



# Monthly Budget Report for September 2024/25



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

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 September 2024.

That the Council takes cognisance of the Eskom Debt Relief Report for September 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

#### 1.2 CONSOLIDATED PERFORMANCE

The performance against the budget can be summarized as follow:

Amount in thousands	Amended Budget		Monthly Actual	YTD Actual	YTD Budget vs YTD Actual Variance	YTD Budget vs YTD Actual Variance %
Operating Revenue	R 251 773	R 62 943	R 17 786	R 64 764	R 1820	3%
Operating Expenditure	R 250 576	R 62 643	R 12 127	R 52 897	R (9746)	-16%
Capital	R 32 938	R 8 235	R 2 077	R 2 447	R (5 787)	-70%

Refer to Table C4 for more detail on operating revenue & expenditure.

#### **Operational Revenue**

The municipality's total operational revenue budget amounts to R252 million and the year-to-date revenue on the budget accrued to R 65 million. This represents 3% of the YTD variance for total revenue.

# **Operational Expenditure**

The municipality's total operational expenditure budget amounts to R251 million, with a year-to-date performance of R52 million, or -16% of the YTD variance for total expenditure budget.

#### **Capital Expenditure**

The total capital budget for the municipality amounts to R22 million with a year-to-date performance of R 2 447 million, or 30% of the total capital budget.

#### **Operating Surplus/Deficit**

The variances for operating revenue amounted to R17 million exceeding budget, and expenditure amounting to R 12 million below budget, with an operating surplus of R 5.6 million

surplus for the month under review. This performance is to be noted against an unfunded budget.

#### 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 spending of capital budget;
- (c) Monthly monitoring of the implementation of the Budget Funding Plan;
- (d) That measures on debt collection are implemented and applied effectively;
- (e) A procurement plan be developed and approved as a matter of urgency;
- (f) That the funding plan addresses all issues and challenges on the financial performance of the municipality and adapt to an always changing environment.

# **SECTION 2 – IN-YEAR BUDGET STATEMENT TABLES**

# 2.1 TABLE C1 - MONTHLY BUDGET SUMMARY

Statement St	ummary - M(	3 Septembe	r					
2023/24				Budget Ye	ar 2024/25			
Audited	Original	Adjusted	Monthly	YearTD	YearTD	YTD	YTD	Full Year
Outcome	Budget	Budget	Actual	Actual	Budget	Variance	Variance	Forecast
	-	-			-		%	
28 008	28 234	28 234	2 361	7 104	7 058	45	1%	28 234
124 861	134 359	134 359	12 593	35 092	33 590	1 502	4%	134 359
1 762	1 500	1 500	124	316	375	(59)	-16%	1 500
72 746	65 516	65 516	1 345	18 425	16 379	2 046	12%	65 516
22 552	22 164	22 164	1 363	3 826	5 541	(1 715)	-31%	22 164
249 930	251 773	251 773	17 786	64 764	62 943	1 820	3%	251 773
93 649	88 441	87 441	8 683	25 350	21 860	3 490	16%	87 441
3 956	3 635	3 635	26	967	909	59	6%	3 635
17 799	12 314	12 314	1 026	3 079	3 079	0	0%	12 314
4 185	1 300	1 300	17	18	325	(307)	-95%	1 300
65 420	70 475	70 475	1 027	16 363	17 619	(1 256)	-7%	70 475
396	400	400	_	_	100	(100)	-100%	400
107 834	74 011	75 011	1 348	7 120	18 752	, ,,	-62%	75 011
293 240	250 576	250 576	12 127	52 897	62 643	2 / 1		250 576
	l	i			8	š	R	1 197
		8		1	8			22 282
_					_	(20)	0070	
(26 600)	22 470	22 470	0 202	14 400	E 070	0 630	1.470/	23 479
(20 099)	23 4/9	23 479	0 203	14 490	3 6/0	0 020	147%	23 479
_	_	_	_	_	_	_		_
(26 600)	l					: :	1/17%	23 479
(20 033)	25 47 5	25 415	0 203	14 430	3 070	0 020	147 /0	25 415
33 026	32 938	32 938	2 077	2 447	8 235	(5 787)	-70%	32 938
21 747	32 938	32 938	2 077	2 447	8 235	(5 787)	-70%	32 938
_	_	-	-	-	-	- 1		_
11 279	_	_	_	_	_	_		_
33 026	32 938	32 938	2 077	2 447	8 235	(5 787)	-70%	32 938
19 001	64 826	64 826		30 069				64 826
309 530	320 603	8		308 899				320 603
	1	8						64 732
	1							75 972
190 560	244 725	244 725		186 077				244 725
59 159	6 072	6 972	(10.070)	33 704	1 7/12	(31 961)	-183/1%	226 699
	1	8	(10 070)					22 282
(14 211)	(22 202)	(22 202)	_	(404)	8	1 1	10370	22 202
81 587	74 878	74 878	_	73 060	97 501	24 441	25%	288 821
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
0.40-			2 21-		2 22-	/	440 400	4500:-
9 128	4 219	3 923	3 813	3 273	2 637	15 866	110 488	153 348
14 625	3 706						61 307	82 743
		3 105		_	_	- 1		
	2023/24 Audited Outcome  28 008 124 861 1 762 72 746 22 552 249 930 93 649 3 956 17 799 4 185 65 420 396 107 834 293 240 (43 310) 16 611 (26 699)  33 026 21 747 11 279 33 026  19 001 309 530 90 830 47 140 190 560	2023/24   Audited   Original Outcome   Budget	2023/24	Audited Outcome         Original Budget         Adjusted Budget         Monthly Actual           28 008         28 234         28 234         2 361           124 861         134 359         134 359         12 593           1 762         1 500         1 500         124           72 746         65 516         65 516         1 345           22 552         22 164         22 164         1 363           249 930         251 773         251 773         17 786           93 649         88 441         87 441         8 683           3 956         3 635         3 635         26           17 799         12 314         12 314         1 026           4 185         1 300         1 300         17           65 420         70 475         70 475         1 027           396         400         400         -           107 834         74 011         75 011         1 348           293 240         250 576         250 576         12 127           (43 310)         1 197         1 197         5 659           16 611         22 282         22 282         2 624           -         -         -         -	Audited   Original Outcome   Budget   Budget   Actual   Actual	Audited   Original   Outcome   Budget   Budget   Actual   Actual   Budget   Budget   Actual   Actual   Budget   Budget   Actual   Actual   Budget   Budget   Actual   Actual   Actual   Budget   Actual   Actual   Actual   Budget   Actual   Actual   Budget   Actual   Actual   Actual   Budget   Actual   Actual	Audited   Original   Outcome   Budget   Actual   Actual   Budget   Variance	Audited   Original   Adjusted   Monthly   YearTD   YearTD   YearTD   Your   Yronce   Wariance   W

