



**KANNALAND**  
MUNISIPALITEIT | MUNICIPALITY

## Monthly Budget Report for March 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.

**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 March 2024, 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 achieving 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 Council takes cognisance of the monthly budget statement for March 2024.

## 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	Amended Budget	YTD Budget	Monthly Actual	YTD Actual	YTD Budget vs YTD Actual Variance	YTD Budget vs YTD Actual Variance %
Operating Revenue	R 233 809	R 185 374	R 22 172	R 166 885	R (18 488)	-10%
Operating Expenditure	R 253 451	R 190 029	R 9 088	R 153 727	R (36 302)	-19%
Capital	R 16 026	R 12 020	R 0	R 8 349	R (3 671)	-31%

#### Operational Revenue

The municipality's total operational revenue budget amounts to R234 million and the year-to-date revenue on the budget accrued to R 167 million. This represents 71% of total revenue to date. This presents a 4% under collection for total revenue as at quarter three (3).

#### Operational Expenditure

The municipality's total operational expenditure budget amounts to R253 million, with a year-to-date performance of R154 million, or 61% of the total expenditure budget. This presents a 14% under-spent for total expenditure as at quarter three (3), which in the event of expenditure will be realised in the unfunded expenditure.

#### Capital Expenditure

The total capital budget for the municipality amounts to R12 million with a year-to-date performance of R 8 million, or 69% of the total capital budget. Commitments for R (6.9 million), obtain form Makier) for expenditure in April and May 2024.

### **Operating Surplus/Deficit**

Operating revenue amounted to R24 million, with expenditure amounting to R19 million, with an operating surplus of R 6 million for the month under review. This is in line with the budgeted operating revenue of R26 million and expenditure of R 21 million.

### **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, and at the same time reduce the use of deviations which in a number of instanced results from unplanned expenditure be reduced;
- (f) That the funding plan realistically addresses all issues and challenges on the financial performance of the municipality and adapt to an always changing environment.
- (g) The municipality to formally implement a consultant reduction plan.

## SECTION 2 – IN-YEAR BUDGET STATEMENT TABLES

### 2.1 TABLE C1 – MONTHLY BUDGET SUMMARY

WC041 Kannaland - Table C1 Monthly Budget Statement Summary - M09 March									
Description	2023/24	Budget Year 2024/25							
	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	2,295	21,071	20,186	885	4%	26,915
Service charges	101,947	117,388	117,388	11,412	88,326	88,041	285	0%	117,388
Investment revenue	1,845	960	960	19	1,192	720	472	66%	960
Transfers and subsidies - Operational	41,576	64,252	71,715	9,209	40,258	63,803	(23,546)	-37%	71,715
Other own revenue	12,828	16,831	16,831	1,222	18,024	12,623	5,401	43%	16,831
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>183,758</b>	<b>226,346</b>	<b>233,809</b>	<b>24,157</b>	<b>168,871</b>	<b>185,374</b>	<b>(16,503)</b>	<b>-9%</b>	<b>233,809</b>
Employee costs	80,917	79,933	92,421	7,894	72,171	69,296	2,875	4%	92,421
Remuneration of Councillors	3,273	3,276	3,866	308	2,967	2,900	68	2%	3,866
Depreciation and amortisation	13,957	11,762	11,885	980	8,821	8,914	(93)	-1%	11,885
Interest	6,069	8,000	1,100	1	499	825	(326)	-40%	1,100
Inventory consumed and bulk purchases	58,220	64,991	64,160	5,250	45,730	48,120	(2,389)	-5%	64,160
Transfers and subsidies	255	920	400	1	128	300	(172)	-57%	400
Other expenditure	66,566	72,573	79,620	1,252	30,009	59,675	(29,666)	-50%	79,620
<b>Total Expenditure</b>	<b>229,258</b>	<b>241,455</b>	<b>253,451</b>	<b>15,687</b>	<b>160,326</b>	<b>190,029</b>	<b>(29,703)</b>	<b>-16%</b>	<b>253,451</b>
<b>Surplus/(Deficit)</b>	<b>(45,500)</b>	<b>(15,109)</b>	<b>(19,642)</b>	<b>8,471</b>	<b>8,545</b>	<b>(4,655)</b>	<b>13,200</b>	<b>-284%</b>	<b>(19,642)</b>
Transfers and subsidies - capital (monetary allocations)	8,426	15,804	17,433	-	7,551	13,075	(5,524)	-42%	17,433
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(37,074)</b>	<b>695</b>	<b>(2,209)</b>	<b>8,471</b>	<b>16,097</b>	<b>8,420</b>	<b>7,677</b>	<b>91%</b>	<b>(2,209)</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>(37,074)</b>	<b>695</b>	<b>(2,209)</b>	<b>8,471</b>	<b>16,097</b>	<b>8,420</b>	<b>7,677</b>	<b>91%</b>	<b>(2,209)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>3,047</b>	<b>13,743</b>	<b>16,026</b>	<b>-</b>	<b>8,349</b>	<b>12,020</b>	<b>(3,671)</b>	<b>-31%</b>	<b>16,026</b>
Capital transfers recognised	17,231	13,743	15,366	-	8,349	11,524	(3,176)	-28%	15,366
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	(21,238)	-	661	-	-	496	(496)	-100%	661
<b>Total sources of capital funds</b>	<b>(4,007)</b>	<b>13,743</b>	<b>16,026</b>	<b>-</b>	<b>8,349</b>	<b>12,020</b>	<b>(3,671)</b>	<b>-31%</b>	<b>16,026</b>
<b>Financial position</b>									
Total current assets	(11,559)	(23,714)	(17,960)	-	15,121	-	-	-	(17,960)
Total non current assets	313,240	1,981	4,141	-	317,184	-	-	-	4,141
Total current liabilities	70,651	(22,971)	(12,482)	-	117,028	-	-	-	(12,482)
Total non current liabilities	44,555	-	-	-	30,889	-	-	-	-
<b>Community wealth/Equity</b>	<b>157,906</b>	<b>2,867</b>	<b>2,867</b>	<b>-</b>	<b>168,293</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,867</b>
<b>Cash flows</b>									
Net cash from (used) operating	75,736	5,823	7,339	26,607	87,504	14,341	(73,163)	-510%	222,012
Net cash from (used) investing	(8,808)	(13,258)	(16,026)	-	(7,593)	12,020	19,612	163%	16,026
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the month/year end</b>	<b>104,970</b>	<b>(7,435)</b>	<b>(8,687)</b>	<b>-</b>	<b>116,557</b>	<b>26,361</b>	<b>(90,195)</b>	<b>-342%</b>	<b>274,683</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	-	-	-	-	-	-	-	-	-
<b>Creditors Age Analysis</b>	-	-	-	-	-	-	-	-	-
Total Creditors	(3,328)	644	189	283	145	177	2,327	33,480	33,919



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

WC041 Kannaland - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M09 March										
Description	Ref	2023/24	Budget Year 2024/25							
		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>Governance and administration</i>		68,359	50,659	52,394	11,539	68,639	43,241	25,398	59%	52,394
Executive and council		33,573	12,961	13,261	8,837	35,389	13,158	22,231	169%	13,261
Finance and administration		34,786	37,698	39,133	2,702	33,250	30,083	3,168	11%	39,133
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		11,776	36,120	41,087	303	10,656	31,120	(20,464)	-66%	41,087
Community and social services		11,666	15,750	15,041	293	10,613	11,586	(973)	-8%	15,041
Sport and recreation		0	-	-	10	43	-	43	-	-
Public safety		110	-	-	-	(0)	-	(0)	-	-
Housing		-	20,370	26,046	-	-	19,534	(19,534)	-100%	26,046
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		2,239	4,604	4,904	200	1,761	3,820	(2,059)	-54%	4,904
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		2,239	4,604	4,904	200	1,761	3,820	(2,059)	-54%	4,904
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		109,810	150,767	152,857	12,115	95,366	120,268	(24,902)	-21%	152,857
Energy sources		65,268	81,032	81,103	5,526	55,015	62,060	(7,045)	-11%	81,103
Water management		23,004	37,355	39,374	4,679	22,592	31,468	(8,876)	-28%	39,374
Waste water management		10,774	16,612	16,612	973	9,006	13,794	(4,788)	-35%	16,612
Waste management		10,764	15,769	15,769	937	8,752	12,946	(4,194)	-32%	15,769
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	192,184	242,150	251,242	24,157	176,422	198,449	(22,027)	-11%	251,242
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		79,185	86,605	89,273	5,787	55,534	66,945	(11,411)	-17%	89,273
Executive and council		21,671	24,748	23,656	1,985	17,153	17,742	(589)	-3%	23,656
Finance and administration		57,515	61,858	65,618	3,802	38,381	49,203	(10,822)	-22%	65,618
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		15,746	31,175	37,936	821	9,024	28,403	(19,380)	-68%	37,936
Community and social services		10,203	8,894	9,344	543	6,379	6,975	(596)	-9%	9,344
Sport and recreation		1,096	532	1,096	78	649	807	(158)	-20%	1,096
Public safety		1,342	280	280	108	1,107	210	898	428%	280
Housing		3,105	21,469	27,216	92	888	20,412	(19,524)	-96%	27,216
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		16,130	17,691	20,660	1,070	10,773	15,495	(4,722)	-30%	20,660
Planning and development		5	-	-	-	-	-	-	-	-
Road transport		16,125	17,691	20,660	1,070	10,773	15,495	(4,722)	-30%	20,660
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		118,197	105,983	105,582	8,008	84,996	79,186	5,810	7%	105,582
Energy sources		64,317	70,336	65,580	5,214	47,887	49,185	(1,297)	-3%	65,580
Water management		24,204	14,006	17,622	1,279	18,830	13,216	5,614	42%	17,622
Waste water management		14,599	10,984	11,509	700	8,284	8,632	(348)	-4%	11,509
Waste management		15,077	10,657	10,871	815	9,994	8,153	1,840	23%	10,871
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	229,258	241,455	253,451	15,687	160,326	190,029	(29,703)	-16%	253,451
<b>Surplus/ (Deficit) for the year</b>		(37,074)	695	(2,209)	8,471	16,097	8,420	7,677	91%	(2,209)

