance against the budget can be summarized as follow:

Amount in thousands	Original Budget	YTD Budget	YTD Actual	YTD Budget vs YTD Actual Variance	YTD Budget vs YTD Actual Variance %
Operating Revenue	R 226 346	R 89 227	R 85 245	R (3 982)	-4%
Operating Expenditure	R 241 455	R 100 624	R 102 688	R 2 064	2%
Capital	R 13 743	R 5 726	R 5 728	R 2	0%

#### Operational Revenue

The municipality's total operational revenue budget amounts to R226 million and the year-to-date revenue on the budget accrued to R 89 million. This represents 39% of total revenue to date.

#### Operational Expenditure

The municipality's total operational expenditure budget amounts to R241 million, with a year-to-date performance of R100 million, or 41% of the total expenditure budget.

#### Capital Expenditure

The total capital budget for the municipality amounts to R14 million with a year-to-date performance of R 5 million, or 41% of the total capital budget.

#### Operating Surplus/Deficit

Operating revenue amounted to R14 million, with expenditure amounting to R32 million, with an operating deficit of R17 million for the month under review.

### **1.3 MATERIAL DIFFERENCES TO THE SDBIP**

Material differences to the SDBIP will be discussed under section 10 and in more detail within Appendix C.

### **1.4 REMEDIAL ACTIONS**

- (a) Directorates are to ensure that the budget is being implemented in accordance with the Service Delivery and Budget Implementation Plan of the Municipality;
- (b) That, strategic decisions / resolutions to improve the capital expenditure, be implemented; communicating with the technical department on slow spending on capital budget;
- (c) That monthly monitoring of the implementation of the Budget Funding Plan;
- (d) That measures on debt collection are implemented and applied effectively;
- (e) A procurement plan be developed and approved as a matter of urgency;
- (f) That the funding plan addresses all issues and challenges on the financial performance of the municipality and adapt to an always changing environment.

## SECTION 2 – IN-YEAR BUDGET STATEMENT TABLES

### 2.1 TABLE C1 – MONTHLY BUDGET SUMMARY

WC041 Kannaland - Table C1 Monthly Budget Statement Summary - M05 November									
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
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	25 562	26 915	26 915	2 478	11 893	11 215	679	6%	26 915
Service charges	101 947	117 388	117 388	9 345	47 580	48 912	(1 332)	-3%	117 388
Investment revenue	1 845	960	960	112	818	400	418	105%	960
Transfers and subsidies - Operational	41 576	64 252	64 252	1 015	17 718	21 687	(3 969)	-18%	64 252
Other own revenue	13 958	16 831	16 831	1 721	7 235	7 013	222	3%	16 831
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>184 888</b>	<b>226 346</b>	<b>226 346</b>	<b>14 672</b>	<b>85 245</b>	<b>89 227</b>	<b>(3 982)</b>	<b>-4%</b>	<b>226 346</b>
Employee costs	80 917	79 933	79 933	10 132	40 666	33 305	7 361	22%	79 933
Remuneration of Councillors	3 273	3 276	3 276	321	1 732	1 365	367	27%	3 276
Depreciation and amortisation	13 957	11 762	11 762	980	4 901	4 901	0	0%	11 762
Interest	6 069	8 000	8 000	1	496	3 333	(2 838)	-85%	8 000
Inventory consumed and bulk purchases	58 220	64 991	64 741	1 274	30 355	26 975	3 380	13%	64 741
Transfers and subsidies	255	920	920	12	43	383	(340)	-89%	920
Other expenditure	92 958	72 573	72 823	19 326	24 495	30 361	(5 866)	-19%	72 823
<b>Total Expenditure</b>	<b>255 649</b>	<b>241 455</b>	<b>241 455</b>	<b>32 045</b>	<b>102 688</b>	<b>100 624</b>	<b>2 064</b>	<b>2%</b>	<b>241 455</b>
<b>Surplus/(Deficit)</b>	<b>(70 761)</b>	<b>(15 109)</b>	<b>(15 109)</b>	<b>(17 373)</b>	<b>(17 444)</b>	<b>(11 398)</b>	<b>(6 046)</b>	<b>53%</b>	<b>(15 109)</b>
Transfers and subsidies - capital (monetary allocations)	8 426	15 804	15 804	3 311	5 424	11 853	(6 430)	-54%	15 804
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(62 335)</b>	<b>695</b>	<b>695</b>	<b>(14 062)</b>	<b>(12 020)</b>	<b>455</b>	<b>(12 476)</b>	<b>-2739%</b>	<b>695</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>(62 335)</b>	<b>695</b>	<b>695</b>	<b>(14 062)</b>	<b>(12 020)</b>	<b>455</b>	<b>(12 476)</b>	<b>-2739%</b>	<b>695</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>3 047</b>	<b>13 743</b>	<b>13 743</b>	<b>2 104</b>	<b>5 728</b>	<b>5 726</b>	<b>2</b>	<b>0%</b>	<b>13 743</b>
Capital transfers recognised	17 429	13 743	13 743	2 104	5 728	5 726	2	0%	13 743
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	(21 435)	-	-	-	-	-	-	-	-
<b>Total sources of capital funds</b>	<b>(4 007)</b>	<b>13 743</b>	<b>13 743</b>	<b>2 104</b>	<b>5 728</b>	<b>5 726</b>	<b>2</b>	<b>0%</b>	<b>13 743</b>
<b>Financial position</b>									
Total current assets	(39 883)	(23 714)	(23 464)		(36 416)				(23 464)
Total non current assets	317 657	1 981	1 981		318 485				1 981
Total current liabilities	70 651	(22 971)	(22 721)		94 914				(22 721)
Total non current liabilities	30 166	-	-		30 889				-
<b>Community wealth/Equity</b>	<b>173 649</b>	<b>2 867</b>	<b>2 867</b>		<b>168 287</b>				<b>2 867</b>
<b>Cash flows</b>									
Net cash from (used) operating	75 736	5 823	5 823	(3 223)	27 973	2 426	(25 547)	-1053%	213 520
Net cash from (used) investing	(8 808)	(13 258)	(13 258)	(442)	(4 623)	5 524	10 147	184%	13 258
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the month/year end</b>	<b>104 970</b>	<b>(7 435)</b>	<b>(7 435)</b>	<b>-</b>	<b>59 995</b>	<b>7 950</b>	<b>(52 045)</b>	<b>-655%</b>	<b>263 423</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	3 705	2 584	2 698	2 143	1 987	1 916	12 109	86 928	114 070
<b>Creditors Age Analysis</b>									
Total Creditors	6 577	5 964	7 387	1 919	46 943	-	-	-	68 791



## 2.2 TABLE C2 – MONTHLY BUDGETED FINANCIAL PERFORMANCE (Functional Classification)

WC041 Kannaland - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M05 November										
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									
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		<b>68 359</b>	<b>50 659</b>	<b>50 659</b>	<b>4 016</b>	<b>31 022</b>	<b>22 884</b>	<b>8 138</b>	<b>36%</b>	<b>50 659</b>
Executive and council		33 573	12 961	12 961	41	14 769	5 466	9 302	170%	12 961
Finance and administration		34 786	37 698	37 698	3 975	16 253	17 418	(1 165)	-7%	37 698
Internal audit		-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		<b>11 776</b>	<b>36 120</b>	<b>36 120</b>	<b>3 567</b>	<b>7 163</b>	<b>11 460</b>	<b>(4 297)</b>	<b>-37%</b>	<b>36 120</b>
Community and social services		11 666	15 750	15 750	3 567	7 163	11 460	(4 297)	-37%	15 750
Sport and recreation		0	-	-	-	-	-	-	-	-
Public safety		110	-	-	-	(0)	-	(0)	-	-
Housing		-	20 370	20 370	-	-	-	-	-	20 370
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		<b>3 369</b>	<b>4 604</b>	<b>4 604</b>	<b>172</b>	<b>1 045</b>	<b>2 250</b>	<b>(1 205)</b>	<b>-54%</b>	<b>4 604</b>
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		3 369	4 604	4 604	172	1 045	2 250	(1 205)	-54%	4 604
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		<b>109 810</b>	<b>150 767</b>	<b>150 767</b>	<b>10 229</b>	<b>51 439</b>	<b>64 486</b>	<b>(13 047)</b>	<b>-20%</b>	<b>150 767</b>
Energy sources		65 268	81 032	81 032	5 892	31 292	33 763	(2 471)	-7%	81 032
Water management		23 004	37 355	37 355	2 440	10 328	17 231	(6 904)	-40%	37 355
Waste water management		10 774	16 612	16 612	965	4 962	6 921	(1 959)	-28%	16 612
Waste management		10 764	15 769	15 769	932	4 857	6 570	(1 713)	-26%	15 769
<i><b>Other</b></i>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Revenue - Functional</b>	<b>2</b>	<b>193 314</b>	<b>242 150</b>	<b>242 150</b>	<b>17 983</b>	<b>90 668</b>	<b>101 080</b>	<b>(10 412)</b>	<b>-10%</b>	<b>242 150</b>
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		<b>84 321</b>	<b>86 605</b>	<b>86 605</b>	<b>9 542</b>	<b>31 981</b>	<b>36 069</b>	<b>(4 088)</b>	<b>-11%</b>	<b>86 605</b>
Executive and council		21 671	24 748	24 748	2 451	9 567	10 311	(745)	-7%	24 748
Finance and administration		62 650	61 858	61 858	7 091	22 414	25 757	(3 343)	-13%	61 858
Internal audit		-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		<b>15 746</b>	<b>31 175</b>	<b>31 175</b>	<b>1 321</b>	<b>5 522</b>	<b>13 025</b>	<b>(7 503)</b>	<b>-58%</b>	<b>31 175</b>
Community and social services		10 203	8 894	8 894	886	3 918	3 741	177	5%	8 894
Sport and recreation		1 096	532	532	88	402	222	180	81%	532
Public safety		1 342	280	280	183	675	117	559	480%	280
Housing		3 105	21 469	21 469	163	527	8 946	(8 419)	-94%	21 469
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		<b>16 130</b>	<b>17 691</b>	<b>17 691</b>	<b>1 500</b>	<b>6 003</b>	<b>7 371</b>	<b>(1 368)</b>	<b>-19%</b>	<b>17 691</b>
Planning and development		5	-	-	-	-	-	-	-	-
Road transport		16 125	17 691	17 691	1 500	6 003	7 371	(1 368)	-19%	17 691
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		<b>139 453</b>	<b>105 983</b>	<b>105 983</b>	<b>19 695</b>	<b>59 195</b>	<b>44 159</b>	<b>15 035</b>	<b>34%</b>	<b>105 983</b>
Energy sources		64 460	70 336	70 336	1 431	31 915	29 307	2 609	9%	70 336
Water management		35 304	14 006	14 006	10 475	14 300	5 836	8 464	145%	14 006
Waste water management		20 940	10 984	10 984	3 663	6 018	4 577	1 441	31%	10 984
Waste management		18 749	10 657	10 657	4 126	6 961	4 440	2 521	57%	10 657
<i><b>Other</b></i>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>255 649</b>	<b>241 455</b>	<b>241 455</b>	<b>32 057</b>	<b>102 701</b>	<b>100 624</b>	<b>2 076</b>	<b>2%</b>	<b>241 455</b>
<b>Surplus/ (Deficit) for the year</b>		<b>(62 335)</b>	<b>695</b>	<b>695</b>	<b>(14 074)</b>	<b>(12 032)</b>	<b>455</b>	<b>(12 488)</b>	<b>-2742%</b>	<b>695</b>