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

WC041 Kannaland - Table C2 Monthly Bu		2023/24				-	Budget Year			
Bescription	Ref	Audited	Original	Adjusted	Monthly	YearTD	YearTD	YTD	YTD	Full Year
R thousands	1101	Outcome	Budget	Budget	Actual	Actual	Budget	Variance	Variance	Forecast
Revenue - Functional		04.000			710100	710100	244901	-	%	
Governance and administration		81 154	54 667	54 667	3 778	25 339	13 667	11 672	85%	54 66
Executive and council		35 452	13 603	13 603	_	15 616	3 401	12 215	359%	13 60
Finance and administration		45 703	41 064	41 064	3 778	9 723	10 266	(543)	-5%	41 06
Internal audit		_	_	-	_	-	-	`-		_
Community and public safety		43 432	35 632	35 632	2 094	3 096	8 908	(5 812)	-65%	35 63
Community and social services		15 932	15 691	15 691	2 094	3 096	3 923	(827)	-21%	15 69
Sport and recreation		46	66	66	_	-	16	(16)	-100%	6
Public safety		(1)	5	5	(0)	0	1	(1)	-79%	!
Housing		27 456	19 870	19 870	_ ` ′	-	4 967	(4 967)	-100%	19 87
Health		_	_	_	_	-	_	l ` _ ′		_
Economic and environmental services		2 898	6 316	6 316	192	543	1 579	(1 035)	-66%	6 31
Planning and development		_	_	_	_	-	_	-		_
Road transport		2 898	6 316	6 316	192	543	1 579	(1 035)	-66%	6 316
Environmental protection		_	_	_	_	_	_	_		_
Trading services		139 055	177 440	177 440	14 347	38 409	44 360	(5 951)	-13%	177 440
Energy sources		73 635	95 625	95 625	8 766	24 620	23 906	714	3%	95 62
Water management		41 889	46 676	46 676	3 374	7 178	11 669	(4 491)	-38%	46 676
Waste water management		11 946	18 386	18 386	1 126	3 358	4 597	(1 238)	-27%	18 386
Waste management		11 586	16 753	16 753	1 081	3 253	4 188	(935)	-22%	16 75
Other	4	-	-	-	-	-	-	(000)	2270	-
Total Revenue - Functional	2	266 540	274 055	274 055	20 410	67 387	68 514	(1 126)	-2%	274 05
Expenditure - Functional Governance and administration		96 208	86 057	86 057	6 323	21 859	21 514	345	2%	86 057
		25 078	24 977	24 977	1 494	6 856	6 244	612	10%	24 97
Executive and council						8		£	8	
Finance and administration		71 130	61 081	61 081	4 829	15 003	15 270 _	(267)	-2%	61 08
Internal audit		39 663	35 964	35 964	4 460	3 772	8 991	/F 040)	-58%	35 96 <sub>4</sub>
Community and public safety		9 204	12 529		<b>1 169</b> 823		3 132	(5 218)	-56% -13%	12 52
Community and social services				12 529		2 716		(416)	8	1 92
Sport and recreation		931 1 479	1 922 405	1 922	117	399	481	(82)	-17%	
Public safety		-		405	128	376	101	274	271%	40
Housing Health		28 049 _	21 107	21 107	101	282	5 277 –	(4 995)	-95%	21 10
Economic and environmental services		- 15 122	- 17 994	- 17 994	1 168	3 381	4 498	(1 117)	-25%	- 17 99
Planning and development		15 122	620	620	1 108	3 301	<b>4 498</b> 155	(1117)	-25% -100%	17 <b>99</b> 4
		15 122	17 374	17 374	8	2 201		, , ,	-22%	17 374
Road transport Environmental protection		15 122	11 3/4	11 3/4	1 168	3 381	4 343	(962)	-2270	11 314
•		142 246	110 560	110 560	3 467	23 885	27 640	(3 755)	-14%	110 560
Trading services		70 153	71 137	71 137	1 162	23 863 17 541	27 <b>640</b> 17 784	(3 755)	-14% -1%	71 13
Energy sources		38 087	16 925	16 925	984	2 863	4 231	, , ,	-1% -32%	16 925
Water management								(1 368)	8	
Waste water management		17 002	12 079	12 079	677	1 626	3 020	(1 394)	-46%	12 07
Waste management		17 004	10 419	10 419	644	1 855	2 605	(749)	-29%	10 41
Other		- 202 240	- 250 570	- 050 570	40 407	- -		(0.746)	400/	250 53
Total Expenditure - Functional Surplus/ (Deficit) for the year	3	293 240 (26 699)	250 576 23 479	250 576 23 479	12 127 8 283	52 897 14 490	62 643 5 870	(9 746) 8 620	-16% 147%	250 57 23 47