## 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) - M09 March										
Vote Description	Ref	2023/24	Budget Year 2024/25							
		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	13,261	8,837	35,389	13,158	22,231	169.0%	13,261
Vote 2 - CORPORATE SERVICES		13,175	41,883	46,985	411	11,413	35,239	(23,826)	-67.6%	46,985
Vote 3 - FINANCIAL SERVICES		33,986	34,750	36,050	2,681	32,828	27,771	5,057	18.2%	36,050
Vote 4 - TECHNICAL SERVICES		111,450	152,556	154,946	12,228	96,793	122,281	(25,489)	-20.8%	154,946
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	251,242	24,157	176,422	198,449	(22,027)	-11.1%	251,242
Expenditure by Vote	1									
Vote 1 - MUNICIPAL MANAGER		21,671	24,748	23,656	1,985	17,153	17,742	(589)	-3.3%	23,656
Vote 2 - CORPORATE SERVICES		37,646	55,025	65,328	3,099	29,170	48,948	(19,777)	-40.4%	65,328
Vote 3 - FINANCIAL SERVICES		38,564	38,044	41,049	1,668	19,331	30,776	(11,445)	-37.2%	41,049
Vote 4 - TECHNICAL SERVICES		129,996	121,333	121,113	8,895	93,791	90,834	2,957	3.3%	121,113
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES (Continued)		1,381	2,305	2,305	40	879	1,729	(849)	-49.1%	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	229,258	241,455	253,451	15,687	160,326	190,029	(29,703)	-15.6%	253,451
Surplus/ (Deficit) for the year	2	(37,074)	695	(2,209)	8,471	16,097	8,420	7,677	91.2%	(2,209)

## 2.4 TABLE C4 – MONTHLY FINANCIAL PERFORMANCE

WC041 Kannaland - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

Description		Ref	2023/24	Budget Year 2024/25							
			Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands											
Revenue											
Exchange Revenue											
Service charges - Electricity			112,995	127,346	127,346	12,304	98,343	95,510	2,834	3%	127,346
Service charges - Water			64,073	76,101	76,101	5,503	54,840	57,076	(2,236)	-4%	76,101
Service charges - Waste Water Management			20,258	22,267	22,267	4,418	19,742	16,701	3,041	18%	22,267
Service charges - Waste management			8,707	9,610	9,610	755	6,937	7,207	(270)	-4%	9,610
Sale of Goods and Rendering of Services			8,910	9,410	9,410	735	6,807	7,058	(251)	-4%	9,410
Agency services			428	396	396	15	382	297	85	28%	396
Interest			1,215	1,350	1,350	107	1,005	1,013	(7)	-1%	1,350
Interest earned from Receivables			-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets			6,176	5,929	5,929	655	6,361	4,447	1,915	43%	5,929
Dividends			1,845	960	960	19	1,192	720	472	66%	960
Rent on Land			-	-	-	-	-	-	-	-	-
Rental from Fixed Assets			-	-	-	-	-	-	-	-	-
Licence and permits			611	1,098	1,098	51	490	823	(334)	-41%	1,098
Operational Revenue			171	159	159	21	149	119	30	25%	159
Non-Exchange Revenue			602	66	66	24	438	50	389	783%	66
Property rates			70,762	99,000	106,463	11,853	70,528	89,864	(19,336)	-22%	106,463
Surcharges and Taxes			25,562	26,915	26,915	2,295	21,071	20,186	885	4%	26,915
Fines, penalties and forfeits			-	-	(0)	-	6,032	-	6,032	-	(0)
Licence and permits			395	2,501	2,501	24	182	1,876	(1,694)	-90%	2,501
Transfer and subsidies - Operational			0	30	30	-	0	23	(22)	-100%	30
Interest			41,576	64,252	71,715	9,209	40,258	63,803	(23,546)	-37%	71,715
Fuel Levy			2,561	2,802	2,802	266	2,444	2,101	343	16%	2,802
Operational Revenue			-	-	-	-	-	-	-	-	-
Gains on disposal of Assets			667	-	-	59	541	-	541	-	-
Other Gains			-	2,500	2,500	-	-	1,875	(1,875)	-100%	2,500
Discontinued Operations			-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)			183,758	226,346	233,809	24,157	168,871	185,374	(16,503)	-9%	233,809
Expenditure By Type											
Employee related costs			80,917	79,933	92,421	7,894	72,171	69,296	2,875	4%	92,421
Bulk purchases - electricity			3,273	3,276	3,866	308	2,967	2,900	68	2%	3,866
Inventory consumed			55,313	56,045	56,045	4,569	42,285	42,034	251	1%	56,045
Debt impairment			2,907	8,946	8,114	681	3,446	6,086	(2,640)	-43%	8,114
Depreciation and amortisation			29,561	16,691	16,691	-	-	12,518	(12,518)	-100%	16,691
Interest			13,957	11,762	11,885	980	8,821	8,914	(93)	-1%	11,885
Contracted services			6,069	8,000	1,100	1	499	825	(326)	-40%	1,100
Transfers and subsidies			19,896	33,727	40,017	211	4,254	30,013	(25,758)	-86%	40,017
Irrecoverable debts written off			255	920	400	1	128	300	(172)	-57%	400
Operational costs			46	-	-	-	16,765	-	16,765	-	-
Losses on Disposal of Assets			16,806	22,156	22,912	1,041	8,990	17,145	(8,155)	-48%	22,912
Other Losses			(609)	-	-	-	-	-	-	-	-
Total Expenditure			866	-	-	-	-	-	-	-	-
Surplus/(Deficit)			229,258	241,455	253,451	15,687	160,326	190,029	(29,703)	-16%	253,451
Transfers and subsidies - capital (monetary allocations)			(45,500)	(15,109)	(19,642)	8,471	8,545	(4,655)	13,200	(0)	(19,642)
Transfers and subsidies - capital (in-kind)			8,426	15,804	17,433	-	7,551	13,075	(5,524)	(0)	17,433
Surplus/(Deficit) after capital transfers & contributions			-	-	-	-	-	-	-	-	-
Income Tax			(37,074)	695	(2,209)	8,471	16,097	8,420	-	-	(2,209)
Share of Surplus/Deficit attributable to Joint Venture			-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities			(37,074)	695	(2,209)	8,471	16,097	8,420	-	-	(2,209)
Surplus/(Deficit) attributable to municipality			-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Associate			(37,074)	695	(2,209)	8,471	16,097	8,420	-	-	(2,209)
Intercompany/Parent subsidiary transactions			-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year			-	-	-	-	-	-	-	-	-
			(37,074)	695	(2,209)	8,471	16,097	8,420	-	-	(2,209)

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** - amounts to 4.4 million for the month of **March 2024** and represents 18% of the year-to-date variance. This is a positive variance and can be attributed to the Municipalities debt collection process as well as higher seasonal consumption.
- **Sale of goods and Rendering of Services** – amounts to 15 thousand for **March 2024** and represents 4% of the adjustment budget. The deviation from the year-to-date budget amounts to **28%**. This is higher due to the number of building plans approved which include the new shopping centre being constructed on Van Riebeeck Street in Ladismith.
- **Interest Earned on Investments** – (**66%** 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 allocations 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** – (**43%** deviation from the year-to-date budget). The Municipality has delayed the write-offs of prescribed debt. Due to this the total debtor's debt attracting interest is significantly higher. The municipality interest rate is attached to the bank repo rate, which increased significantly in the last FY.
- **Rental from fixed Assets** – amounted to 51 thousand and still reflecting a negative budget variance of **41%**. The Municipality collected significantly less rent YTD than budgeted. The Municipality has not implemented all rental contracted with market-related rental amounts as was planned with the approval of the annual budget. This process must be finalized during the next quarter in order to or as and when existing contracts expire.
- **Licence and permits** - (**25%** a positive budget variance from the year-to-date budget). Amounted to R 21 thousand. This is due to an increase in the number of learner license applications.
- **Fines, Penalties & Forfeits** – Almost no activity, with a negative **90%** 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.
- **Transfers and Subsidies** – amounted to 8.8 million for the month of **March 2024**. Revenue consists mainly of Equitable share, housing grants. The budget is spread over

the entire 12 months, however, the last payments are received in the first 3 quarters of the FY. The variance will be aligned towards the end of the FY.