## 2.3 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) - M05 November										
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	41	14 769	5 466	9 302	170,2%	12 961
Vote 2 - CORPORATE SERVICES		14 305	41 883	41 883	3 586	7 640	13 454	(5 814)	-43,2%	41 883
Vote 3 - FINANCIAL SERVICES		33 986	34 750	34 750	3 943	15 945	16 190	(245)	-1,5%	34 750
Vote 4 - TECHNICAL SERVICES		111 450	152 556	152 556	10 413	52 315	65 970	(13 655)	-20,7%	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	193 314	242 150	242 150	17 983	90 668	101 080	(10 412)	-10,3%	242 150
Expenditure by Vote	1									
Vote 1 - MUNICIPAL MANAGER		21 671	24 748	24 748	2 451	9 567	10 311	(745)	-7,2%	24 748
Vote 2 - CORPORATE SERVICES		37 646	55 025	55 025	3 998	16 044	22 927	(6 883)	-30,0%	55 025
Vote 3 - FINANCIAL SERVICES		43 700	38 044	38 044	4 719	12 476	15 835	(3 359)	-21,2%	38 044
Vote 4 - TECHNICAL SERVICES		151 252	121 333	121 333	20 784	64 186	50 591	13 595	26,9%	121 333
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	-		-
Vote 6 - CORPORATE SERVICES (Continued)		1 381	2 305	2 305	106	428	960	(533)	-55,5%	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	255 649	241 455	241 455	32 057	102 701	100 624	2 076	2,1%	241 455
Surplus/ (Deficit) for the year	2	(62 335)	695	695	(14 074)	(12 032)	455	(12 488)	-2741,7%	695

## 2.4 TABLE C4 – MONTHLY FINANCIAL PERFORMANCE

WC041 Kannaland - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

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											
<b>Revenue</b>											
Exchange Revenue			112 995	127 346	127 346	10 265	53 366	53 061	305	1%	127 346
Service charges - Electricity			64 073	76 101	76 101	5 875	31 203	31 709	(505)	-2%	76 101
Service charges - Water			20 258	22 267	22 267	1 969	8 647	9 278	(631)	-7%	22 267
Service charges - Waste Water Management			8 707	9 610	9 610	759	3 886	4 004	(118)	-3%	9 610
Service charges - Waste management			8 910	9 410	9 410	743	3 844	3 921	(77)	-2%	9 410
Sale of Goods and Rendering of Services			428	396	396	30	254	165	89	54%	396
Agency services			1 215	1 350	1 350	92	604	563	41	7%	1 350
Interest			–	–	–	–	–	–	–	–	–
Interest earned from Receivables			6 176	5 929	5 929	596	3 379	2 470	909	37%	5 929
Interest earned from Current and Non Current Assets			1 845	960	960	112	818	400	418	105%	960
Dividends			–	–	–	–	–	–	–	–	–
Rent on Land			–	–	–	–	–	–	–	–	–
Rental from Fixed Assets			611	1 098	1 098	52	283	457	(175)	-38%	1 098
Licence and permits			171	159	159	17	82	66	16	24%	159
Operational Revenue			602	66	66	21	365	28	338	1226%	66
Non-Exchange Revenue			71 893	99 000	99 000	4 407	31 879	36 166	(4 287)	-12%	99 000
Property rates			25 562	26 915	26 915	2 478	11 893	11 215	679	6%	26 915
Surcharges and Taxes			–	–	0	583	583	–	583	–	0
Fines, penalties and forfeits			1 525	2 501	2 501	15	123	1 042	(919)	-88%	2 501
Licence and permits			0	30	30	–	0	13	(12)	-100%	30
Transfer and subsidies - Operational			41 576	64 252	64 252	1 015	17 718	21 687	(3 969)	-18%	64 252
Interest			2 561	2 802	2 802	256	1 270	1 167	102	9%	2 802
Fuel Levy			–	–	–	–	–	–	–	–	–
Operational Revenue			667	–	–	59	292	–	292	–	–
Gains on disposal of Assets			–	2 500	2 500	–	–	1 042	(1 042)	-100%	2 500
Other Gains			–	–	–	–	–	–	–	–	–
Discontinued Operations			–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)			184 888	226 346	226 346	14 672	85 245	89 227	(3 982)	-4%	226 346
<b>Expenditure By Type</b>											
Employee related costs			80 917	79 933	79 933	10 144	40 678	33 305	7 373	22%	79 933
Remuneration of councillors			3 273	3 276	3 276	321	1 732	1 365	367	27%	3 276
Bulk purchases - electricity			55 313	56 045	56 045	532	28 748	23 352	5 396	23%	56 045
Inventory consumed			2 907	8 946	8 696	742	1 607	3 623	(2 016)	-56%	8 696
Debt impairment			59 016	16 691	16 691	–	–	6 954	(6 954)	-100%	16 691
Depreciation and amortisation			13 957	11 762	11 762	980	4 901	4 901	0	0%	11 762
Interest			6 069	8 000	8 000	1	496	3 333	(2 838)	-85%	8 000
Contracted services			19 896	33 727	33 927	1 074	2 734	14 120	(11 385)	-81%	33 927
Transfers and subsidies			255	920	920	12	43	383	(340)	-89%	920
Irrecoverable debts written off			46	–	–	16 695	16 765	–	16 765	–	–
Operational costs			13 743	22 156	22 206	1 557	4 996	9 287	(4 292)	-46%	22 206
Losses on Disposal of Assets			(609)	–	–	–	–	–	–	–	–
Other Losses			866	–	–	–	–	–	–	–	–
Total Expenditure			255 649	241 455	241 455	32 057	102 701	100 624	2 076	2%	241 455
Surplus/(Deficit)			(70 761)	(15 109)	(15 109)	(17 385)	(17 456)	(11 398)	(6 058)	0	(15 109)
Transfers and subsidies - capital (monetary allocations)			8 426	15 804	15 804	3 311	5 424	11 853	(6 430)	(0)	15 804
Transfers and subsidies - capital (in-kind)			–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions			(62 335)	695	695	(14 074)	(12 032)	455			695
Income Tax			–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax			(62 335)	695	695	(14 074)	(12 032)	455			695
Share of Surplus/Deficit attributable to Joint Venture			–	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities			–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality			(62 335)	695	695	(14 074)	(12 032)	455			695
Share of Surplus/Deficit attributable to Associate			–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions			–	–	–	–	–	–			–
Surplus/(Deficit) for the year			(62 335)	695	695	(14 074)	(12 032)	455			695

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.

## **2.5 OPERATING REVENUE BY SOURCES:**

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

- **Service Charges Water Revenue** - amounted to **R1.9 million in November 2023** which represents a **-7%** variance of the YTD. This can be attributed to the faulty meters that the Municipality is in the process of replacing through an internal meter audit process. Water consumption is expected to increase during the summer months. 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.
- **Sale of goods and Rendering of Services** – amounts to 30 thousand for **November 2023** and represents 2% of the original budget. The deviation from the year-to-date budget amounts to **54%**. This is higher due to number of building plans approved which include the new shopping center being constructed on Van Riebeeck Street in Ladismith.
- **Agency Services** – amounted to 92 thousand for **November 2023** which represents a **7%** variance from the YTD figures. This can be attributed to the more fines being collected.
- **Interest Earned on Investments** – (**105%** 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. It can also be attributed to an under-budgeted position. The Municipality also collected more revenue which attract more interest.
- **Interest on outstanding debtors** – (**37%** deviation from the year-to-date budget). The Municipality has delayed the write-offs of prescribed debt, it also has not written off the outstanding debt of indigent households. Due to these reasons the total debtor's debt attracting interest is significantly higher.
- **Rental from fixed Assets** – amounted to 52 thousand and a deviation of **38%**. The Municipality collected significantly less rent YTD than budgeted. The Municipality has not implemented all rental contracted with market-related rental amounts. This process is to be finalized during the next quarter or as and when existing contracts expire.