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

Vote Description		2023/24				Budget Year 2	024/25			
·		Audited	Original	Adjusted	Monthly	YearTD	YearTD	YTD	YTD	Full Year
	Ref	Outcome	Budget	Budget	Actual	Actual	Budget	Variance	Variance	Forecast
R thousands		Outcome	Dauget	Dauget	Aotuu	Autuui	Dauget	Variance	%	1 Orcoust
Revenue by Vote	1				-				,,,	
Vote 1 - MUNICIPAL MANAGER	'	35 452	13 603	13 603	_	15 616	3 401	12 215	359,2%	13 603
Vote 2 - CORPORATE SERVICES		45 258	44 530	44 530	2 121	2 913	11 132	(8 220)		44 530
Vote 3 - FINANCIAL SERVICES		44 987	36 666	36 666	3 750	9 613	9 167	447	4,9%	36 666
Vote 4 - TECHNICAL SERVICES		140 844	179 256	179 256	14 539	39 245	44 814	(5 569)		179 256
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	(0 000)	12,170	-
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	266 540	274 055	274 055	20 410	67 387	68 514	(1 126)	-1,6%	274 055
	**********								,	
Expenditure by Vote	1									
Vote 1 - MUNICIPAL MANAGER		25 078	24 977	24 977	1 494	6 856	6 244	612	9,8%	24 977
Vote 2 - CORPORATE SERVICES		67 531	61 804	61 804	4 289	12 013	15 451	(3 438)	-22,2%	61 804
Vote 3 - FINANCIAL SERVICES		44 257	38 553	38 553	1 805	7 125	9 638	(2 514)	8 .	38 553
Vote 4 - TECHNICAL SERVICES		154 980	123 029	123 029	4 493	26 850	30 757	(3 907)	8	123 029
Vote 5 - CALITZDORP SPA		_	_	_	-	-	_	` - ´		_
Vote 6 - CORPORATE SERVICES (Continued)		1 393	2 214	2 214	47	53	553	(500)	-90,4%	2 214
Vote 7 - [NAME OF VOTE 7]		_	_	_	-	-	_	`-´		_
Vote 8 - [NAME OF VOTE 8]		_	_	_	- 1	-	_	_		_
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]		_	_	_	- 1	-	_	_		_
Vote 15 - [NAME OF VOTE 15]		_	_	_	_ [	_ [	_	_		_
Total Expenditure by Vote	2	293 240	250 576	250 576	12 127	52 897	62 643	(9 746)	-15,6%	250 576
Surplus/ (Deficit) for the year	2	(26 699)	23 479	23 479	8 283	14 490	5 870	8 620	146,8%	23 479