- **Other Revenue Deviations** - Can be explained as incidental and cyclical in nature.

## **2.6 OPERATING EXPENDITURE BY TYPE**

- **Inventory Consumed** – The total was **R 681 thousand**, this includes direct purchases for the store and inventory issued out for the reporting period. The Municipality is not currently utilising the inventory system for procurement. Stock is purchased from contracted services.
- **Interest** – The total amounted to **R1 thousand** for the month of **March 2024**. The decreased interest expense is due to the ESKOM debt relief program in which the municipality no longer have to pay ESKOM interest.
- **Contracted Services** – amounted to **R 211 thousand** in **March 2024**. The expenditure is expected to pick up in the next reporting periods. This can be contributed to the Municipalities attempt to implement cost containment measures.
- **Transfers and subsidies** – (57% negative budget variance from the year-to-date budget). Quarterly payments are made, with quarters two, three and four not yet paid at the end of April 2024.
- **Other Expenditure** - amounted to **R 1 million** in **March 2024**.

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) - M09 March										
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
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		-	-	206	-	-	155	(155)	-100%	206
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		(0)	7 294	11 130	-	7 440	8 347	(907)	-11%	11 130
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]		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	(0)	7 294	11 136	-	7 440	8 502	(1 062)	-12%	11 136
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - MUNICIPAL MANAGER		0	-	261	-	-	196	(196)	-100%	261
Vote 2 - CORPORATE SERVICES		(21 238)	-	-	-	-	-	-	-	-
Vote 3 - FINANCIAL SERVICES		7 054	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		17 231	6 449	4 429	-	908	3 322	(2 414)	-73%	4 429
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]		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	3 047	6 449	4 690	-	908	3 518	(2 610)	-74%	4 690
<b>Total Capital Expenditure</b>	3	3 047	13 743	16 026	-	8 349	12 020	(3 671)	-31%	16 026
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		7 054	-	261	-	-	196	(196)	-100%	261
Executive and council		0	-	261	-	-	196	(196)	-100%	261
Finance and administration		7 054	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	-	206	-	-	155	(155)	-100%	206
Community and social services		-	-	206	-	-	155	(155)	-100%	206
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		(21 238)	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		(21 238)	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		17 231	13 743	15 559	-	8 349	11 670	(3 321)	-28%	15 559
Energy sources		873	485	62	-	1 171	46	1 125	2432%	62
Water management		(873)	6 449	6 490	-	908	4 867	(3 959)	-81%	6 490
Waste water management		17 231	6 809	9 008	-	6 269	6 756	(487)	-7%	9 008
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	3 047	13 743	16 026	-	8 349	12 020	(3 671)	-31%	16 026
<b>Funded by:</b>										
National Government		17 231	13 743	12 646	-	8 349	9 485	(1 136)	-12%	12 646
Provincial Government		-	-	2 719	-	-	2 039	(2 039)	-100%	2 719
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm		-	-	-	-	-	-	-	-	-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		17 231	13 743	15 366	-	8 349	11 524	(3 176)	-28%	15 366
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		(21 238)	-	661	-	-	496	(496)	-100%	661
<b>Total Capital Funding</b>	7	(4 007)	13 743	16 026	-	8 349	12 020	(3 671)	-31%	16 026

## **CAPITAL EXPENDITURE**

- There was no capital expenditure for **March 2024**.

## 2.8 TABLE C6 – MONTHLY BUDGETED FINANCIAL POSITION

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)	(10 079)	53 634	(10 079)
Trade and other receivables from exchange transactions		4 505	(9 478)	(9 478)	(6 755)	(9 478)
Receivables from non-ex change transactions		(323)	(1 128)	(1 128)	1 517	(1 128)
Current portion of non-current receivables		–	–	–	–	–
Inventory		2 400	(8 946)	(8 085)	2 342	(8 085)
VAT		(37 806)	10 468	10 811	(30 192)	10 811
Other current assets		(1 063)	–	–	(1 154)	–
<b>Total current assets</b>		<b>(11 559)</b>	<b>(23 714)</b>	<b>(17 960)</b>	<b>19 392</b>	<b>(17 960)</b>
<b>Non current assets</b>						
Investments		–	–	–	–	–
Investment property		1 111	–	–	1 116	–
Property, plant and equipment		312 120	1 981	4 141	317 039	4 141
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-ex change transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
<b>Total non current assets</b>		<b>313 240</b>	<b>1 981</b>	<b>4 141</b>	<b>318 165</b>	<b>4 141</b>
<b>TOTAL ASSETS</b>		<b>301 681</b>	<b>(21 733)</b>	<b>(13 818)</b>	<b>337 557</b>	<b>(13 818)</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	–	–	–	–
Consumer deposits		1 364	–	–	1 422	–
Trade and other payables from exchange transactions		88 168	(19 856)	(9 367)	88 340	(9 367)
Trade and other payables from non-exchange transactions		13 792	–	–	49 509	–
Provision		7 477	–	–	8 491	–
VAT		(40 151)	(3 115)	(3 115)	(30 097)	(3 115)
Other current liabilities		–	–	–	–	–
<b>Total current liabilities</b>		<b>70 651</b>	<b>(22 971)</b>	<b>(12 482)</b>	<b>117 665</b>	<b>(12 482)</b>
<b>Non current liabilities</b>						
Financial liabilities		–	–	–	–	–
Provision		33 738	–	–	19 349	–
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		10 817	–	–	11 540	–
<b>Total non current liabilities</b>		<b>44 555</b>	<b>–</b>	<b>–</b>	<b>30 889</b>	<b>–</b>
<b>TOTAL LIABILITIES</b>		<b>115 206</b>	<b>(22 971)</b>	<b>(12 482)</b>	<b>148 554</b>	<b>(12 482)</b>
<b>NET ASSETS</b>	2	<b>186 475</b>	<b>1 238</b>	<b>(1 336)</b>	<b>189 002</b>	<b>(1 336)</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		157 444	2 867	2 867	167 831	2 867
Reserves and funds		462	–	–	462	–
Other		–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>157 906</b>	<b>2 867</b>	<b>2 867</b>	<b>168 293</b>	<b>2 867</b>



## 2.9 TABLE C7 – MONTHLY BUDGETED CASH FLOW

WC041 Kannaland - Table C7 Monthly Budget Statement - Cash Flow - M09 March										
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	1 379	12 701	16 729	(4 028)	-24%	22 305
Service charges		73 390	120 923	120 323	7 062	62 220	90 242	(28 022)	-31%	120 323
Other revenue		2 794	9 067	9 067	350	14 105	6 800	7 304	107%	9 067
Transfers and Subsidies - Operational		43 410	64 252	71 715	19 434	65 871	62 623	3 248	5%	71 715
Transfers and Subsidies - Capital		13 170	15 804	17 433	6 038	17 212	13 075	4 137	32%	17 433
Interest		1	50	50	-	3	37	(35)	-93%	50
Dividends		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Suppliers and employees		(61 949)	(226 578)	(233 554)	(1 373)	(78 325)	(175 165)	(96 840)	55%	(18 881)
Interest		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>75 736</b>	<b>5 823</b>	<b>7 339</b>	<b>32 889</b>	<b>93 786</b>	<b>14 341</b>	<b>(79 445)</b>	<b>-554%</b>	<b>222 012</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)	(16 026)	-	(7 593)	12 020	19 612	163%	16 026
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(8 808)</b>	<b>(13 258)</b>	<b>(16 026)</b>	<b>-</b>	<b>(7 593)</b>	<b>12 020</b>	<b>19 612</b>	<b>163%</b>	<b>16 026</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>(8 687)</b>	<b>32 889</b>	<b>86 193</b>	<b>26 361</b>			<b>238 038</b>
Cash/cash equivalents at beginning:		38 042	-	-		36 645	-			36 645
Cash/cash equivalents at month/year end:		104 970	(7 435)	(8 687)		122 838	26 361			274 683

The total bank balance ending of **March 2024** were as follow;

- Standard Bank Main Account is **R 1.5 million**;
- The Traffic Account has **R 670 thousand**;
- Deposit Account has **R 1 million**; and
- Call Account has **R 38 million**.