- **Licence and permits** - (24% deviation from the year-to-date budget). Amounted to 17 thousand. This is due to an increase in the number of learner license applications.
- **Property Rates** – amounted to **R2.4 million** in **November 2023** which represents a 6% variance from the YTD figures. This is a result of property owners making annual payments. This will be inline with the budget at year-end.
- **Fines, Penalties & Forfeits** – Almost no activity, with a **-88%** deviation, with no vendor appointed to provide cameras and administrative support on speed fines. The Municipality is currently reviewing the fines process and it has not been able to utilize this service effectively. An audit must be conducted to determine how much the service is unprofitable when it has the potential of generating much higher revenue. Cost containment measures must be considered if this does not improve.
- **Other Revenue Deviations** - Can be explained as incidental and cyclical in nature.

## 2.6 OPERATING EXPENDITURE BY TYPE

- **Employee Related Costs** – The employee related costs amounted to **R10 million for November 2023**, exceeding the YTD budget with 22%. It can also be attributed to the number of temporary workers employed that was not in line with the budget and organogram. Management has realigned this need for additional workers to be in line with the budget by utilising savings through unfilled vacancies. It is expected for this to stay within the budget by year-end.
- **Remuneration of Councillors**- The total remuneration for Councillors amounted to **R321 thousand** in **November 2023**, exceeding the year-to-date budget with 27%. This will be corrected in December 2023.
- **Bulk Purchases Electricity** – The total amounted to 532 thousand in **November 2023**, exceeding the year-to-date budget with 23%. The Eskom bulk accounts has not been reconciled, there is also misallocation as interest charges is not separated from the bulk electricity expense. The expenses are processed inclusive of VAT, this is overstating the expenditure.
- **Inventory Consumed** – The total was **R 742 thousand**, this includes direct purchases for the store and inventory issued out for the reporting period.
- **Interest** - The total amounted to **1 thousand** for the month of **November 2023**. This is due to the incorrect allocations of interest charged on the bulk accounts which was recorded under bulk purchases. This will be corrected.
- **Contracted Services** – amounted to **R 1.07 million** in **November 2023**. The expenditure is expected to pick up in the next reporting periods. This can be attributed to misallocations that will be investigated and corrected where applicable.

- **Transfers and subsidies** – The total amounted to **12 thousand** for the month of **November 2023**. The Municipality has not paid us subsidies yet, this will be concluded in the next quarter. The Municipality makes quarterly transfers as and when the institutions submit the relevant documentation.
- **Other Expenditure** - amounted to **R1.5 million** in **November 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. The Municipality is still busy implementing expenditure on the accrual basis, expenses has been recognized when paid. This process will be corrected in the next view months.

## 2.7 TABLE C5 – MONTHLY BUDGETED CAPITAL EXPENDITURE

WC041 Kannaland - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M05 November										
Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited 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	2 064	4 820	3 039	1 781	59%	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	2 064	4 820	3 039	1 781	59%	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	40	908	2 687	(1 779)	-66%	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	40	908	2 687	(1 779)	-66%	6 449
Total Capital Expenditure	3	3 047	13 743	13 743	2 104	5 728	5 726	2	0%	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	2 104	5 728	5 726	2	0%	13 743
Energy sources		873	485	485	-	-	202	(202)	-100%	485
Water management		(676)	6 449	6 449	40	908	2 687	(1 779)	-66%	6 449
Waste water management		17 231	6 809	6 809	2 064	4 820	2 837	1 983	70%	6 809
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	3 047	13 743	13 743	2 104	5 728	5 726	2	0%	13 743
Funded by:										
National Government		17 231	13 743	13 743	2 104	5 728	5 726	2	0%	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	2 104	5 728	5 726	2	0%	13 743
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		(21 435)	-	-	-	-	-	-	-	-
Total Capital Funding	7	(4 007)	13 743	13 743	2 104	5 728	5 726	2	0%	13 743

### CAPITAL EXPENDITURE

- The capital expenditure for **November** was **R 2.1 million** which amounts to **15%** of the total budget.

## 2.8 TABLE C6 – MONTHLY BUDGETED FINANCIAL POSITION

WC041 Kannaland - Table C6 Monthly Budget Statement - Financial Position - M05 November						
Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		20 729	(14 630)	(14 630)	17 759	(14 630)
Trade and other receivables from exchange transactions		(19 814)	(9 478)	(9 478)	(21 476)	(9 478)
Receivables from non-exchange transactions		(4 328)	(1 128)	(1 128)	(1 519)	(1 128)
Current portion of non-current receivables		-	-	-	-	-
Inventory		2 400	(8 946)	(8 696)	2 344	(8 696)
VAT		(37 806)	10 468	10 468	(32 358)	10 468
Other current assets		(1 063)	-	-	(1 165)	-
<b>Total current assets</b>		<b>(39 883)</b>	<b>(23 714)</b>	<b>(23 464)</b>	<b>(36 416)</b>	<b>(23 464)</b>
<b>Non current assets</b>						
Investments		-	-	-	-	-
Investment property		1 116	-	-	1 116	-
Property, plant and equipment		316 531	1 981	1 981	317 359	1 981
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		-	-	-	-	-
Intangible assets		9	-	-	9	-
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
<b>Total non current assets</b>		<b>317 657</b>	<b>1 981</b>	<b>1 981</b>	<b>318 485</b>	<b>1 981</b>
<b>TOTAL ASSETS</b>		<b>277 774</b>	<b>(21 733)</b>	<b>(21 483)</b>	<b>282 069</b>	<b>(21 483)</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Financial liabilities		-	-	-	-	-
Consumer deposits		1 364	-	-	1 408	-
Trade and other payables from exchange transactions		88 168	(19 856)	(19 606)	98 594	(19 606)
Trade and other payables from non-exchange transactions		13 792	-	-	22 371	-
Provision		7 477	-	-	8 491	-
VAT		(40 151)	(3 115)	(3 115)	(35 938)	(3 115)
Other current liabilities		-	-	-	-	-
<b>Total current liabilities</b>		<b>70 651</b>	<b>(22 971)</b>	<b>(22 721)</b>	<b>94 926</b>	<b>(22 721)</b>
<b>Non current liabilities</b>						
Financial liabilities		-	-	-	-	-
Provision		19 349	-	-	19 349	-
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		10 817	-	-	11 540	-
<b>Total non current liabilities</b>		<b>30 166</b>	<b>-</b>	<b>-</b>	<b>30 889</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>100 817</b>	<b>(22 971)</b>	<b>(22 721)</b>	<b>125 815</b>	<b>(22 721)</b>
<b>NET ASSETS</b>	2	<b>176 957</b>	<b>1 238</b>	<b>1 238</b>	<b>156 254</b>	<b>1 238</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		173 188	2 867	2 867	167 825	2 867
Reserves and funds		462	-	-	462	-
Other		-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>173 649</b>	<b>2 867</b>	<b>2 867</b>	<b>168 287</b>	<b>2 867</b>



## 2.9 TABLE C7 – MONTHLY BUDGETED CASH FLOW

WC041 Kannaland - Table C7 Monthly Budget Statement - Cash Flow - M05 November										
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
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		4 921	22 305	22 305	1 411	7 276	9 294	(2 018)	-22%	22 305
Service charges		73 390	120 923	120 923	4 728	34 238	50 385	(16 147)	-32%	120 923
Other revenue		2 794	9 067	9 067	1 067	6 949	3 778	3 171	84%	9 067
Transfers and Subsidies - Operational		43 410	64 252	64 252	1 299	20 475	26 772	(6 296)	-24%	64 252
Transfers and Subsidies - Capital		13 170	15 804	15 804	3 118	11 174	6 585	4 589	70%	15 804
Interest		1	50	50	-	0	21	(21)	-100%	50
Dividends		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Suppliers and employees		(61 949)	(226 578)	(226 578)	(14 846)	(52 139)	(94 407)	(42 269)	45%	(18 881)
Interest		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>75 736</b>	<b>5 823</b>	<b>5 823</b>	<b>(3 223)</b>	<b>27 973</b>	<b>2 426</b>	<b>(25 547)</b>	<b>-1053%</b>	<b>213 520</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Capital assets		(8 808)	(13 258)	(13 258)	(442)	(4 623)	5 524	10 147	184%	13 258
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(8 808)</b>	<b>(13 258)</b>	<b>(13 258)</b>	<b>(442)</b>	<b>(4 623)</b>	<b>5 524</b>	<b>10 147</b>	<b>184%</b>	<b>13 258</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>66 928</b>	<b>(7 435)</b>	<b>(7 435)</b>	<b>(3 665)</b>	<b>23 351</b>	<b>7 950</b>			<b>226 778</b>
Cash/cash equivalents at beginning:		38 042	-	-	-	36 645	-			36 645
Cash/cash equivalents at month/year end:		104 970	(7 435)	(7 435)	-	59 995	7 950			263 423

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

- Standard Bank Main Account is **R 2.4 million**;
- The Traffic Account has **R 294 thousand**;
- Deposit Account has **R 466 thousand**; and
- Call Account has **R12.68 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.