#### 2.4 TABLE C4 - MONTHLY FINANCIAL PERFROMANCE

WC041 Kannaland - Table C4 Monthly Budget S	tate		icial Pertorn	nance (reven	ue and exp			oer		
Description		2023/24		,	,	Budget Year		·	······	
R thousands	Ref	Audited	Original	Adjusted	Monthly	YearTD	YearTD	YTD	YTD	Full Year
R ulousalius		Outcome	Budget	Budget	Actual	Actual	Budget	Variance	Variance	Forecast
Revenue									%	
Exchange Revenue		138 298	147 437	147 437	13 734	38 209	36 859	1 350	4%	147 437
Service charges - Electricity		73 292	89 822	89 822	8 714	24 519	22 456	2 064	9%	89 822
Service charges - Water		33 366	24 044	24 044	2 143	5 352	6 011	(659)	-11%	24 044
Service charges - Waste Water Management		9 196	10 415	10 415	884	2 640	2 604	36	1%	10 415
Service charges - Waste management		9 006	10 078	10 078	852	2 581	2 520	61	2%	10 078
Sale of Goods and Rendering of Services		483	419	419	16	53	105	(51)	-49%	419
Agency services		1 208	1 450	1 450	124	350	362	(12)	-3%	1 450
Interest		-	-	-	_	-	-	-	201	-
Interest earned from Receivables		8 623	7 832	7 832	784	2 107	1 958	149	8%	7 832
Interest earned from Current and Non Current Assets		1 762	1 500	1 500	124	316	375	(59)	-16%	1 500
Dividends		-	-	-	- -	-	-	_		-
Rent on Land		670	1 140	1 140				8	420/	1 140
Rental from Fixed Assets		670 202	1 148 663	1 148 663	53 18	163 50	287 166	(124)	-43% -70%	1 148 663
Licence and permits Operational Revenue		202 487	66	66	23	78	17	(116) 61	-70% 369%	66
Non-Exchange Revenue		111 632	104 336	104 336	4 052	26 554	26 084	470	2%	104 336
Property rates		28 008	28 234	28 234	2 361	7 104	7 058	470	1%	28 234
Surcharges and Taxes		6 032	20 204	20 204	2 301	7 104	7 050	-	170	20 204
Fines, penalties and forfeits		921	2 561	2 561	12	39	640	(601)	-94%	2 561
Licence and permits		0	1 086	1 086	-	_	271	(271)	-100%	1 086
Transfer and subsidies - Operational		72 746	65 516	65 516	1 345	18 425	16 379	2 046	12%	65 516
Interest		3 208	2 939	2 939	276	807	735	72	10%	2 939
Fuel Levy		_	_	-	_	_	_	_		_
Operational Revenue		716	- 1	-	58	179	_	179		_
Gains on disposal of Assets		-	4 000	4 000	-	-	1 000	(1 000)	-100%	4 000
Other Gains		-	-	-	-	-	-	-		-
Discontinued Operations		-	-	-	-	-	-	_		_
Total Revenue (excluding capital transfers and		249 930	251 773	251 773	17 786	64 764	62 943	1 820	3%	251 773
Expenditure By Type		93 649	88 441	87 441	8 683	25 350	21 860	3 490	16%	87 441
Employee related costs		3 956	3 635	3 635	0 003 26	25 350 967	909	5 490 59	6%	3 635
Remuneration of councillors Bulk purchases - electricity		60 101	60 529	60 529	515	15 699	15 132	567	4%	60 529
Inventory consumed		5 318	9 946	9 946	512	664	2 486	(1 823)	-73%	9 946
Debt impairment		29 222	11 933	11 933	-	-	2 983	(2 983)	-100%	11 933
Depreciation and amortisation		17 799	12 314	12 314	1 026	3 079	3 079	(2 300)	0%	12 314
Interest		4 185	1 300	1 300	17	18	325	(307)	-95%	1 300
Contracted services		35 829	35 267	35 267	357	2 960	8 817	(5 857)	-66%	35 267
Transfers and subsidies		396	400	400	-	-	100	(100)	-100%	400
Irrecov erable debts written off		17 622	_	-	227	321	-	321		_
Operational costs		23 403	26 810	27 810	764	3 839	6 952	(3 113)	-45%	27 810
Losses on Disposal of Assets		1 272	-	-	-	-	-			-
Other Losses		486	-	-	-	-	-			_
Total Expenditure		293 240	250 576	250 576	12 127	52 897	62 643	(9 746)	-16%	250 576
Surplus/(Deficit)		(43 310)	1 197	1 197	5 659	11 867	300	11 567	0	1 197
Transfers and subsidies - capital (monetary allocations) Transfers and subsidies - capital (in-kind)		16 611 –	22 282 –	22 282 –	2 624 –	2 624 –	5 571 –	(2 947) –	(0)	22 282
Surplus/(Deficit) after capital transfers & Income Tax		(26 699) -	23 479 -	23 479 -	8 283 -	14 490 -	5 870 -	-		23 479 -
Surplus/(Deficit) after income tax		(26 699)	23 479	23 479	8 283	14 490	5 870			23 479
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-			-
Share of Surplus/Deficit attributable to Minorities		_	-	-	-	-	-			_
Surplus/(Deficit) attributable to municipality Share of Surplus/Deficit attributable to Associate		(26 699) -	23 479 -	23 479 -	8 283 -	14 490 -	5 870 -			23 479 -
Intercompany/Parent subsidiary transactions	ļ	- /2			_		_			
Surplus/ (Deficit) for the year	1	(26 699)	23 479	23 479	8 283	14 490	5 870			23 479

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 Elec amounts to R 8.7 million for September 2024 and R 245million YTD which represents 9% variance to the budget.
- Service Charges Water amounts to R 2.1 million for September 2024 and R 5.3 million YTD which represents a negative 11% variance to the budget.
- Sale of goods and Rendering of Services amounts to R 16 thousand for September 2024 and R 53 thousand YTD which represents negative 49% variance to the budget.
- Interest on outstanding debtors 8% YTD variance from the budget.
- Interest earned from Current and Non-Current Assets: -16% YTD variance from the budget
- Rental from fixed Assets amounted to R 53 thousand and R 163 thousand YTD which
  represents a negative 43% variance to the budget.
- Licence and permits (negative **70%** YTD variance from the budget). Amounted to R 18 thousand for the month of **September 2024**.
- Fines, Penalties & Forfeits Almost no activity, with a negative 94% YTD variance, with no vendor appointed to provide cameras and administrative support on speed fines.
- Other Revenue Deviations Can be explained as incidental and cyclical in nature.