## SECTION 3 SUPPORTING DOCUMENTATION

### 3.1 TABLE SC3 – DEBTORS AGE ANALYSIS

WC041 Kannaland - Supporting Table SC3 Monthly Budget Statement - aged debtors - M09 March													
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	5 723	1 510	826	895	562	578	2 804	18 656	31 554	23 496	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1 234	353	142	166	106	72	308	759	3 140	1 411	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	2 629	805	674	613	615	527	3 003	21 615	30 481	26 372	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	742	349	358	335	334	332	1 766	11 498	15 714	14 265	-	-
Receivables from Exchange Transactions - Waste Management	1600	1 441	592	558	548	537	525	2 718	16 721	23 640	21 049	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	0	0	0	-	-
Interest on Arrear Debtor Accounts	1810	-	68	52	102	108	125	1 010	24 301	25 766	25 646	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	(2 290)	250	203	189	172	166	764	3 409	2 862	4 700	-	-
Total By Income Source	2000	9 478	3 928	2 811	2 848	2 434	2 325	12 373	96 959	133 157	116 940	-	-
2022/23 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	(630)	177	115	108	51	17	100	94	32	371	-	-
Commercial	2300	396	168	151	153	186	141	825	3 494	5 514	4 799	-	-
Households	2400	9 827	3 417	2 392	2 447	2 064	2 037	10 692	82 846	115 721	100 086	-	-
Other	2500	(115)	166	154	139	134	131	756	10 525	11 890	11 685	-	-
Total By Customer Group	2600	9 478	3 928	2 811	2 848	2 434	2 325	12 373	96 959	133 157	116 940	-	-

The total amount owed to Kannaland Municipality amounted to **R 127 million at the end of March 2024.**

- **R94 million or 74%** of the total outstanding debtors are older than one year.
- **R114 million or 90%** 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 - M09 March

Description R thousands	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)
		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	
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0100	5 602	–	–	39 867	–	–	–	–	45 469	45 469
Bulk Water	0200	116	–	–	–	–	–	–	–	116	116
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	791	330	392	630	3 809	–	–	–	5 952	5 952
Auditor General	0800	1 442	983	195	85	4 157	–	–	–	6 863	6 863
Other	0900	284	198	219	144	16 405	–	–	–	17 249	17 249
<b>Total By Customer Type</b>	<b>1000</b>	<b>8 235</b>	<b>1 510</b>	<b>806</b>	<b>40 726</b>	<b>24 372</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>75 648</b>	<b>75 648</b>

- The total outstanding creditors as at the end of **March 2024** amounts to **R 75 648 million**.

The old debt, +90days, consist mainly of the following:

- ESKOM = R39 867 million, of which the entire amount is conditionally written off. The other R30 179 million is mainly made up of Creditors with payment arrangements, being AG, SALGA, SAMRAS, Collaborator consist of R26 894 million and further Municipal debt owed by Kannaland municipality to neighbouring municipalities amount to R3.2 million.
- All other creditors 0-90 days are managed on a month-to-month payment plan, for finalisation in the 2023-2024 FY. The current expense includes the monthly ESKOM account of R6 094 million and the Auditor General account of R2 425 million.

### 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	Adjustment Budget	Total Received	Total Spent	Unspent	Rejected Rollover Repayment
<b>National Government Grants</b>						
Financial Management Grant (FMG)	R 2,932,000		R 2,932,000	R 1,166,198	R 1,765,802	
Equitable Share	R 35,348,000		R 26,511,000	R 26,511,000		
Municipal Infrastructure Grant (Operational)	R 568,650		R 568,650	R 426,487	R 142,163	
Municipal Infrastructure Grant (Capital)	R 10,804,350	R 10,043,350	R 10,105,350	R 7,316,389	R 2,788,961	R 958,940
Water Service Infrastructure Grant	R 5,000,000	R 4,500,000	R 500,000	R 234,984	R 265,016	
EPWP Incentive Grant	R 1,220,000		R 1,220,000	R 1,007,751	R 212,249	
	<b>R 55,873,000</b>	<b>R 14,543,350</b>	<b>R 41,837,000</b>	<b>R 36,662,810</b>	<b>R 5,174,190</b>	
<b>Provincial Government</b>						
Human Settlements	R 20,262,000	R 24,905,000	R 13,264,260	R 13,264,260	R 0	
Human Settlement Informal Settlement Upgrading Partnership Grant	R 108,000	R 1,141,000				
MRF (Municipal Replacement Fund)	R 3,555,000	R 3,607,000	R 3,607,000	R 2,255,182	R 1,351,818	
Municipal Intervention Grant		R 300,000				
Municipal Service Delivery and Capacity Building Grant		R 300,000				
Western Cape Financial Recovery Services		R 1,000,000				
CDW Grant	R 113,000		R 113,000	R 55,900	R 57,100	
<b>Departmental Agencies</b>						
Public Sector Seta	R 145,000.00		R 49,664.75		R 49,664.75	
<b>Total</b>	<b>R 24,183,000.00</b>	<b>R 31,253,000.00</b>	<b>R 17,033,924.75</b>	<b>R 15,575,342.26</b>	<b>R 1,458,582.49</b>	
	<b>R 80,056,000.00</b>	<b>R 45,796,350.00</b>	<b>R 58,870,924.75</b>	<b>R 52,238,151.92</b>	<b>R 6,632,772.83</b>	

The following indicates expenditure on each respective grant received (Operational) and (Capital) for March 2024 -

#### Expenditure:

- Financial Management Grant amounts to **R 32 thousand**.
- Municipal Infrastructure Grant (MIG) PMU amounts to **R 47 thousand**.
- Expanded Public Works Programme amounts to **R 56 thousand**.

#### Provincial Treasury

#### Expenditure:

- Libraries Grant amounts to **R 225 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 - M09 March										
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>	1									
Basic Salaries and Wages		2 827	2 990	3 580	255	2 525	2 685	(160)	-6%	3 580
Pension and UIF Contributions		36	-	-	16	105	-	105	-	-
Medical Aid Contributions		67	-	-	10	85	-	85	-	-
Motor Vehicle Allowance		52	-	-	3	27	-	27	-	-
Cellphone Allowance		292	286	286	25	225	214	11	5%	286
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
<b>Sub Total - Councillors</b>		<b>3 273</b>	<b>3 276</b>	<b>3 866</b>	<b>308</b>	<b>2 967</b>	<b>2 900</b>	<b>68</b>	<b>2%</b>	<b>3 866</b>
<b>% increase</b>	4		<b>0,1%</b>	<b>18,1%</b>						<b>18,1%</b>
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		2 729	4 449	3 899	336	2 425	2 924	(499)	-17%	3 899
Pension and UIF Contributions		5	9	9	1	6	7	(1)	-15%	9
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		80	509	439	23	254	329	(75)	-23%	439
Cellphone Allowance		50	113	113	7	67	85	(18)	-21%	113
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		98	88	88	4	9	66	(57)	-86%	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>4 547</b>	<b>371</b>	<b>2 760</b>	<b>3 410</b>	<b>(650)</b>	<b>-19%</b>	<b>4 547</b>
<b>% increase</b>	4		<b>74,4%</b>	<b>53,5%</b>						<b>53,5%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		52 231	52 793	62 438	5 194	45 889	46 828	(939)	-2%	62 438
Pension and UIF Contributions		7 132	8 568	8 367	629	5 785	6 275	(490)	-8%	8 367
Medical Aid Contributions		2 168	1 687	2 417	206	1 798	1 813	(14)	-1%	2 417
Overtime		6 568	4 876	5 913	650	6 332	4 422	1 910	43%	5 913
Performance Bonus		1 975	752	1 002	10	771	752	19	3%	1 002
Motor Vehicle Allowance		2 790	2 359	3 515	322	2 733	2 637	96	4%	3 515
Cellphone Allowance		127	100	131	8	85	98	(13)	-13%	131
Housing Allowances		337	173	345	28	253	258	(5)	-2%	345
Other benefits and allowances		6 515	2 851	3 009	335	5 365	2 250	3 114	138%	3 009
Payments in lieu of leave		(1 166)	150	280	-	257	210	47	22%	280
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>87 417</b>	<b>7 380</b>	<b>69 269</b>	<b>65 543</b>	<b>3 725</b>	<b>6%</b>	<b>87 417</b>
<b>% increase</b>	4		<b>-4,7%</b>	<b>12,1%</b>						<b>12,1%</b>
<b>Total Parent Municipality</b>		<b>84 190</b>	<b>82 752</b>	<b>95 831</b>	<b>8 060</b>	<b>74 996</b>	<b>71 853</b>	<b>3 143</b>	<b>4%</b>	<b>95 831</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	-	-	342	(342)	-100%	457
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	0	1	-	1	-	-
Board Fees	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	1	342	(342)	-100%	457
<b>% increase</b>	4		<b>0,0%</b>	<b>0,0%</b>						<b>0,0%</b>
<b>Total Municipal Entities</b>		-	457	457	0	1	342	(342)	-100%	457
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>84 190</b>	<b>83 209</b>	<b>96 287</b>	<b>8 060</b>	<b>74 997</b>	<b>72 195</b>	<b>2 801</b>	<b>4%</b>	<b>96 287</b>
<b>% increase</b>	4		<b>-1,2%</b>	<b>14,4%</b>						<b>14,4%</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>80 917</b>	<b>79 476</b>	<b>91 965</b>	<b>7 752</b>	<b>72 029</b>	<b>68 954</b>	<b>3 075</b>	<b>4%</b>	<b>91 965</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.