## SECTION 3 SUPPORTING DOCUMENTATION

### 3.1 TABLE SC3 – DEBTORS AGE ANALYSIS

WC041 Kannaland - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November													
Description	NT Code	Budget Year 2023/24										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	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	1 938	625	504	423	491	436	3 335	16 626	24 378	21 311	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1 102	144	112	77	76	65	309	650	2 536	1 178	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	2 432	671	941	526	486	475	2 583	20 376	28 490	24 446	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	713	339	338	335	278	277	1 665	10 430	14 375	12 986	-	-
Receivables from Exchange Transactions - Waste Management	1600	1 406	560	546	533	440	436	2 558	15 176	21 655	19 142	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	0	0	0	-	-
Interest on Arrear Debtor Accounts	1810	28	48	73	79	91	104	978	20 592	21 993	21 844	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	(3 913)	197	184	170	125	122	679	3 079	642	4 175	-	-
Total By Income Source	2000	3 705	2 584	2 698	2 143	1 987	1 916	12 109	86 928	114 070	105 083	-	-
2022/23 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	(2 088)	51	98	14	13	11	69	389	(1 444)	495	-	-
Commercial	2300	518	199	286	150	143	138	725	3 534	5 693	4 690	-	-
Households	2400	5 469	2 153	2 121	1 834	1 689	1 631	10 494	72 108	97 500	87 757	-	-
Other	2500	(194)	180	194	145	142	135	821	10 897	12 321	12 141	-	-
Total By Customer Group	2600	3 705	2 584	2 698	2 143	1 987	1 916	12 109	86 928	114 070	105 083	-	-

The total amount owed to Kannaland Municipality amounted to **R114 million at the end of November 2023**.

- **R86 million or 76%** of the total outstanding debtors are older than one year.
- **R105 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. Pre-paid electricity remains the most effective form of credit control.

### 3.3 TABLE SC4 – CREDITORS AGE ANALYSIS

WC041 Kannaland - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 November										
Description  R thousands	NT Code	Budget Year 2023/24								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	5 396	5 306	6 867	1 541	21 815	-	-	-	40 924
Bulk Water	0200	59	-	-	-	-	-	-	-	59
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	687	411	388	203	1 764	-	-	-	3 453
Auditor General	0800	169	83	96	80	7 849	-	-	-	8 278
Other	0900	266	164	36	95	15 515	-	-	-	16 076
Total By Customer Type	1000	6 577	5 964	7 387	1 919	46 943	-	-	-	68 791

- The total outstanding creditors as at the end of November 2023 amounts to **R 68 791 million**.
- The biggest outstanding creditors are Eskom (**R40 924 million**), the Auditor-General of South Africa (**R8 278 million**). Combined, the before mentioned, represents **71%** 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.

### 3.4 INVESTMENT PORTFOLIO ANALYSIS

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

### 3.5 GRANT RECEIPTS AND EXPENDITURE

Transfers and Grant Receipts 2023/ 2024					
	Original Budget	Total Received	Total Spent	Unspent	Rejected Rollover Repayment
<b>National Government Grants</b>					
Financial Management Grant (FMG)	2,932,000.00	2,932,000.00	754,348.82	2,177,651.18	
Equitable Share	35,348,000.00	14,728,000.00	14,728,000.00		
Municipal Infrastructure Grant (Operational)	568,650.00	568,650.00	236,937.48	331,712.52	
Municipal Infrastructure Grant (Capital)	10,804,350.00	10,105,350.00	5,188,667.56	4,916,682.44	958,939.65
Water Service Infrastructure Grant	5,000,000.00	500,000.00	234,984.13	265,015.87	
EPWP Incentive Grant	1,220,000.00	305,000.00	641,428.80	336,428.80	
	<b>55,873,000.00</b>	<b>29,139,000.00</b>	<b>21,784,366.79</b>	<b>7,354,633.21</b>	
<b>Provincial Government</b>					
Human Settlements	20,370,000.00	-			
MRF (Municipal Replacement Fund)	3,555,000.00	2,370,000.00	1,290,057.52	1,079,942.48	
CDW Grant	113,000.00	113,000.00	40,811.00	72,189.00	
<b>Departmental Agencies</b>					
Public Sector Seta	145,000.00	16,482.62		16,482.62	
<b>Total</b>	<b>24,183,000.00</b>	<b>2,499,482.62</b>	<b>1,330,868.52</b>	<b>1,168,614.10</b>	
	<b>80,056,000.00</b>	<b>31,638,482.62</b>	<b>23,115,235.31</b>	<b>8,523,247.31</b>	

The following indicates expenditure on each respective grant received (Operational) and (Capital) for November 2023 -

#### Expenditure:

- Financial Management Grant amounts to **R437 thousand**.
- Municipal Infrastructure Grant (MIG) amounts **R 1.26 million** capital expenditure and **MIG PMU** amounts to **R47 thousand**.
- Expanded Public Works Programme amounts to **R 138 thousand**.
- Water Services Infrastructure Grant amounts to **R39 thousand**.

#### Provincial Treasury

#### Expenditure:

- Libraries Grant amounts to **R353 thousand**.
- Community Development Workers amounts to **R40 thousand**.

### 3.6 TABLE SC8 – EXPENDITURE ON COUNCILLOR, SENIOR MANAGERS AND OTHER STAFF

WC041 Kannaland - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M05 November										
Summary of Employee and Councillor remuneration	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		2 827	2 990	2 990	268	1 504	1 246	258	21%	2 990
Pension and UIF Contributions		36	-	-	16	42	-	42		-
Medical Aid Contributions		67	-	-	9	47	-	47		-
Motor Vehicle Allowance		52	-	-	3	15	-	15		-
Cellphone Allowance		292	286	286	25	125	119	6	5%	286
Housing Allowances		-	-	-	-	-	-	-		-
Other benefits and allowances		-	-	-	-	-	-	-		-
<b>Sub Total - Councillors</b>		<b>3 273</b>	<b>3 276</b>	<b>3 276</b>	<b>321</b>	<b>1 732</b>	<b>1 365</b>	<b>367</b>	<b>27%</b>	<b>3 276</b>
<b>% increase</b>	4		<b>0,1%</b>	<b>0,1%</b>						<b>0,1%</b>
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		2 729	4 449	4 449	294	1 052	1 854	(802)	-43%	4 449
Pension and UIF Contributions		5	9	9	1	3	4	(1)	-30%	9
Medical Aid Contributions		-	-	-	-	-	-	-		-
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		-	-	-	-	-	-	-		-
Motor Vehicle Allowance		80	509	509	35	126	212	(86)	-41%	509
Cellphone Allowance		50	113	113	10	30	47	(18)	-37%	113
Housing Allowances		-	-	-	-	-	-	-		-
Other benefits and allowances		98	88	88	0	0	37	(36)	-100%	88
Payments in lieu of leave		-	-	-	-	-	-	-		-
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations		-	-	-	-	-	-	-		-
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		-	-	-	-	-	-	-		-
In kind benefits		-	-	-	-	-	-	-		-
<b>Sub Total - Senior Managers of Municipality</b>		<b>2 963</b>	<b>5 167</b>	<b>5 167</b>	<b>341</b>	<b>1 210</b>	<b>2 153</b>	<b>(943)</b>	<b>-44%</b>	<b>5 167</b>
<b>% increase</b>	4		<b>74,4%</b>	<b>74,4%</b>						<b>74,4%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		52 231	52 793	52 793	4 728	25 559	21 997	3 562	16%	52 793
Pension and UIF Contributions		7 132	8 568	8 568	635	3 236	3 570	(334)	-9%	8 568
Medical Aid Contributions		2 168	1 687	1 687	205	963	703	261	37%	1 687
Overtime		6 568	4 876	4 876	601	3 059	2 032	1 027	51%	4 876
Performance Bonus		1 975	752	752	749	761	313	448	143%	752
Motor Vehicle Allowance		2 790	2 359	2 359	290	1 461	983	478	49%	2 359
Cellphone Allowance		127	100	100	8	50	42	9	21%	100
Housing Allowances		337	173	173	29	141	72	69	96%	173
Other benefits and allowances		6 515	2 851	2 851	2 558	4 021	1 188	2 834	239%	2 851
Payments in lieu of leave		(1 166)	150	150	-	217	63	154	246%	150
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations		(723)	-	-	-	-	-	-		-
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		-	-	-	-	-	-	-		-
In kind benefits		-	-	-	-	-	-	-		-
<b>Sub Total - Other Municipal Staff</b>		<b>77 954</b>	<b>74 309</b>	<b>74 309</b>	<b>9 803</b>	<b>39 468</b>	<b>30 962</b>	<b>8 506</b>	<b>27%</b>	<b>74 309</b>
<b>% increase</b>	4		<b>-4,7%</b>	<b>-4,7%</b>						<b>-4,7%</b>
<b>Total Parent Municipality</b>		<b>84 190</b>	<b>82 752</b>	<b>82 752</b>	<b>10 465</b>	<b>42 410</b>	<b>34 480</b>	<b>7 930</b>	<b>23%</b>	<b>82 752</b>
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>										
<b>Board Members of Entities</b>										
Basic Salaries and Wages		-	-	-	-	-	-	-		-
Pension and UIF Contributions		-	-	-	-	-	-	-		-
Medical Aid Contributions		-	457	457	-	-	190	(190)	-100%	457
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		-	-	-	-	-	-	-		-
Motor Vehicle Allowance		-	-	-	-	-	-	-		-
Cellphone Allowance		-	-	-	-	-	-	-		-
Housing Allowances		-	-	-	-	-	-	-		-
Other benefits and allowances		-	-	-	0	0	-	0		-
<b>Board Fees</b>	5	-	-	-	-	-	-	-		-
Payments in lieu of leave		-	-	-	-	-	-	-		-
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations		-	-	-	-	-	-	-		-
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		-	-	-	-	-	-	-		-
In kind benefits		-	-	-	-	-	-	-		-
<b>Sub Total - Executive members Board</b>	2	-	457	457	0	0	190	(190)	-100%	457
<b>% increase</b>	4		<b>0,0%</b>	<b>0,0%</b>						<b>0,0%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>84 190</b>	<b>83 209</b>	<b>83 209</b>	<b>10 465</b>	<b>42 410</b>	<b>34 670</b>	<b>7 740</b>	<b>22%</b>	<b>83 209</b>
<b>% increase</b>	4		<b>-1,2%</b>	<b>-1,2%</b>						<b>-1,2%</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>80 917</b>	<b>79 476</b>	<b>79 476</b>	<b>10 144</b>	<b>40 677</b>	<b>33 115</b>	<b>7 563</b>	<b>23%</b>	<b>79 476</b>