#### 2.6 OPERATING EXPENDITURE BY TYPE

- Employee Related Costs amounted to R 8.6 million for September 2024 and R 25 million YTD, this represents a 16% spending on the budget.
- Remuneration of Councillors amounted to R 26 thousand for September 2024 and R
   967 thousand YTD, this represents a 6% on the budget.
- Inventory Consumed amounted to R 512 thousand for **September 2024** and R 664 thousand YTD, this represents a negative 73% on the budget.
- Contracted Services amounted to R 357 thousand in September 2024 and R 2.9 million YTD.
- Other Expenditure amounted to R 764 thousand in September 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

	J	2023/24				Budget Year 2	2024/25			
Vote Description	Ref	Audited	Original	Adjusted	Monthly	YearTD	YearTD	YTD	YTD	Full Year
		Outcome	Budget	Budget	Actual	Actual	Budget	Variance	Variance	Forecast
R thousands	1								%	
Multi-Year expenditure appropriation	2									
Vote 1 - MUNICIPAL MANAGER Vote 2 - CORPORATE SERVICES		- 193	-	_	_	-	_	_		_
Vote 3 - FINANCIAL SERVICES		193	_	_	_		_	_		_
Vote 4 - TECHNICAL SERVICES		26 554	22 178	22 178	2 077	2 447	5 545	8	-56%	22 17
Vote 5 - CALITZDORP SPA		20 334	22 170	22 170	2011	2 441	5 545 -	(3 097)	-30%	22 17
Vote 6 - CORPORATE SERVICES (Continued)		_					_	_		_
Vote 7 - [NAME OF VOTE 7]		_		_		_	_	_		
Vote 8 - [NAME OF VOTE 8]		_		_		_	_	_		
Vote 9 - [NAME OF VOTE 9]		_	_	_	_	_	_	_		
Vote 10 - [NAME OF VOTE 10]		_	_	_	_	_	_	_		
Vote 11 - [NAME OF VOTE 11]		_	_	_	_	_	_	_		
Vote 12 - [NAME OF VOTE 12]		_	_	_	_	_	_	_		
Vote 13 - [NAME OF VOTE 13]		_	_	_	_	_	_	_		
Vote 14 - [NAME OF VOTE 14]		_	_	_	_	_	_	_		
Vote 15 - [NAME OF VOTE 15]		_	_	_	_	_	_	_		
Total Capital Multi-year expenditure	4,7	26 747	22 178	22 178	2 077	2 447	5 545	(3 097)	-56%	22 17
Single Year expenditure appropriation	2									
Vote 1 - MUNICIPAL MANAGER		-	- [	-	-	-	-	-		-
Vote 2 - CORPORATE SERVICES		-	-	-	- 1	-	-	-		-
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	-		-
Vote 4 - TECHNICAL SERVICES		6 279	10 760	10 760	- 1	-	2 690	(2 690)	-100%	10 76
Vote 5 - CALITZDORP SPA		-	-	-	- 1	-	-	-		-
Vote 6 - CORPORATE SERVICES (Continued)		-	- 1	- 1	- 1	-	-	-		-
Vote 7 - [NAME OF VOTE 7]		-	-	-	- 1	-	-	-		-
Vote 8 - [NAME OF VOTE 8]		-	-	-	- 1	-	-	-		-
Vote 9 - [NAME OF VOTE 9]		-	-	-	- 1	-	-	-		-
Vote 10 - [NAME OF VOTE 10]		-	-	-	- 1	-	-	-		-
Vote 11 - [NAME OF VOTE 11]		-	-	-	- 1	-	-	-		-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-		-
Vote 13 - [NAME OF VOTE 13]		-	-	-	- 1	-	-	-		-
Vote 14 - [NAME OF VOTE 14]		-	-	-	- 1	-	-	-		-
Vote 15 - [NAME OF VOTE 15]		-	- 40.700	- 40.700	-		-	- (0.000)	4000/	40.70
Total Capital single-year expenditure	3	6 279 <b>33 026</b>	10 760 <b>32 938</b>	10 760	- 2 077	2 447	2 690 <b>8 235</b>	(2 690)	-100% -70%	10 76 <b>32 93</b>
Total Capital Expenditure	, J	33 UZO	3Z 930	32 938	2011	2 447	0 233	(5 787)	-10%	32 93
Capital Expenditure - Functional Classification										
Governance and administration		-	- 1	-	_	-	_	-		-
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		_	-	-	- 1	-	-	-		-
Internal audit		-	- 1	-	_	-	-	-		-
Community and public safety		193	- 1	-	-	-	-	-		-
Community and social services		51	-	-	-	-	-	-		-
Sport and recreation		142	-	-	- 1	-	-	-		-
Public safety		-	-	-	- 1	-	-	-		-
Housing		-	-	-	- 1	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		-	- 1	-	-	-	-	-		-
Planning and development		-	-	-	-	-	-	-		-
Road transport		-	- 1	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		32 833	32 938	32 938	2 077	2 447	8 235	(5 787)	-70%	32 93
Energy sources		384	626	626	-	-	156	(156)	-100%	62
Water management		7 093	12 656	12 656	- 1		3 164	(3 164)		12 65
Waste water management		24 225	17 956	17 956	433	803	4 489	(3 686)		17 9
Waste management		1 130	1 700	1 700	1 644	1 644	425	1 219	287%	1 70
Other		- 33 026	- 32 938	- 32 938	2 077	- 2 447	9 225	- (5 787)	-70%	32 93
otal Capital Expenditure - Functional Classification	3	33 UZ6	32 938	32 938	2 077	2 44/	8 235	(5 (8/)	-/0%	32 93
unded by:								8		
National Government		20 662	30 416	30 416	2 077	2 447	7 604	(5 157)	-68%	30 4
Provincial Government		1 085	2 522	2 522	2011	2 447	630	(630)	-100%	2 5
District Municipality		1 000	2 322	2 322	_	_	- 030	(030)	-100/0	25
nanaiaia and advaidias - capital (monetary allocations) (tract i nov paparim		_	-	-	_	_	_	_		
Agencies, Households, Non-profit Institutions, Private Enterprises, Public		_				_				
Corporations, Higher Educ Institutions)		_	-	- 1	-	-	-	-		
Transfers recognised - capital		21 747	32 938	32 938	2 077	2 447	8 235	(5 787)	-70%	32 9
Borrowing	6	21 141	JE 330	JE 330 -	2011	2 441 -	0 233	(3 /6/)	10/0	32 9
	3 0		-	- 1	_			8 -	1	
Internally generated funds		11 279	1	- 1	_ 1	_	_			-