11-Apr-24	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	Target Missed	1-Feb-24		The tender was advertised, only one application was received. The tender expired and will be re-advertised. The Municipality is engaging the service current service provider to roll-out this services.
	Meter verification, TID & data collection project	Tender to be awarded and project commencement	Target Missed	1-Apr-24		The tender was not awarded. Depending on the outcome of the engagement with the current service provider will the tender be re-advertised.
	Meter verification, TID & data collection project	Phase I - To be specified during specs evaluation/assessment	Not Due	1-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	1-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	1-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	Target Missed	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-advertised. The Municipality is in the process of enlisting the services of a debt collection agency and all overdue debtors will be handed-over systematically.
	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 a 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	1-Nov-23	The Municipality opted to appoint a 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	1-Aug-23	1-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 a Accountant responsible for Debt Collection. It also appointed a clerk within the department.
	Strengthen internal capacity	Appointment Accountant - Debtors	Achieved	31-Jul-23	1-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	1-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-Mar-24		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.
	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.

Improved Accuracy in Billing	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 a operating team 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	Achieved	30-Sep-23	31-Dec-23	Accounts is being emailed to debtors monthly. The council resolved that the CFO can engage outstanding debtors on a payment plan or settlement arrangement.
	Management of Bulk Services	Calibrate and monitor bulk meters (Control meters and annual calibration part of technical maintenance plan)	Achieved	30-Nov-23	31-Dec-23	Bulk meters are being monitored monthly. The Municipality is currently in the processes of going out on tender for the reading of all bulk meters.
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	Target Missed	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	Target Missed	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-utilized.
	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 prioritized 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	Target Missed	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	Target Missed	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 final adjustments for the Eskom balance has been received and the Municipality has over R8million credit which will impact the municipalities cash balance positively. The credit with Eskom has been utilized to strengthen the Municipalities cash position.
	Budgeting	Weekly cash flow monitoring	Achieved	31-Aug-23	7-Nov-23	Cash flow meetings is scheduled weekly
	Budgeting	Establish Budget Steering Committee (budget implementation & grant management monitoring)	Target Missed	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	Target Missed	31-Mar-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	Target Missed	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. Through this process all water & electricity meters will be audited and replaced if found to be faulty.
	Water & Electricity Losses	Identify and consolidate Eskom service points (reduce monthly account)	Target Missed	31-Dec-23		The Municipality has started exploring this through the technical department.
	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. The Municipality is in the process of evaluating the tender for a fleet management system.
	Asset Management	Develop a R&M plan / strategy	Target Missed	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



## 12.1 Funding Activities

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	- 1,397,111		
Appoint an external services provider for debt collection	Revenue	Service charges - water revenue	3,041,177		
Appoint an external services provider for debt collection	Revenue	Service charges - sanitation revenue	- 224,752		
Appoint an external services provider for debt collection	Revenue	Service charges - refuse revenue	- 201,739		
Appoint an external services provider for debt collection	Revenue	Property rates	885,101		
Recording higher operational revenue from non & exchange revenue	Revenue	Other revenue	852,259		
VAT Received	Revenue	Other revenue	6,031,622		
Interest generated on non-exchange revenue	Revenue	Interest earned - external investments	310,485		
Interest generated from receivables	Revenue	Interest earned - outstanding debtors	1,753,728		
Interest generated from current & non-current assets	Revenue	Interest earned - external investments	532,915		
Lower contracted services expenses YTD	Expenditure	Contracted services	- 25,758,332		
Lower inventory expenses YTD	Revenue	Contracted services	- 2,640,137		
Lower interest on outstanding Eskom account due to Debt Relief application	Revenue	Finance charges	- 235,724		

## 12.2 Funding 2023/24

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref		2023/24 Medium Term Revenue & Expenditure			Funding Plan '2023/24		REVISED MTREF BUDGET			
R thousand	1	Audited Outcome	Budget Year 2023/24	Budget Year +1 2023/24	Budget Year +2 2024/25	Funding Plan '2023/24	Funding Plan '2024/25	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	Budget Year +2 2024/25
<b>Revenue By Source</b>											
Property rates	2	25,891	26,915	28,268	29,567	885		27,800	28,268	29,567	
Service charges - electricity revenue	2	64,750	76,101	88,175	104,766			76,101	88,175	104,766	
Service charges - water revenue	2	20,355	22,267	23,359	24,456	3,041		25,309	23,359	24,456	
Service charges - sanitation revenue	2	8,706	9,610	10,081	10,554			9,610	10,081	10,554	
Service charges - refuse revenue	2	8,583	9,410	9,871	10,335			9,410	9,871	10,335	
Service charges - other			-	-	-						
Rental of facilities and equipment		552	1,098	653	685			1,098	653	685	
Interest earned - external investments		1,577	3,762	3,039	3,075	472		4,234	3,039	3,075	
Interest earned - outstanding debtors		4,639	5,929	6,167	6,457	1,915		7,843	6,167	6,457	
Dividends received			-	-	-						
Fines, penalties and forfeits		39	2,501	3,751	5,626			2,501	3,751	5,626	
Licences and permits		159	189	167	176			189	167	176	
Agency services		1,098	1,350	1,418	1,488			1,350	1,418	1,488	
Transfers and subsidies		60,590	71,715	44,668	61,777			71,715	44,668	61,777	
Other revenue	2	241	66	104	109	389		455	104	109	
Gains		307	2,896	198	207			2,896	198	207	
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>197,488</b>	<b>233,809</b>	<b>219,917</b>	<b>259,280</b>	<b>6,701</b>		<b>240,510</b>	<b>219,917</b>	<b>259,280</b>	
<b>Expenditure By Type</b>											
Employee related costs	2	71,598	92,852	81,065	83,743			92,852	81,065	83,743	
Remuneration of councillors		3,148	3,866	3,437	3,598			3,866	3,437	3,598	
Debt impairment	3	29,203	16,691	16,138	15,722			16,691	16,138	15,722	
Depreciation & asset impairment	2	13,717	11,885	14,168	14,771			11,885	14,168	14,771	
Finance charges		4,244	8,113	2,098	2,197			8,113	2,098	2,197	
Bulk purchases	2	50,752	56,045	60,529	65,371			56,045	60,529	65,371	
Other materials	8	3,536	1,100	9,371	9,811			1,100	9,371	9,811	
Contracted services		13,677	40,017	15,328	32,017	(25,758)		14,259	15,328	32,017	
Transfers and subsidies		240	400	965	1,010			400	965	1,010	
Other expenditure	4, 5	16,573	22,914	25,102	26,253			22,914	25,102	26,253	
Losses		4,806	-	-	-						
<b>Total Expenditure</b>		<b>211,495</b>	<b>253,882</b>	<b>228,201</b>	<b>254,493</b>	<b>(25,758)</b>		<b>228,123</b>	<b>228,201</b>	<b>254,493</b>	
<b>Surplus/(Deficit)</b>		<b>(14,006)</b>	<b>(20,073)</b>	<b>(8,284)</b>	<b>4,786</b>	<b>32,460</b>		<b>12,387</b>	<b>(8,284)</b>	<b>4,786</b>	

## Section 13 – SCM Deviation

MARCH 2024					
VOORSIENINGSKANAAL AFWYKINGS: ART 36- SCM REGULASIES					
NOMMER	DATUM	DEPARTEMENT	VERSKAFFER	BEDRAG	REDE
8/1/4/R	28/03/2024	TECHNICAL	MEDIA 24 BEPERK	R 85 422,00	COUNCIL RESOLVE ON 6 NOVEMBER TO ADVERTISE THE POST OF THE DIRECTOR TECHNICAL SERVICES, IN LINE WITH THE REGULATIONS ON THE REGULATIONS ON THE APPOINTMENT AND CONDITIONS OF SENIOR MANAGEMENT, 2014 THE ADVERTISEMENT CAN ONLY BE PLACED AFTER THE APPOINTMENT OF THE INDEPENDENT CONSULTANT, WHICH WILL ASSIST COUNCIL WITH RECRUITMENT AND SELECTION PROCESS.
8/1/4/R	22/03/2024	ADMIN	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 PROVIDER CONTAINERS FOR STORAGE AND OFFICE IN VARIOUS AREAS WITHIN THE KANNALAND MUNICIPALITY.
8/1/4/R	22/03/2024	ADMIN	KONICA MINOLTA SOUTH AFRICA	R 29 058,98	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	22/03/2024	TECHNICAL	VALSTA'S SPECIALISED CLEANING	R 130 050,00	THE SEWERAGE TRUCK OF KANNALAND MUNICIPALITY IS CURRENTLY NOT OPERATIONAL DUE TO THE PUMP THAT HAS BROKEN AND REMOVED FOR REPAIRS. THE REPAIR TIME IS UNKNOWN AT THIS STAGE. THE MUNICIPALITY IS CURRENTLY SEVICING SEPTIC TANKS ALL OVER KANNALAND TO AVOID THE SEWERAGE TO OVERFLOW AND CREATE ENVIRONMENTAL SPILL WE URGENTLY NEED TO RENT A SEWERAGE TRUCK FOR 7DAYS TO RENDER THIS ESSENTIAL SERVIC TO THE COMMUNITY.
8/1/4/R	20/03/2024	TECHNICAL	DEKLIN	R 77 988,60	THE MUNICIPALITY IS CURRENTLY EXPERIENCING PROBLESM WITH SUSTAINABLE WATER PROVISIONING, ESPECIALLY WITH THE WATER DELIVERY TO RURAL AREAS WITHIN THE KANNALAND MUNICIPALITY, LADISMITH, CALITZDORP AND ZOAR
8/1/4/R	15/03/2024	COUNCIL	ICT WIZE GROUP (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 MUNCIPALITY HAS NO APPOINTED NETWORK ADMINITRATOR. THEREFOE THE APPOINTMENT OF ICT WYSE 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 WYSE GROUP FOR ABOUT 10 (TEN YEARS).
8/1/4/R	12/03/2024	TECHNICAL	VALSTA'S SPECIALISED CLEANING	R 105 600,00	THE SEWERAGE TRUCK OF KANNALAND MUNICIPALITY IS CURRENTLY NOT OPERATIONAL DUE TO THE PUMP THAT HAS BROKEN AND REMOVED FOR REPAIRS. THE REPAIR TIME IS UNKNOWN AT THIS STAGE. THE MUNICIPALITY IS CURRENTLY SEVICING SEPTIC TANKS ALL OVER KANNALAND TO AVOID THE SEWERAGE TO OVERFLOW AND CREATE ENVIRONMENTAL SPILL WE URGENTLY NEED TO RENT A SEWERAGE TRUCK FOR 7DAYS TO RENDER THIS ESSENTIAL SERVIC TO THE COMMUNITY.
8/1/4/R	12/03/2024	ADMIN	BIDVEST STEINER	R 12 826,78	SAPO 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 CANNOTGENERATE REVENUE FOR SERVICE DELIVERED.
			<b>TOTAL</b>	<b>R 479 787,86</b>	