## 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.

ACTIVITY DESCRIPTION		ITEM A4	Funding Plan '2023/24	Funding Plan '2024/25	Funding Plan '2025/26
Appoint an external services provider for debt collection	Revenue	Service charges - electricity revenue			
Appoint an external services provider for debt collection	Revenue	Service charges - water revenue			
Appoint an external services provider for debt collection	Revenue	Service charges - sanitation revenue			
Appoint an external services provider for debt collection	Revenue	Service charges - refuse revenue			
Appoint an external services provider for debt collection	Revenue	Property rates			
Manage and minimise water & electricity losses	Expenditure	Losses			
No interest accumulation or payment on overdue balance owed to Eskom when the Municipality apply for this 3 year programme	Expenditure	Finance charges	8 000 000		
No capital payment on overdue Eskom debt when the Municipality apply for this 3 year programme	Expenditure	Bulk purchases			
Meter audit to be completed to increase collections and decrease losses	Revenue	Service charges - electricity revenue			
Meter audit to be completed to increase collections and decrease losses	Revenue	Service charges - water revenue			
Approve auxiliary charges, through a council resolution, and policy amendments	Revenue	Service charges - electricity revenue			

More details on the funding plan implementation are below:



## Budget Funding Implementation Schedule

14-Dec-23	Activity	Activity Detail	Status	Due Date	Date Achieved	Comments / Reasons / remedial action
Improved Monthly Collection Rate	Meter verification, TID & data collection project	Start processes for meter verification, TID & data collection project - Specs for tender	Not Due	01-Feb-24		The tender was advertised, only one application was received. The tender expired and will be re-advertised. This process will commence shortly. The Municipality will re-assess the process and attempt to re-advertise the tender.
	Meter verification, TID & data collection project	Tender to be awarded and project commencement	Not Due	01-Apr-24		The tender was not awarded, it will be re-advertised.
	Meter verification, TID & data collection project	Phase I - To be specified during specs evaluation/assessment	Not Due	01-Jun-24		The tender was not awarded, it will be re-advertised.
	Meter verification, TID & data collection project	Phase II - To be specified during specs evaluation/assessment	Not Due	01-Sep-24		The tender was not awarded, it will be re-advertised.
	Meter verification, TID & data collection project	Phase III - To be specified during specs evaluation/assessment	Not Due	01-Oct-24		The tender was not awarded, it will be re-advertised.
	Tender for issuing of summonses to be awarded	Referred back to evaluation for clarity on pricing	Not Due	31-Jan-24		The Municipality is currently busy with an intensive debt collection drive. The focus is on the top 50 debtors. Numerous communication has been circulated with some success. A further drive will ensue and none paying debtors will be handed over. The Municipality advertised a tender for legal and professional services. None of the bidders were able to assist with Debt Collection. The Municipality opted to re-advertise
	Bulk SMS's - Credit Control / Check with SAMRAS credit control module	SMS's can be done internally (part of FMG support Plan)	Achieved	31-Aug-23	31-Aug-23	The Municipality managed to procure bulk messages and it forms part of the debt collection process. The Municipality appointed an Accountant Debt Collection to ensure a dedicated focus on overdue accounts
	SAMRAS - Credit Control Module activate and support	Dependent availability of SAMRAS (part of FMG support Plan)	Achieved	30-Sep-23	01-Nov-23	The Municipality opted to appoint an Accountant responsible for Debt Collection. The Credit Control Module implementation will be investigated and detailed recommendations will be considered.
	Exception reporting - Improved	System in place to ensure technical department address issues escalated	Achieved	01-Aug-23	01-Oct-23	The Municipality are making use of the services of a Seconded Technical Director. This will allow management to implement cross departmental actioned. The technical department in conjunction with the meter reading department will ensure all faulty meters are replaced.
	Action against biggest Debtors	Dependent on summons processes (can start with notices to be issued & addressing disputes)	Achieved	31-Aug-23	31-Aug-23	The debt collection team is busy prioritising the highest debtors per month.
	Strengthen internal capacity	Appointment Customer Care Clerk	Achieved	31-Jul-23	31-Aug-23	The Municipality opted to appoint an Accountant responsible for Debt Collection. It also appointed a clerk within the department.
	Strengthen internal capacity	Appointment Accountant - Debtors	Achieved	31-Jul-23	01-Dec-23	The Municipality advertised for this position and is busy with the recruitment process. An appointment will be made once the process has been concluded. The appointment has been made and the candidate will start on 01 December 2023.
	Adding additional pay-points / Indigent registration	VWD - (tools of trade to be issued)	Achieved	31-Jul-23	01-Aug-23	The Municipality are busy exploring the options to increase the pay-points. It was concluded that a possible relief cashier be used on selected days.
	Adding additional pay-points / Indigent registration	Thusong Centre - (tools of trade to be issued)	Target Missed	31-Jul-23		The Municipality are busy exploring the options to increase the pay-points. A site visit was conducted and a particular office was identified. The Municipality must identify savings to make the necessary adjustments, safety proof the office.
Improved Accuracy in Billing	Adding additional - Indigent registration (temporarily - Maxi Hall)	Zoar (tools of trade to be issued)	Achieved	31-Jul-23	31-Jul-23	The Municipality throughout the month of July 2023 embarked on numerous indigent registration initiatives. This was rewarding as people managed to register.
	Adding additional - Indigent registration (temporarily - Bergsig Library)	Czd (tools of trade to be issued)	Achieved	31-Jul-23	31-Jul-23	The Municipality throughout the month of July 2023 embarked on numerous indigent registration initiatives. This was rewarding as people managed to register.
	Reconciliations	Rates / billing recon - quarterly (being done to ensure billing completeness) -Addressing Reconciliation differences (in place)	Achieved	31-Aug-23	31-Oct-23	The valuation roll is being reconciled and all variances reported on monthly. A action plan has been drawn up to address outstanding matters.
	Water & Electricity Meters to be recorded correctly on the system	Uniformity in capturing and data cleansing through verification project - SOP's to be put in place and actual corrections to correlate with verification process	Achieved	31-Oct-23	30-Sep-23	The debtors and metering department is busy with a meter audit. A number of faulty meters has been identified for repairs and replacement. The Municipality has established various operating teams consisting of the technical and finance department to perform a detailed analysis throughout the Municipality. The process already started and will be completed by end of January 2024.
	Stakeholder Communication	System in place to communicate and follow progress on replacement and installing of meters. Connecting of new services to a property. (Role clarification building control, technical & billing)	Achieved	31-Aug-23	30-Sep-23	An interdepartmental working group will be established and the finance department will be in charge of the data of each meter
	Stakeholder Communication	Communication campaign - methods of payment, accounts to be emailed, accounts available online - communicate to the public	Target Missed	30-Sep-23		
	Management of Bulk Services	Calibrate and monitor bulk meters (Control meters and annual calibration part of technical maintenance plan)	Target Missed	30-Nov-23		