#### **CAPITAL EXPENDITURE**

• The Municipality remains on track with its capital expenditure. It had a **R 2 077 million** expenditure in **September 2024.** 

# 2.8 TABLE C6 – MONTHLY BUDGETED FINANCIAL POSITION

WC041 Kannaland - Table C6 Monthly Budget Statement - Financial Position - M03 September												
Description		2023/24		Budget Ye	ar 2024/25							
P. de I	Ref	Audited	Original	Adjusted	YearTD	Full Year						
R thousands		Outcome	Budget	Budget	Actual	Forecast						
ASSETS	1		<u> </u>	J								
Current assets												
Cash and cash equivalents		9 707	26 093	26 093	17 195	26 09						
Trade and other receivables from exchange transactions		32 456	6 414	6 414	29 605	6 41						
Receivables from non-exchange transactions		2 459	3 322	3 322	5 025	3 32						
Current portion of non-current receiv ables		00	_	_	_	_						
Inventory		1 974	1 981	1 981	1 974	1 98						
VAT		(26 534)	25 953	25 953	(22 634)	25 95						
Other current assets		(1 062)	1 063	1 063	(1 097)	1 06						
Total current assets		19 001	64 826	64 826	30 069	64 82						
Non current assets		19 00 1	04 020	04 020	30 009	04 02						
Investments												
		4.004	4 440	- 4 440	4 004	-						
Investment property		1 064	1 116	1 116	1 064	1 11						
Property , plant and equipment		308 458	319 477	319 477	307 827	319 47						
Biological assets		=	-	-	-	-						
Living and non-living resources		-	-	-	-	-						
Heritage assets		-	-	-	-	-						
Intangible assets		8	9	9	8							
Trade and other receivables from exchange transactions		-	-	-	-	-						
Non-current receivables from non-exchange transactions		_	-	-	-	-						
Other non-current assets		-	-	-	-	_						
Total non current assets	***********	309 530	320 603	320 603	308 899	320 60						
TOTAL ASSETS	**********	328 531	385 429	385 429	338 968	385 42						
<u>LIABILITIES</u>												
Current liabilities												
Bank overdraft		-	-	-	-	-						
Financial liabilities		_	_	-	-	-						
Consumer deposits		1 446	1 364	1 364	1 468	1 36						
Trade and other payables from exchange transactions		89 925	25 374	25 374	82 054	25 37						
Trade and other payables from non-exchange transaction	S	14 991	8 402	8 402	25 718	8 40						
Provision		4 735	7 477	7 477	4 735	7 47						
VAT		(20 267)	22 114	22 114	(16 507)	22 11						
Other current liabilities		` _ ′	_	_	` _ ′	_						
Total current liabilities	**********	90 830	64 732	64 732	97 468	64 73						
Non current liabilities												
Financial liabilities		_	_	_	_	_						
Provision		35 590	20 653	20 653	35 590	20 65						
Long term portion of trade pay ables		_	44 502	44 502	_	44 50						
Other non-current liabilities		11 550	10 817	10 817	11 550	10 81						
Total non current liabilities		47 140	75 972	75 972	47 140	75 97						
TOTAL LIABILITIES	************	137 971	140 704	140 704	144 608	140 70						
NET ASSETS	2	190 560	244 725	244 725	194 360	244 72						
		190 300	244 120	244 120	194 300	244 17						
COMMUNITY WEALTH/EQUITY		100.000	007.000	007 000	105.045	007.07						
Accumulated Surplus/(Deficit)		190 098	237 309	237 309	185 615	237 30						
Reserves and funds		462	7 417	7 417	462	7 4′						
Other	2	- 190 560	- 244 725	- 244 725	- 186 077	244 72						
TOTAL COMMUNITY WEALTH/EQUITY												