## **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 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:

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	2024-03-07
TAX INVOICE NO	705606831873
ACCOUNT MONTH	MARCH 2024
CURRENT DUE DATE	2024-04-06
VAT REG NO	4540197268

TAX INVOICE

E-MAIL: krediteurc@kannaland.gov.za

ACCOUNT TRANSACTION SUMMARY

FIXED CHARGE	R	25,465.00
ADMINISTRATION CHARGE	R	4,665.52
TRANSMISSION NETWORK CAPACITY	R	142,400.00
DIST. NETWORK CAPACITY CHARGE	R	102,500.00
NETWORK DEMAND CHARGE	R	106,318.20
URBAN LOW VOLTAGE SUBSIDY	R	251,000.00
ANCILLARY SERVICE (ALL)	R	11,524.15
ENERGY CHARGE (STD)	687,991.00 R	853,108.84
ENERGY CHARGE (PEAK)	272,010.00 R	490,162.02
ENERGY CHARGE (OFF)	812,944.00 R	639,461.75
ELECTRIFICATION AND RURAL SUBS (ALL)	R	246,439.49
SERVICE CHARGE	R	10,350.68

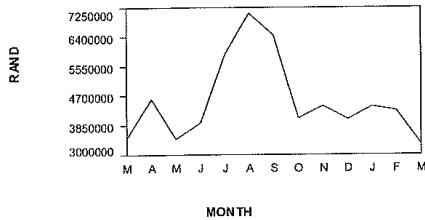
TOTAL CHARGES FOR BILLING PERIOD R 2,883,395.65

ACCOUNT SUMMARY FOR MARCH 2024

BALANCE BROUGHT FORWARD	(Due Date 2024-03-14)	R	30,804,264.59
TOTAL CHARGES FOR BILLING PERIOD		R	2,883,395.65
ADJUSTMENTS	(Summary - See attachment for details)	R	737,094.22
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	432,509.35

ARREARS				CURRENT	TOTAL DUE R	34,857,263.81
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS			
22,002,733.1	0.00	4,443,046.08	4,329,200.66	4,082,283.97		

Account OVERDUE - Subject to Disconnection



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BILL GROUP	
BILL PAGE	1 OF 3

ACCOUNT NO / REFERENCE NO

7052108005  
NAME  
KANNALAND LOCAL MUNICIPALITY  
FAX NUMBER  
0866160914

0934 7052108005

11341 7052108005



9207 2705 2108 0051



TOTAL AMOUNT DUE

34,857,263.80

PAYMENT ARRANGEMENT

INSTALMENT	0.00
ARREARS (Due Immediately)	30,774,979.84
DUE DATE (For Current Amount)	2024-04-06
AMOUNT PAID	

LATE PAYMENT CHARGES WILL BE  
ADDED TO OVERDUE ACCOUNT

00012090500011



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  
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SMS:

CUSTOMER SELF SERVICE WEBSITE:  
<https://csonline.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	6940893537
SECURITY HELD	0.01
BILLING DATE	2024-03-07
TAX INVOICE NO	694473656340
ACCOUNT MONTH	MARCH 2024
CURRENT DUE DATE	2024-04-06
VAT REG NO	4540197268

## TAX INVOICE

E-MAIL: krediteure@kannaland.gov.za

### ACCOUNT TRANSACTION SUMMARY

ADMINISTRATION CHARGE	R	4,665.52
DIST. NETWORK CAPACITY CHARGE	R	75,304.15
DX EXCESS NETWORK CAPACITY CHA	R	40,714.32
NETWORK DEMAND CHARGE (C/KWH)	R	45,329.86
ANCILLARY SERVICE (ALL)	R	4,515.86
ENERGY CHARGE (PEAK)	102,611.00	R 190,918.03
ENERGY CHARGE (STD)	269,250.00	R 344,801.55
ENERGY CHARGE (OFF)	264,174.00	R 214,535.71
ELECTRIFICATION AND RURAL SUBS (ALL)	R	88,409.00
SERVICE CHARGE	R	10,350.68

TOTAL CHARGES FOR BILLING PERIOD	R	1,019,544.68
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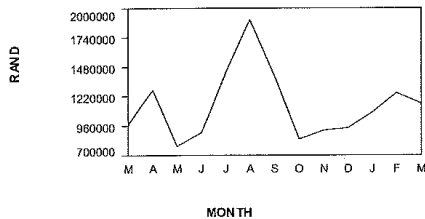
### ACCOUNT SUMMARY FOR MARCH 2024

BALANCE BROUGHT FORWARD	(Due Date 2024-03-07)	R	10,478,825.50
PAYMENT(S) RECEIVED	Cash - 2024-02-07	R	-1,095,849.52
TOTAL CHARGES FOR BILLING PERIOD		R	1,019,544.68
ADJUSTMENT	BALANCE TRANSFER - to/from account 7052108005	R	-291,315.93
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	152,931.70

### ARREARS

>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS	CURRENT	TOTAL DUE R
5,775,283.94	954,733.90	2,361,642.21	0.00	1,172,476.38	10,264,136.43

Account OVERDUE - Subject to Disconnection



MONTH

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ACCOUNT NO / REFERENCE NO  
6940893537

NAME  
KANNALAND LOCAL MUNICIPALITY

FAX NUMBER

0934 6940893537

11341 6940893537



9207 2694 0893 5379



### TOTAL AMOUNT DUE

10,264,136.40

### PAYMENT ARRANGEMENT

INSTALMENT	
ARREARS (Due Immediately)	0.00
AMOUNT PAID	9,091,660.05
DUE DATE (For Current Amount)	2024-04-06
AMOUNT PAID	

LATE PAYMENT CHARGES WILL BE  
ADDED TO OVERDUE ACCOUNT

# Standard Bank of South Africa

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

Computer Generated Copy

## CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420543546	User Name	KANNALAND MUNICIPALITY
User ID	OCK31	Reference	2024096011
Sub Module	SSVS	Action date	20240405
Description	LJT64 20240405 13:19:36.5		GAV53 M SCHEFFERS
Finalreleasingoperators	RVX68 CM CLAASEN (A)		
Sub-batch	001	From Account no	0000420543546
		From Account Name	KANNALAND MUNICIPALITY (MAIN)
Trans No	3		
Acc No / CDI	55161636814		
Branch No	200910		
Statement Ref	7052108005		
Account Name	ESKOM HOLDINGS WC REGION		
Creditor Code	ESKOM NEW		
Amount	4,082,283.97		
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

Computer Generated Copy

## CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420543546	User Name	KANNALAND MUNICIPALITY
User ID	OCK31	Reference	2024096011
Sub Module	SSVS	Action date	20240405
Description	LJT64 20240405 13:19:36.5		GAV53 M SCHEFFERS
Finalreleasingoperators	RVX68 CM CLAASEN (A)		
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	6940993537		
Account Name	ESKOM HOLDINGS WC REGION		
Creditor Code	ESKOM NEW		
Amount	1,172,476.38		
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