## Budget Funding Implementation Schedule

14-Dec-23	Activity	Activity Detail	Status	Due Date	Date Achieved	Comments / Reasons / remedial action
Other Revenue	Rental Contracts	Ensure that there are rental contracts for all properties on the rent-register	Target Missed	31-Aug-23		The Municipality is busy collating the outstanding contracts. The deadline was extended to 31 December 2023 from 31 August 2023. The user department is currently busy with finalising these contracts.
	Rental Income	Enhance rental income for municipal properties like community facilities & equipment	Not Due	31-Dec-23		Rental contracts must be adjusted with market related rental income. All outstanding rental contract must be signed.
	Rental Income	Rental income all municipal properties and market related where applicable	Target Missed	31-Jul-23		Rental contracts must be adjusted with market related rental income. All outstanding rental contract must be signed.
	Traffic Department	Procurement process- vendor to be appointed for speed cameras	Not Due	31-Jan-24		The Municipality has rented a traffic camera which is currently in use. The Municipality is currently in the process of auditing the traffic fine system. The progress is not satisfactory and management will review the operations, as the service is under-utilised.
	Traffic Department	Address traffic department leadership and structuring - Head of department to be appointed	Target Missed	31-Oct-23		This is currently in process, the position has been advertised, HR is yet to make the appointment.
	Traffic Department	Address traffic department revenue shortfall - increased spot fines, licenses, roadworthy etc. - address inefficiencies - report progress	Target Missed	30-Sep-23		Due to a lack in leadership the department does not have a clear action plan. The targets must be revised to end of December 2023. It seems unlikely that the projected revenue target for this will be achieved.
Cost Containment Measures	Human Resources	Implement a performance management system for all managers (consequence management + improvement discipline)	Target Missed	31-Oct-23		This is still outstanding, a draft performance plan and contracts have been implemented for directors. The Municipality must enlist the get access to a performance management system to effectively implement a PMS.
	Human Resources	Phased in approach to cost cutting measures - address allowances, standby, overtime etc.	Target Missed	31-Aug-23		The Municipality is busy with budget vs actual workshops for each department. Costs containment measures will be implemented once the directors have a better understanding of their budgets. Various cash flow meetings was held with line managers during November 2023. A budget vs actual workshop was also held, budgeted vacant positions were highlighted for the employment of temporary workers, limited until Feb 2024.
	Human Resources	Completeness HR records (leave, sick leave and employee Masterfile information)	Target Missed	31-Aug-23		Monthly reconciliations is still outstanding, this must be implemented by 31 December 2023.
	Human Resources	Compliance with Staff regulations and address structure inefficiencies + organogram payroll recon. Appointments to be prioritised and "need" justified	Target Missed	31-Aug-23		Monthly reconciliations is still outstanding, this must be implemented by 31 December 2023.
	Contract Management	Approve a Contract Management Policy & Checklist for vendor performance management and need analysis before appointing	Not Due	31-Jan-24		The Municipality is currently busy with the implementation of controls and the development of a compliant contract register. Various expired contracts will be reviewed to implement cost-containment measures.
Liability Management	Creditors	Compliance with section 65 of the MFMA. Recognition of expenditure when incurred. Sub-system to be used and reconciled	Not Due	29-Feb-24		The municipality circulated numerous communication with suppliers regarding payment dates, processes and payment terms. As cash flow allow it will attempt to ensure compliance with the section. The Eskom debt relief application has allowed the Municipality to decrease its total liabilities. The first adjustments for the Eskom balance has been made.
	Budgeting	Weekly cash flow monitoring	Achieved	31-Aug-23	07-Nov-23	Cash flow meetings is scheduled weekly
	Budgeting	Establish Budget Steering Committee (budget implementation & grant management monitoring)	Not Due	31-Jan-24		The Municipality is in the process of establishing a budget steering committee
	Liabilities	Clearing and dealing with old grants on grant register	Not Due	31-Jan-24		The Municipality performed a detailed grant reconciliation at year-end for the financials statements, this will be corrected in the financial system. The financial system will be aligned to the grant register. All historical grants will be reported on as historical expenditure might be off-set against these expense conditions.
	Liabilities	Improved grant & retention management - address PMU inefficiencies and administrative responsibilities clarified	Achieved	31-Aug-23	31-Aug-23	The Municipality performed a detailed grant reconciliation at year-end for the financials statements, this will be corrected in the financial system
Other Measures	Water & Electricity Losses	Isolating high loss and fix (water) / exception reporting & monitoring of use	Target Missed	31-Jul-23		The Technical department is in the process of implementing a system in which they will address water losses.
	Water & Electricity Losses	Pre-Paid water meters first Indigent households as policy dictate - linked to verification project	Not Due	31-Jan-24		The Municipality is in the process of embarking on a internal meter audit verification process, by establishing a multi-departmental team to verify meter data of all meters within the Municipality.
	Water & Electricity Losses	Identify and consolidate Eskom service points (reduce monthly account)	Not Due	31-Dec-23		
	Asset Management	Improved fleet management - Policy implementation, monitoring of fuel use & monthly reporting	Target Missed	31-Jul-23		Fleet management is challenging in the Municipality due to the lack of vehicle management.
	Asset Management	Develop a R&M plan / strategy	Not Due	31-Mar-24		
	Employee Related Costs	Fill critical vacancies - "justifiable needs assessment" first. Revenue generating / protecting in nature - prioritise	Target Missed	31-Oct-23		The organogram is still in development phase



## Section 13 – SCM Deviations

November 2023					
VOORSIENINGSKANAAL AFWYKINGS: ART 36- SCM REGULASIES					
NOMMER	DATUM	DEPARTEMENT	VERSKAFER	BEDRAG	REDE
8/1/4/R	01/11/2023	TECHNICAL SERVICES	COASTAL ARMATURE WINDERS & SUPPLIERS	R 224,825.00	THE ZOAR WWTW PUMPSTATION OPERATES ON THREE 48KW SUBMERSIBLE ROBOT PUMPS ALL THREE PUMPS ARE CURRENTLY NOT OPERATIONAL FOR VARIOUS REASONS, INCLUSIVE OF VOLTAGE DROPS, DEFECTIVE NON-RETURN VALVES AND AN INLET SCREEN THAT DOES NOT PERFORM EFFECTIVELY.
8/1/4/R	01/11/2023	TECHNICAL SERVICES	VALSTA'S SPECIALIZED CLEANING	R 162,800.00	THE SEWERAGE TRUCK OF KANNALAND MUNICIPALITY IS IN FOR REPAIRS, AND QUITE OFTEN WE ARE WITHOUT A SEWERAGE TRUCK DUE TO BREAKDOWN OF OUR OWN TRUCK, THUS THIS WILL RESULT IN THE SEWERAGE OVERFLOW INTO THE NEARBY RIVERS, CREATING AN ENVIRONMENTAL SPILL.
8/1/4/R	06/11/2023	FINANCE	BERNARD MOSES BRAAF	R 31,028.73	KANNALAND MUNISIPALITEIT ONDERVIND DIE AFGELOPE PAAR JAAR N TE KORT AAN KANTOOR SPASIE. HIERDIE BEHOEFTE HET ONTSTAAN AS GEVOLG VAN DIE FEIT DAT DIE PERSONEEL AANGESTEL MOES WORD OM DIE MUNISIPALITEIT IN STAAT TE STEL OM SY DAAGLIKSE FUNKSIES DOELTREFFEND UIT TE VOER. GEDURENDE 2013-2015, HET DIE MUNISIPALITEIT REEDS VIR HIERDIE DOEL KANTORE BY MNR ELLIS (MOUNTAIN VIEW B&B) GEHUUR.
8/1/4/R	10/11/2023	COUNCIL	FTMG CORPORATE ADVISORY SERVICE	R 200,000.00	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 OR IRREGULAR EXPENSES AND LOSSES. IN FACT SOME OF THESE EXPENDITURES WERE BROUGHT UNDER ADMINISTRATOR'S WESSELS RABBET ATTENTION BY THE MEC OF DPLG: MR ANTON BREDEL BUT WITHOUT ANY SUCCESS FROM HIS LOCAL REPRESENTATIVE MR RABBETS. FURTHERMORE, ITS ALSO ALLEGED THAT RABBETS WERE FAVOURING CERTAIN OFFICIALS AND SERVICE PROVIDERS
8/1/4/R	10/11/2023	TECHNICAL SERVICES	DEKLIN	R 66,225.00	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
8/1/4/R	10/11/2023	COUNCIL/ FINANCE	TELKOM SA LIMITED	R 37,698.37	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	13/11/2023	ADMINISTRATION	VALLEY CONTAINERS	R 10,522.50	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 PROVIDE CONTAINERS FOR STORAGE AND OFFICE IN VARIOUS AREAS WITHIN THE KANNALAND MUNICIPALITY.
8/1/4/R	13/11/2023	ADMINISTRATION	BIDVEST STEINER	R 12,826.78	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	13/11/2023	ADMINISTRATION	KONICA MINOLTA	R 16,686.31	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	14/11/2023	MUNICIPAL MANAGER	ICT WIZE GROUP WIZE (PTY)LTD	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 TEASURY OFFICES. CURRENTLY, KANNALAND MUNICIPALITY HAS NO APPOINTED NETWORK ADMINISTRATOR. THEREFORE THE APPOINTMENT OF ICT WYZE 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 WYZE GROUP FOR ABOUT 10 (TEN YEARS).
8/1/4/R	15/11/2023	MUNICIPAL MANAGER	ICT WIZE GROUP WIZE (PTY)LTD	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 TEASURY OFFICES. CURRENTLY, KANNALAND MUNICIPALITY HAS NO APPOINTED NETWORK ADMINISTRATOR. THEREFORE THE APPOINTMENT OF ICT WYZE 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 WYZE GROUP FOR ABOUT 10 (TEN YEARS).
8/1/4/R	17/11/2023	COUNCIL/ FINANCE	MEDIA 24 BEPERK	R 95,358.00	COUNCIL RESOLVED ON 06 NOVEMBER 2023 TO RE-ADVERTISE THE POSTS OF MUNICIPAL MANAGER AND CFO SERVED AT COUNCIL ON 12 JANUARY 2023. COUNCIL TOOK A DECISION TO RE-ADVERTISE THE POST, IN LINE WITH REGULATION ON THE APPOINTMENT AND CONDITIONS OF SENIOR MANAGERS, 2014.
8/1/4/R	20/11/2023	TECHNICAL SERVICES	ULTRA WATER CC	R 71,875.00	THE LAST WATER TESTS CARRIED OUT IN CALITZDORP REVEAL PRESENCE OF ECOLI IN THE WATER. THE ECOLI IS A HEALTH RISK TO THE COMMUNITY OF CALITZDORP. THE ACTIVATED CARBON IS THE PART OF THE FILTRATION PROCESS. IT HELPS WITH THE CLORINATION PROCESS AND TO GET THE SMELL OUT OF THE WATER. IS AN EMERGENCY WHICH IS AN UNFORESEEABLE AND SUDDEN EVENT WITH MATERIAL HARMFUL OF POTENTIALLY MATERIALLY HARMFUL CONSEQUENCES
8/1/4/R				R 986,483.69	