# 2.9 TABLE C7 - MONTHLY BUDGETED CASH FLOW

Description		2023/24				Budget Year 2	2024/25			
N. H de	Ref	Audited	Original	Adjusted	Monthly	YearTD	YearTD	YTD	YTD	Full Year
R thousands		Outcome	Budget	Budget	Actual	Actual	Budget	Variance	Variance	Forecast
CASH FLOW FROM OPERATING ACTIVITIES	1		-	-					%	
Receipts										
Property rates		17 177	25 160	25 160	1 671	4 361	6 290	(1 929)	-31%	25 16
Service charges		82 221	123 878	123 878	9 627	25 671	30 969	(5 299)	-17%	123 87
Other revenue		16 053	8 716	8 716	399	1 615	2 179	(564)	-26%	8 71
Transfers and Subsidies - Operational		73 430	62 503	62 503	-	23 679	15 626	8 054	52%	62 50
Transfers and Subsidies - Capital		19 652	19 760	19 760	-	8 105	4 940	3 165	64%	19 76
Interest		3	6 657	6 657	_	_	1 664	(1 664)	-100%	6 65
Div idends		_	-	_	- 1	_	_	` _ ′		-
Payments										
Suppliers and employees		(149 375)	(239 702)	(239 702)	(21 768)	(29 727)	(59 925)	(30 198)	50%	(19 97
Interest		-	_	_	(= 1 1 0 0 7	(	(	-		-
Transfers and Subsidies		_	_	_	_	_	_	_		-
NET CASH FROM/(USED) OPERATING ACTIVITIES	<b></b>	59 159	6 972	6 972	(10 070)	33 704	1 743	(31 961)	-1834%	226 69
CASH FLOWS FROM INVESTING ACTIVITIES Receipts Proceeds on disposal of PPE		_	_	_	_	_		_		_
Decrease (increase) in non-current receivables		_		_	_	_	_	-		_
Decrease (increase) in non-current investments		_	_	_	_	_	_	_		_
Pavments		_	-	-	-	-	-	-		_
Capital assets		(14 217)	(22 282)	(22 282)	_	(484)	5 571	6 055	109%	22 28
NET CASH FROM/(USED) INVESTING ACTIVITIES		(14 217)	(22 282)	(22 282)		(484)	5 571	6 055	109%	22 28
CASH FLOWS FROM FINANCING ACTIVITIES Receipts			Ì	•		(10-1)		0 000	10070	
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		-
Payments										
Repay ment of borrowing	ļ		-	-	-	-				
NET CASH FROM/(USED) FINANCING ACTIVITIES		_	-	-	-	-	_	-		
NET INCREASE/ (DECREASE) IN CASH HELD Cash/cash equivalents at beginning:		<b>44 942</b> 36 645	( <b>15 310</b> ) 90 188	( <b>15 310</b> ) 90 188	(10 070)	<b>33 219</b> 39 840	<b>7 314</b> 90 188			<b>248 98</b> 39 84
Casin casin equit alents at beginning.	1	30 043	JU 100	JU 100		JJ 040	JU 100			288 82

The total bank balance ending of September 2024 were as follow;

- Standard Bank Main Account is R 1.1 million;
- The Traffic Account has R 773 thousand;
- Deposit Account has R 281 thousand;
- Call Account has R 15 984 million; and
- Eskom Bulk Account has R 501 thousand

#### **SECTION 3 SUPPORTING DOCUMENTATION**

#### 3.1 TABLE SC3 - DEBTORS AGE ANALYSIS

WC041 Kannaland - Supporting Table SC3 Monthly Budget S	tatement	<ul> <li>aged debto</li> </ul>	ors - M03 Se	ptember									
Description							Budget	Year 2024/25					
R thousands	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
	_											Deplors	
Debtors Age Analysis By Income Source Trade and Other Receivables from Exchange Transactions - Water	1200	2 474	810	1 348	780	1 030	747	4 997	20 907	33 091	28 460	_	
Trade and Other Receivables from Exchange Transactions - Water  Trade and Other Receivables from Exchange Transactions - Electricity	1300	2 563	889	520	1 075	341	747	4 997 512	20 907 977	6 954	2 982		_
	1400		998	866		693	636	8 - 8		1			_
Receivables from Non-ex change Transactions - Property Rates		3 187			780			3 167	23 509	33 837	28 786		_
Receivables from Ex change Transactions - Waste Water Management	1500	880	426	345	340	338	338	1 993	13 108	17 767	16 116		_
Receivables from Exchange Transactions - Waste Management	1600	1 691	716	555	537	530	521	3 038	18 978	26 567	23 604	-	_
Receivables from Exchange Transactions - Property Rental Debtors	1700		-	-					0	0	0	-	_
Interest on Arrear Debtor Accounts	1810	40	72	71	96	144	142	1 228	29 073	30 865	30 683	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	(1 706)	308	219	205	199	177	930	3 936	4 267	5 446	-	_
Total By Income Source	2000	9 128	4 219	3 923	3 813	3 273	2 637	15 866	110 488	153 348	136 078	-	_
2023/24 - totals only										_	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	1 556	614	456	335	199	83	153	196	3 591	966	-	-
Commercial	2300	865	214	178	165	157	137	857	4 155	6 727	5 470	-	_
Households	2400	6 847	3 229	3 142	3 172	2 775	2 270	14 072	94 917	130 424	117 206	-	_
Other	2500	(140)	163	147	141	143	148	784	11 220	12 606	12 436	-	_
Total By Customer Group	2600	9 128	4 219	3 923	3 813	3 273	2 637	15 866	110 488	153 348	136 078	-	-

The total amount owed to Kannaland Municipality amounted to R 153 million at the end of September 2024.