Computer Generated Copy

## CURRENT ACCOUNT - STATEMENT DETAILS

Page	Details	Service Fee	Debit	Credit	Date	Balance
2	JANUA JANUARIE DONO RVX6813:22	0.00	-693.00	0.00	20240405	7,247,810.33
2	ELECTRONIC BANKING PAYMENT TO VAN D VAN DER BERG RVX6813:22	0.00	-1,254.30	0.00	20240405	7,246,556.03
2	ELECTRONIC BANKING PAYMENT TO CO220 CLAASSEN CM GAV5311:19	0.00	-4,480.00	0.00	20240405	7,242,076.03
2	ELECTRONIC BANKING PAYMENT TO TOWN TOWNLODGE BEL RVX6813:23	0.00	-4,679.65	0.00	20240405	7,237,396.38
2	ELECTRONIC BANKING PAYMENT TO PETER PETER-GEORGE GAV5311:19	0.00	-5,838.28	0.00	20240405	7,231,558.10
2	ELECTRONIC BANKING PAYMENT TO SAPTO SAPTOE ROSLYN RVX6813:43	0.00	0.00	0.00	20240405	7,231,558.10
3	BALANCE BROUGHT FORWARD	0.00	-6,150.42	0.00	20240405	7,225,407.68
3	ELECTRONIC BANKING PAYMENT TO E300 EIWERTS ANTHON RVX6813:23	0.00	-8,950.50	0.00	20240405	7,216,457.18
3	ELECTRONIC BANKING PAYMENT TO SWATT SWATTI ENTERP GAV5311:20	0.00	-34,995.00	0.00	20240405	7,181,462.18
3	ELECTRONIC BANKING PAYMENT TO B83 BOUWER FAMILI GAV5311:19	0.00	-47,284.41	0.00	20240405	7,134,177.77
3	ELECTRONIC BANKING PAYMENT TO ESKOM ESKOM HOLDING RVX6813:24	0.00	-50,000.00	0.00	20240405	7,084,177.77
3	ELECTRONIC BANKING PAYMENT TO DP BE DP BEZUIDENHO RVX6813:52	0.00	-62,551.95	0.00	20240405	7,021,615.81
3	ELECTRONIC BANKING PAYMENT TO WISE WISE BUSINESS RVX6813:38	0.00	-113,879.65	0.00	20240405	6,907,736.16
3	ELECTRONIC BANKING PAYMENT TO NEL F NEL FJ RVX6811:20	0.00	-1,172,476.38	0.00	20240405	5,735,259.78
3	ELECTRONIC BANKING PAYMENT TO ESKOM ESKOM HOLDING RVX6813:24	0.00	-1,217,511.86	0.00	20240405	4,517,747.92
3	ELECTRONIC BANKING PAYMENT TO SARS E-FILING RVX6813:22	0.00	-4,062,283.97	0.00	20240405	435,463.95
3	ELECTRONIC BANKING PAYMENT TO ESKOM ESKOM HOLDING RVX6813:24	0.00	-5,216.77	0.00	20240405	430,247.18
3	ACCOUNT PAYMENT RENTAL COM-2600/196-274/1E	19.00	-179,493.10	0.00	20240405	251,754.08
3	ELECTRONIC BANKING TRANSFER TO TRF DEP TRANSPORT REC	0.00				

"" 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  
BTW Nr 4540197268

Faktuur Nr: 311  
Datum: 04 March 2024

#### MUNISIPALE WATERVERBRUIK – CALITZDORP: Februarie 2024

##### Sub Oorverbruik

Maand	Feb-24	Feb-24
Meterlesing einde	Feb-24	7350560
Meterlesing begin	Feb-24	7281660
Ontrek	kl	68900
Dae @ 455 kl per dag toelaag	29	13195
Sub Oorverbruik 50028 - 17667 = 32361	kl	55705
Min beurt teruggegee	kl	5677
Oorverbruik	kl	50028
50028 - 17667 = 32361		
0-26000 kl tarief @ 1.10	26000	R 28 600.00
26000-36000kl @ 2.21kl	6361	R 14 057.81
46000 - 56000 kl tarief	0	R -
56 000 en meer tarief	0	R -
Sub Oorverbruik		R 42 657.81
Plus 15% BTW		R 6 398.67
Totaal verskuldig	R	49 056.48

##### 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

##### Terme:

- Betaalbaar binne dertig (30) dae vanaf datum van rekening.
- Betalings mag nie weerhou word totdat 'n geskil besleg is nie.
- Rente teen 16% word gehef op rekeninge ouer as 30 dae.
- 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

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

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## CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420543546	User Name	KANNALAND MUNICIPALITY
User ID	OCK31	Reference	2024094006
Sub Module	SSVS	Action date	20240403
Description	LJT64 20240403 10:38:15.3		RVX68 CM CLAASEN (A)
Final releasing operators	GAV53 M SCHEFFERS		
Sub-batch	001	From Account no	0600420543546
		From Account Name	KANNALAND MUNICIPALITY (MAIN)
Trans No	1		
Acc No / CDI	280110022		
Branch No	50014		
Statement Ref	KANNALAND MUN		
Account Name	CALITZDORP BESPROEINGSRAAD		
Creditor Code	C2		
Amount	49,056.48		
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

Page	Details	Service Fee	Debit	Credit	Date	Balance
	LADISMITH					
2	ELECTRONIC BANKING TRANSFER FR DEP TRANSPORT PAYMENTS	0.00	0.00	65,335.73	20240403	672,754.45
2	ELECTRONIC BANKING PAYMENT TO M055 MESHOA WP RVX6811:27	0.00	-4,181.00	0.00	20240403	668,573.45
2	ELECTRONIC BANKING PAYMENT TO D64 DEPARTEMENT V GAV5311:32	0.00	-8,424.00	0.00	20240403	660,149.45
2	ELECTRONIC BANKING PAYMENT TO DANIE DANIELS ALANZ GAV5311:32	0.00	-9,141.96	0.00	20240403	651,007.49
2	ELECTRONIC BANKING PAYMENT TO M31 MINDMUZIK MED RVX6814:36	0.00	-9,702.63	0.00	20240403	641,304.86
3	BALANCE BROUGHT FORWARD	0.00	0.00	0.00	20240403	641,304.86
3	ELECTRONIC BANKING PAYMENT TO NW CO NW COETZEE(BL RVX6814:35	0.00	-9,858.00	0.00	20240403	631,446.86
3	ELECTRONIC BANKING PAYMENT TO JOHAN JOHANNES M JU GAV5311:32	0.00	-9,909.06	0.00	20240403	621,537.80
3	ELECTRONIC BANKING PAYMENT TO BBD S BBD SERVING RVX6814:35	0.00	-16,140.00	0.00	20240403	605,397.80
3	ELECTRONIC BANKING PAYMENT TO BBD S BBD SERVING RVX6814:35	0.00	-17,650.00	0.00	20240403	587,747.80
3	ELECTRONIC BANKING PAYMENT TO BBD S BBD SERVING RVX6814:35	0.00	-21,045.00	0.00	20240403	566,702.80
3	ELECTRONIC BANKING PAYMENT TO PC025 ICT WIZE GROU GAV5311:32	0.00	-28,319.00	0.00	20240403	538,383.80
3	ELECTRONIC BANKING PAYMENT TO BYTES SOLVEM CONSUL RVX6814:35	0.00	-32,720.80	0.00	20240403	505,663.00
3	ELECTRONIC BANKING PAYMENT TO C2 CALITZDORP BE GAV5311:32	0.00	-49,056.48	0.00	20240403	456,606.52
3	ELECTRONIC BANKING PAYMENT TO D64 DEPARTEMENT V GAV5311:32	0.00	-56,911.73	0.00	20240403	399,694.79
3	ELECTRONIC BANKING PAYMENT TO BUSIN BUSINESS ENGI RVX6814:35	0.00	-59,298.00	0.00	20240403	340,396.79
3	ELECTRONIC BANKING PAYMENT TO T001 THE AUDITOR G RVX6814:35	0.00	-75,000.00	0.00	20240403	265,396.79
3	ELECTRONIC BANKING PAYMENT TO S0159 SALGA RVX6814:35	0.00	-100,000.00	0.00	20240403	165,396.79
3	ELECTRONIC BANKING TRANSFER TO DEP TRANSPORT REC	0.00	-74,976.00	0.00	20240403	90,420.79