## Section 14- 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 2092/015527/30  
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://csconline.eskom.co.za>

WESTERN REGION  
PO BOX 377 BELVILLE 7535

DIRECT DEPOSIT DETAIL  
BANK: ABSA  
BRANCH CODE: 334118  
BANK ACC NO: 348167430

YOUR ACCOUNT NO	6940893537
SECURITY HELD	0.01
BILLING DATE	2023-11-07
TAX INVOICE NO	694071100316
ACCOUNT MONTH	NOVEMBER 2023
CURRENT DUE DATE	2023-12-07
VAT REG NO	4540197268

### TAX INVOICE

E-MAIL: kredicare@kannaland.gov.za

#### ACCOUNT TRANSACTION SUMMARY

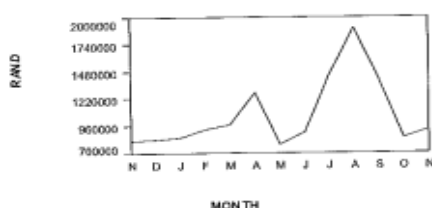
ADMINISTRATION CHARGE	R	4,987.28
DIST. NETWORK CAPACITY CHARGE	R	76,512.80
NETWORK DEMAND CHARGE (C/MWH)	R	36,444.56
ANCILLARY SERVICE (ALL)	R	3,638.23
ENERGY CHARGE (PEAK)	R	173,045.10
ENERGY CHARGE (STD)	R	263,760.06
ENERGY CHARGE (OFF)	R	173,461.31
ELECTRIFICATION AND RURAL SUBS (ALL)	R	71,246.81
SERVICE CHARGE	R	11,064.52
<b>TOTAL CHARGES FOR BILLING PERIOD</b>	<b>R</b>	<b>814,161.67</b>

#### ACCOUNT SUMMARY FOR NOVEMBER 2023

BALANCE BROUGHT FORWARD	(Due Date 2023-11-06)	R	11,458,191.38
PAYMENT(S) RECEIVED	Cash - 2023-10-07	R	-1,541,181.27
PAYMENT(S) RECEIVED	Cash - 2023-11-06	R	-855,110.79
TOTAL CHARGES FOR BILLING PERIOD		R	814,161.67
ADJUSTMENT	Reversal of interest charged	R	-658,045.74
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	122,124.25

ARREARS				CURRENT	TOTAL DUE R	9,270,139.50
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS			
5,837,561.52	1,541,181.27	0.00	955,110.79	936,285.92		

Account OVERDUE - Subject to Disconnection



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#### ACCOUNT NO / REFERENCE NO

6940893537

NAME

KANNALAND LOCAL MUNICIPALITY

FAX NUMBER

0934 6940893537



#### TOTAL AMOUNT DUE

9,270,139.50

#### PAYMENT ARRANGEMENT

INSTALMENT

0.00

ARREARS (Due immediately)

8,333,853.58

DUE DATE (For Current Amount)

2023-12-07

AMOUNT PAID

LATE PAYMENT CHARGES WILL BE  
ADDED TO OVERDUE ACCOUNT



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  
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CONTACT CENTRE: (0860) 617566  
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TEL: 0860 37565  
SMS: 35328

CUSTOMER SELF SERVICE WEBSITE:  
https://esonline.eskom.co.za

WESTERN REGION  
PO BOX 377 BELVILLE 7535

**DIRECT DEPOSIT DETAIL**

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

YOUR ACCOUNT NO	7052108005
SECURITY HELD	0.01
BILLING DATE	2023-11-07
TAX INVOICE NO	705828782964
ACCOUNT MONTH	NOVEMBER 2023
CURRENT DUE DATE	2023-12-07
VAT REG NO	4540197268

**TAX INVOICE**

E-MAIL: kredicure@kannaland.gov.za

**ACCOUNT TRANSACTION SUMMARY**

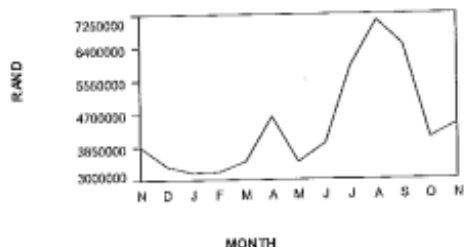
FIXED CHARGE	R	25,465.00
ADMINISTRATION CHARGE	R	4,987.28
TRANSMISSION NETWORK CAPACITY	R	142,400.00
DIST. NETWORK CAPACITY CHARGE	R	102,500.00
NETWORK DEMAND CHARGE	R	95,896.22
URBAN LOW VOLTAGE SUBSIDY	R	251,000.00
ANCILLARY SERVICE (ALL)	R	16,591.37
ENERGY CHARGE (STD)	977,466.00	R 1,212,057.84
ENERGY CHARGE (PEAK)	390,561.00	R 703,626.96
ENERGY CHARGE (OFF)	1,184,471.00	R 931,704.89
ELECTRIFICATION AND RURAL SUBS (ALL)	R	354,800.00
SERVICE CHARGE	R	11,064.52
<b>TOTAL CHARGES FOR BILLING PERIOD</b>	R	<b>3,852,284.08</b>

**ACCOUNT SUMMARY FOR NOVEMBER 2023**

BALANCE BROUGHT FORWARD	(Due Date 2023-11-08)	R	41,002,339.48
PAYMENT(S) RECEIVED	Cash - 2023-10-07	R	-6,867,014.08
PAYMENT(S) RECEIVED	Cash - 2023-11-08	R	-4,350,784.02
TOTAL CHARGES FOR BILLING PERIOD		R	3,852,284.08
ADJUSTMENT	BALANCE TRANSFER - to/from account	R	-29,284.75
	7052108005	R	-2,560,339.25
ADJUSTMENT	Reversal of interest charged	R	29,284.75
ADJUSTMENT	BALANCE TRANSFER - to/from account	R	0.00
	7052108005	R	577,842.61
VAT RAISED ON ITEMS AT 14%			
VAT RAISED ON ITEMS AT 15%			

ARREARS					CURRENT	TOTAL DUE R
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS			
15,977,119.2	6,867,014.08	0.00	4,350,784.02	4,459,411.44		31,654,328.82

Account OVERDUE - Subject to Disconnection



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**ACCOUNT NO / REFERENCE NO**

7052108005

**NAME**

KANNALAND LOCAL MUNICIPALITY

**FAX NUMBER**

0866160914

0934 7052108005

11341 7052108005



\*\*\*\*\* 9207 2705 2108 0051



**TOTAL AMOUNT DUE**

31,654,328.80

**PAYMENT ARRANGEMENT**

**INSTALMENT**

0.00

**ARREARS** (Due immediately)

27,194,917.38

**DUE DATE** (For Current Amount)

2023-12-07

**AMOUNT PAID**

LATE PAYMENT CHARGES WILL BE  
ADDED TO OVERDUE ACCOUNT

# Standard Bank of South Africa

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## CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420543546	User Name	KANNALAND MUNICIPALITY
User ID	OCK31	Reference	2023341003
Sub Module	SSVS	Action date	20231207
Description	EST71 20231207 11:54:26.3		
Finalreleasingoperators	GAV53 M SCHEFFERS		RVX88 CM CLAASEN (A)
Sub-batch	001	From Account no	0000420543546
		From Account Name	KANNALAND MUNICIPALITY (MAIN)
Trans No	5		
Acc No / CDI	55161636814		
Branch No	200910		
Statement Ref	6940893537		
Account Name	ESKOM HOLDINGS WC REGION		
Creditor Code	ESKOM NEW		
Amount	178,479.45		
StatusDescription	FINAL AUDIT TO BE DOWNLOADED		
RTGS/RTC			
ISN/Bus Ref	0		
Pay Alert	N		

# Standard Bank of South Africa

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## CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420543546	User Name	KANNALAND MUNICIPALITY
User ID	OCK31	Reference	2023341003
Sub Module	SSVS	Action date	20231207
Description	EST71 20231207 11:54:26.3		
Finalreleasingoperators	GAV53 M SCHEFFERS		RVX88 CM CLAASEN (A)
Sub-batch	001	From Account no	0000420543546
		From Account Name	KANNALAND MUNICIPALITY (MAIN)
Trans No	6		
Acc No / CDI	55161636814		
Branch No	200910		
Statement Ref	7062108005		
Account Name	ESKOM HOLDINGS WC REGION		
Creditor Code	ESKOM NEW		
Amount	297,245.03		
StatusDescription	FINAL AUDIT TO BE DOWNLOADED		
RTGS/RTC			
ISN/Bus Ref	0		
Pay Alert	N		

# Standard Bank of South Africa

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

## CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420543546		
User ID	OCK31	User Name	KANNALAND MUNICIPALITY
Sub Module	SSVS	Reference	2023345001
Description	LJT64 20231211 14:35:06.0	Action date	20231211
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	55161636814		
Branch No	200910		
Statement Ref	6940893537		
Account Name	ESKOM HOLDINGS WC REGION		
Creditor Code	ESKOM NEW		
Amount	757,806.47		
StatusDescription	FINAL AUDIT TO BE DOWNLOADED		
RTGS/RTC			
ISN/Bus Ref	0		
Pay Alert	N		