\*\* END OF REPORT \*\*

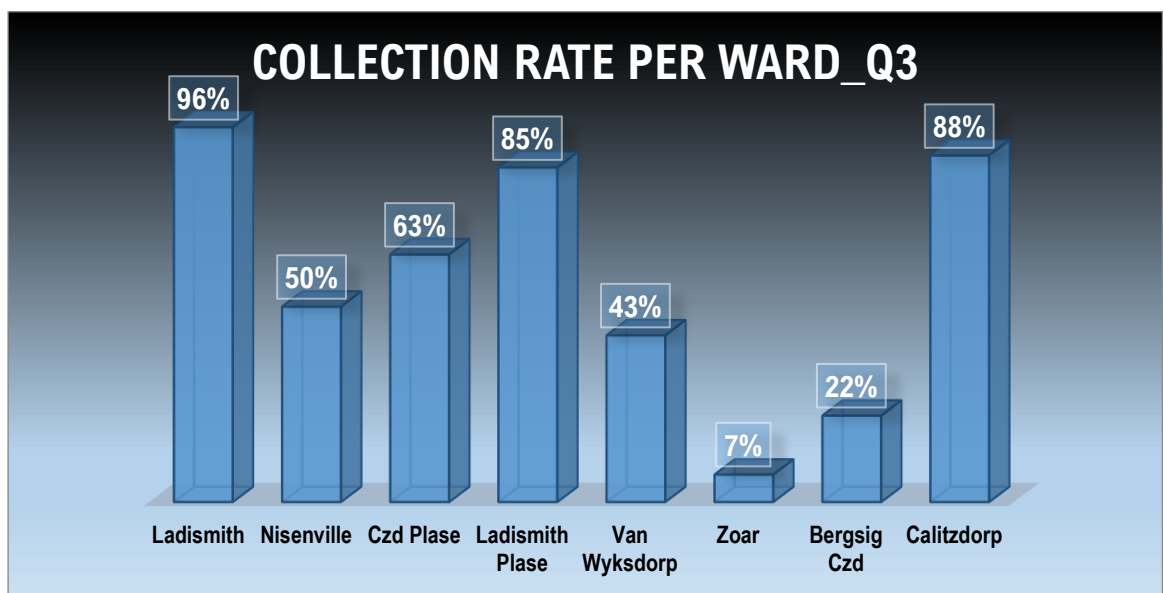
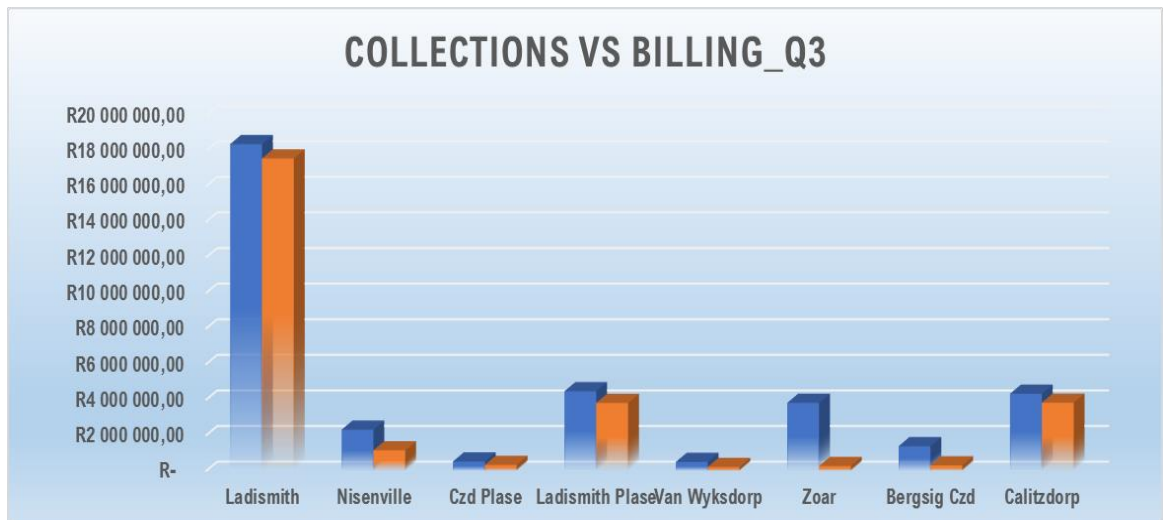
- The monthly MFMA s.71 narratives must explicitly reflect the municipality's progress towards restricting free basic services (condition 6.6) and achieving a minimum average quarterly collection of 80 per cent (condition 6.7);
- We are not at the end of a quarter; the collection rate is below the norm and the reason of under collecting in terms of the municipality is that Kannaland municipality is experiencing challenges in collecting its debtors due to a poor economic environment. The community members are encouraged to register as indigent households to prevent the debtors from growing month on month, but unfortunately the response is not positive. Further to this Kannaland can only enforce the restriction of electricity supply in 2 of the towns as these are the only towns receiving electricity from the municipality. The other areas are in the Eskom supply area. Kannaland will also have to appoint a service provider to perform summonses to collect long outstanding debtors.

**MFMA Circular 124 - Monthly MFMA s.71 reporting (condition 6.7)**

**Average collection rate (MFMA Circular 124 condition 6.7)**

Total average collection	Previous Month actual Collection %	Current Month actual collection %	Rand value of Current Month Billing NOT COLLECTED per ward (R)	Quarter 1 actual Collection %	Quarter 2 actual Collection %	Quarter 3 actual Collection %	Quarter 4 actual Collection %
1. The total average collection of all revenue excluding Equitable Share and conditional grants	83%	60%	(7 510 381)	77%	84%	77%	0%
1A. The total average collection of all revenue in 1. above - <i>excluding the Eskom supply areas</i>	100%	92%	(14 123 093)	95%	0%	83%	0%
2. The total average collection of municipal property rates	86%	0%	(5 819 497)	82%	92%	0%	0%
3. The total average collection of Electricity	100%	92%	(9 692 005)	96%	100%	92%	0%
4. The total average collection of Water	65%	66%	2 866 717	57%	64%	66%	0%
5. The total average collection of Wastewater	53%	45%	2 325 014	46%	53%	45%	0%
4. The total average collection of Solid Waste	50%	44%	2 653 520	42%	50%	44%	0%

	Billing	Collections	
Ladismith	R 18 352 058,65	R 17 548 500,57	96%
Nisenville	R 2 308 850,32	R 1 150 688,77	50%
Czd Plase	R 524 432,61	R 331 262,47	63%
Ladismith Plase	R 4 467 540,06	R 3 812 851,11	85%
Van Wyksdorp	R 498 043,74	R 211 775,35	43%
Zoar	R 3 815 986,30	R 266 360,76	7%
Bergsig Czd	R 1 384 482,59	R 305 108,85	22%
Calitzdorp	R 4 329 391,81	R 3 828 299,79	88%
	R 35 680 786,08	R 27 454 847,67	76,9%



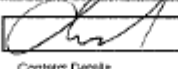
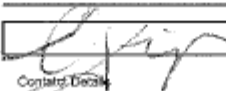
- If the municipality has a budget funding plan, the MFMA s.71 monthly statement must include progress against the budget funding plan as part of the narrative component required for the MFMA s.71 statement as well as demonstrate progress (as per mSCOA data string) against the budget funding plan.
-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

Property Rates Reconciliation					
Project No.	WC				
District	Garden Route District				
Zone	LIM				
Municipality	Kannaland Municipality				
City Period	01/07/2024 - 30/06/2025				
Financial Year	2023/2024				
Reconciliation Period	Quarter 3				
Reconciliation Overview					
High Level Reconciliation					
Property Categories	# of Properties			Market Values	
	GV	MPS	Variance	GV Market Values	MPS Market Values
Residential	4435	4435	0	786 614 000,00	786 387 000,00
Industrial	21	21	0	54 309 000,00	54 309 000,00
Business and Commercial	188	190	-2	136 987 000,00	137 637 000,00
Agricultural	3006	3008	-2	1 699 368 000,00	1 700 233 956,00
Mining	0	0	0	-	-
State Owned for Public Purpose	55	55	0	132 924 000,00	132 924 000,00
PSI	158	159	-1	3 838 000,00	3 858 000,00
PBO	7	6	1	11 377 000,00	10 510 000,00
Multi Use	0	0	0	-	-
Vacant	302	299	3	8 513 000,00	7 737 000,00
POW	56	56	0	48 060 000,00	47 860 000,00
Municipal	1211	1213	-2	104 776 000,00	107 078 000,00
Other	63	63	0	75 522 000,00	75 522 000,00
	9502	9505	-3	3 062 288 000,00	3 064 055 956,00
Detailed Reconciliation					
Property Categories	Monthly Billing			Quarterly	
	GV	MPS	Variance	GV	MPS
Residential	945 711	849 175	96 536	945 711,00	849 174,83
Industrial	176 504	176 504	-	176 504,25	176 504,25
Business and Commercial	445 208	447 320	2 113	445 207,75	447 320,25
Agricultural	410 681	411 280	600	410 680,50	411 280,50
Mining	-	-	-	-	-
State Owned for Public Purpose	432 003	432 003	-	432 003,00	432 003,00
PSI	-	-	-	-	-
PBO	3 698	3 416	282	3 697,53	3 415,75
Multi Use	-	-	-	-	-
Vacant	13 834	12 573	1 261	13 833,63	12 572,83
POW	-	-	-	-	-
Municipal	-	-	-	-	-
Other	-	-	-	-	-
Total	20 27 587,75	19 377 201,00	898 386,75	2 427 407,75	2 316 475,88

Prepared By		Date	11/04/24
	Contact Details		
Signature			
Reviewed By		Date	11/04/24
	Contact Details		
Signature			

## SECTION 15 – QUALITY CERTIFICATION

I, Dillo Sereo, the Acting Accounting Officer of **Kannaland Municipality WC041**, hereby certify that the quarterly budget statement for **March 2024**, has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

**Print name: Dillo Sereo**

**Signature:** .....

**Date:** .....