# Standard Bank of South Africa

ComputerGeneratedCopy

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

## CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420543546		
User ID	OCK31	User Name	KANNALAND MUNICIPALITY
Sub Module	SSVS	Reference	2023345001
Description	LJT64 20231211 14:35:06.0	Action date	20231211
Finalreleasingoperators	RVX68 CM CLAASEN (A)		GAV53 M SCHEFFERS
Sub-batch	001	From Account no	0000420543546
		From Account Name	KANNALAND MUNICIPALITY (MAIN)
Trans No	2		
Acc No / CDI	55161636814		
Branch No	200910		
Statement Ref	7052108005		
Account Name	ESKOM HOLDINGS WC REGION		
Creditor Code	ESKOM NEW		
Amount	4,162,166.41		
StatusDescription	FINAL AUDIT TO BE DOWNLOADED		
RTGS/RTC			
ISN/Bus Ref	0		
Pay Alert	N		

Page	Details	Service Fee	Debit	Credit	Date	Balance
1	BALANCE BROUGHT FORWARD	0.00	0.00	0.00	20231206	11,168,603.19
1	CREDIT CARD EFTPOS SETTLEMENT CR EFTPOS RCB 1 0009903109682	0.00	0.00	10,501.20	20231206	11,179,104.39
1	CREDIT CARD EFTPOS SETTLEMENT DR EFTPOS RCB 1 0009903109682	0.00	0.00	26,325.10	20231206	11,205,429.49
1	FEE: CASH DEPOSIT - NOTES ## 420543546 R6086,50 06/12	0.00	-27.79	0.00	20231206	11,205,401.70
1	FEE: CASH DEPOSIT - COINS ## 420543546 R6243,00 06/12	0.00	-0.01	0.00	20231206	11,205,401.69
1	FEE: CASH DEPOSIT - NOTES ## 420543546 R540,00 06/12	0.00	-2.47	0.00	20231206	11,205,399.22
1	FEE: CASH DEPOSIT - NOTES ## 420543546 R6243,00 06/12	0.00	-28.52	0.00	20231206	11,205,370.70
1	FEE: CASH DEPOSIT - COINS ## 420543546 R6086,50 06/12	0.00	-0.03	0.00	20231206	11,205,370.67
1	MAGTAPE CREDIT BASA23 312S1001001956	0.00	0.00	57,773.21	20231207	11,263,143.88
1	CREDIT TRANSFER ABSA BANK Dik Vervoer	0.00	0.00	18,703.50	20231207	11,281,847.38
1	CREDIT TRANSFER CAPITEC AM VAN DER WALT	0.00	0.00	1,013.40	20231207	11,282,860.78
1	CASH DEPOSIT NOTES/COINS COMOTORS	0.00	0.00	793.00	20231207	11,283,653.78
1	CASH DEPOSIT: NOTES CALITZDORP	0.00	0.00	2,090.00	20231207	11,285,743.78
1	CASH DEPOSIT NOTES/COINS CBL MOTORS 2023/12/06	0.00	0.00	3,059.10	20231207	11,288,802.88
1	CASH DEPOSIT NOTES/COINS CALITZDORP	0.00	0.00	3,290.80	20231207	11,292,093.68
1	CASH DEPOSIT NOTES/COINS COMOTORS	0.00	0.00	3,484.40	20231207	11,295,578.08
1	CASH DEPOSIT NOTES/COINS CALITZDORP	0.00	0.00	7,025.40	20231207	11,302,603.48
1	CASH DEPOSIT NOTES/COINS LADISMITH	0.00	0.00	24,185.20	20231207	11,326,788.68
1	ELECTRONIC BANKING PAYMENT TO FAITH THE CHAIRMAN GAV5311:29	0.00	-265.40	0.00	20231207	11,326,523.28
1	ELECTRONIC BANKING PAYMENT TO BYTES SOLVEM CONSUL GAV5315:08	0.00	-32,720.80	0.00	20231207	11,293,802.48
2	BALANCE BROUGHT FORWARD	0.00	0.00	0.00	20231207	11,293,802.48
2	ELECTRONIC BANKING PAYMENT TO TOWER TOWERKOP SLAG GAV5311:29	0.00	-3,724.33	0.00	20231207	11,290,078.15
2	ELECTRONIC BANKING PAYMENT TO ESKOM ESKOM HOLDING GAV5315:08	0.00	-178,479.45	0.00	20231207	11,111,598.70
2	ELECTRONIC BANKING PAYMENT TO GERBE P A GERBER GAV5311:29	0.00	-12,803.84	0.00	20231207	11,098,794.86
2	ELECTRONIC BANKING PAYMENT TO S0159 SALGA GAV5315:08	0.00	-100,000.00	0.00	20231207	10,998,794.86
2	ELECTRONIC BANKING PAYMENT TO OTTO URSULA OTTO GAV5311:29	0.00	-16,472.21	0.00	20231207	10,982,322.65
2	ELECTRONIC BANKING PAYMENT TO ESKOM ESKOM HOLDING GAV5315:08	0.00	-345,050.77	0.00	20231207	10,637,271.88
2	ELECTRONIC BANKING PAYMENT TO MUN K KANNALAND MUN GAV5311:29	0.00	-321.00	0.00	20231207	10,636,950.88
2	ELECTRONIC BANKING PAYMENT TO MERIE MERIEUX NUTRI GAV5311:29	0.00	-53,347.12	0.00	20231207	10,583,603.76
2	ELECTRONIC BANKING PAYMENT TO T001 THE AUDITOR G GAV5315:08	0.00	-75,000.00	0.00	20231207	10,508,603.76
2	ELECTRONIC BANKING PAYMENT TO MF HA MF HAASBROEK GAV5311:29	0.00	-2,951.88	0.00	20231207	10,505,651.88
2	ELECTRONIC BANKING PAYMENT TO MORKE KARIN L MORKE GAV5311:29	0.00	-107.69	0.00	20231207	10,505,544.19
2	ELECTRONIC BANKING PAYMENT TO ESKOM ESKOM HOLDING GAV5315:08	0.00	-297,245.03	0.00	20231207	10,208,299.16
2	ELECTRONIC BANKING PAYMENT TO PETRUJ PETRUS ROODTM RVX6815:44	0.00	-6,464.00	0.00	20231207	10,201,835.16
2	ELECTRONIC BANKING PAYMENT TO	0.00	-77,834.23	0.00	20231207	10,124,000.93

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## 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

BTW Nr 4540197268

Faktuur Nr: 307  
Datum: 06 November 2023

#### MUNISIPALE WATERVERBRUIK – CALITZDORP: October 2023

Sub Oorverbruik

Maand	Oct-23	
Meterlesing einde	Oct-23	7059910
Meterlesing begin	Oct-23	7006320
Ontrek	kl	53590
Dae @ 455 kl per dag toelaag	30	14105
Sub Oorverbruik 39485 - 3115= 36370	kl	36370
Min beurt teruggegee	kl	0
Oorverbruik	kl	36370
0-26000 kl tarief @ 1.10	26000 R	28 600.00
26000-36000kl @ 2.21kl	10370 R	22 917.70
46000 - 56000 kl tarief	0 R	-
56 000 en meer tarief	0 R	-
Sub Oorverbruik	R	51 517.70
Plus 15% BTW	R	7 727.66
Totaal verskuldig	R	59 245.36

#### 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 cusec/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

#### Terme:

1. Betaalbaar binne dertig (30) dae vanaf datum van rekening.
2. Betalings mag nie weerhou word totdat 'n geskil besleg is nie.
3. Rente teen 16% word gehef op rekeninge ouer as 30 dae.
4. Versuim om huidige faktuur binne dertig dae vanaf datum van faktuur te betaal sal meebring dat watervoorsiening 2 dae na sperdatum outomaties verminder word tot slegs die toegelate gratis 455kl water per dag tot volle vereffening van faktuur.

# Standard Bank of South Africa

ComputerGeneratedCopy

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

## CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

<b>Customer No</b>	420543546	<b>User Name</b>	KANNALAND MUNICIPALITY
<b>User ID</b>	OCK31	<b>Reference</b>	2023339003
<b>Sub Module</b>	SSVS	<b>Action date</b>	20231205
<b>Description</b>	EST71 20231205 12:23:48.5		
<b>Finalreleasingoperators</b>	GAV53 M SCHEFFERS		RVX68 CM CLAASEN (A)
<b>Sub-batch</b>	001	<b>From Account no</b>	0000420543546
		<b>From Account Name</b>	KANNALAND MUNICIPALITY (MAIN)
<b>Trans No</b>	1		
<b>Acc No / CDI</b>	280110022		
<b>Branch No</b>	50014		
<b>Statement Ref</b>	KANNALAND MUN		
<b>Account Name</b>	CALITZDORP BESPROEINGSRAAD		
<b>Creditor Code</b>	C2		
<b>Amount</b>	59,245.36		
<b>StatusDescription</b>	FINAL AUDIT TO BE DOWNLOADED		
<b>RTGS/RTC</b>			
<b>ISN/Bus Ref</b>	0		
<b>Pay Alert</b>	N		

- 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);
- 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.
- 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.



## SECTION 15 – QUALITY CERTIFICATION

I, Hendrik Barnard, the Acting Accounting Officer of **Kannaland Municipality WC041**, hereby certify that the quarterly budget statement for **November 2023**, has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

**Print name: Hendrik Barnard**

**Signature:** .....

**Date:** .....



# KANNALAND

MUNISIPALITEIT | MUNICIPALITY

Posbus 30 P.O. Box  
LADISMITH  
6655

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

Kerkstr. 32 Church St.  
LADISMITH  
6655

## QUALITY CERTIFICATE

I, Hendrik Barnard Acting 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 **November 2023** (month/year) has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: Hendrik Barnard

Acting Municipal Manager of **Kannaland Municipality WC041**

Signature

Date :14 December 2023