- R110 million or 72% of the total outstanding debtors are older than one year.
- R136 million or 89% 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 - M03 September												
Description	NT				Bud	dget Year 2024	1/25				Prior y ear	
Description	Code	0 -	31 -	61 -	91 -	121 -	151 -	181 Days -	Over 1	Total	totals for chart	
R thousands	Code	30 Days	60 Days	90 Days	120 Days	150 Days	180 Days	1 Year	Year		(same period)	
Creditors Age Analysis By Customer	Туре											
Bulk Electricity	0100	9 397	-	-	-	-	-	-	39 808	49 205	-	
Bulk Water	0200	62	-	-	-	-	-	-	-	62	-	
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	
Pensions / Retirement deductions	0500	- 1	-	-	_	-	-	-	-	_	_	
Loan repay ments	0600	-	_	_	_	-	-	-	-	_	_	
Trade Creditors	0700	414	61	60	_	-	-	-	996	1 531	_	
Auditor General	0800	4 172	3 532	2 833	_	-	-	-	5 319	15 856	_	
Other	0900	579	112	212	-	-	-	-	15 185	16 088	_	
Total By Customer Type	1000	14 625	3 706	3 105	-	-	-	-	61 307	82 743	_	

• The total outstanding creditors as at the end of **September** 2024 amounts to **R 82.743 million**.

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

- ESKOM = R49 million, of which the entire amount is conditionally written off. The other R33 million is mainly made up of Creditors with payment arrangements, being AG, SALGA, SAMRAS, Collaborator consist of R22 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 and paid on a month-to-month payment plan, for finalisation in the 2024-2025 FY.

#### 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

2024/09/30	)							
	0	riginal Budget	Т	otal Received		Total Spent		Unspent
Grant Name	A	mount						•
Provincial Government	R	26 064 000,00	R	9 210 250,00	R	1 278 743,44	R	9 004 815,25
Housing	R	4 800 000,00	R	4 800 000,00			R	4 800 000,00
Human Settlement Grant	R	14 167 000,00	R	3 110 250,00			R	3 110 250,00
Financial Assistance to Municipalities for Maintenance								
and Construction of Transport Infrastructure	R	-					R	-
Title Deeds Restoration Grant	R	403 000,00					R	-
Informal Settlm Upgrading Partnership Grant	R	500 000,00					R	-
Lib Replacement: Vulnerable Mun	R	3 559 000,00	R	1 187 000,00	R	639 371,72	R	547 628,28
Salaries					R	205 434,75		
Salaries					R	196 642,53	R	196 642,53
Salaries					R	237 294,44	R	237 294,44
Municipal Water Resilience Grant	R	2 000 000,00				·	R	_
Municipal Energy Resilience Grant	R	522 000,00					R	-
Comm Dev Workers	R	113 000,00	R	113 000,00			R	113 000,00
National Government Grants	R	61 955 000,00	R	27 496 000,00	R	21 953 136,97	R	5 542 863,03
Equitable Share	R	37 479 000,00	R	15 616 000,00	R	15 616 000,00	R	-
FMG (Audit)	R	2 900 000,00	R	2 900 000,00	R	1 294 650,80	R	1 605 349,20
FMG (Intern Salaries)		,		·	R	32 000,00		·
FMG (Intern Salaries)	R	-			R	32 000,00		
FMG (Intern Salaries)					R	32 000,00		
AFS					R	1 198 650,80		
Mun Infrastructure Grant	R	560 850,00	R	560 850,00	R	104 032,13	R	456 817,87
	† · ·				R	33 184,00		
					R	33 184,00		
					R	37 664,13		
Mun Infrastructure Grant	R	10 656 150,00	R	3 305 150,00	R	1 700 000,00	R	1 605 150,00
EPWP	R	1 255 000,00	R	314 000,00	R	458 033,40	-R	144 033,40
	+'\	1 233 000,00	l.,	314 000,00	R	138 489,90	· · ·	177 033,70
	+				R	164 957,00	$\vdash$	
	+				R	154 586,50		
INEP	R					134 300,30	R	
INEP (Eskom)	R	104 000,00	$\vdash$		$\vdash$		R	
WSIG	R	9 000 000,00	R	4 800 000,00	R	923 704,31		3 876 295,69
VVOIG	ĸ	5 000 000,00	K	4 600 000,00	Γ.	923 /04,31	Г	3 0/0 293,09

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

#### **Expenditure:**

- Financial Management Grant amounts to R 916 thousand.
- Municipal Infrastructure Grant PMU amounts to R38 thousand and Municipal Infrastructure Grant capital expenditure amounts to R1,7 million.
- Expanded Public Works Programme amounts to **R 155 thousand**.
- Water Service Infrastructure Grant amounts to R 924 thousand.

Provin	cial Treasury	,				
Expen	diture:					
•	Libraries Gra	nt amounts to	o <b>R237 tho</b> u	usand.		

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

WC041 Kannaland - Supporting Table SC8 Monthly		2023/24		wa otali		Budget Year 2				
Summary of Employee and Councillor remuneration	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands	1	A	В	С					%	D
Councillors (Political Office Bearers plus Other)	<u> </u>	Α	ь	C						D
Basic Salaries and Wages		3 354	3 306	3 306	38	820	826	(7)	-1%	3 306
Pension and UIF Contributions		152	-	-	(12)	35	-	35		-
Medical Aid Contributions Motor Vehicle Allowance		114 36	-	-	- -	29 9	-	29 9		_
Cellphone Allowance		300	329	329	_	75	- 82	(7)	-9%	329
Housing Allowances		_	-	-	-	-	-	- '	1	-
Other benefits and allowances		_	-	-	-	-	-	_		-
Sub Total - Councillors		3 956	3 635	3 635	26	967	909	59	6%	3 635
% increase	4		-8,1%	-8,1%						-8,1%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		3 377	4 628	4 628	342	1 007	1 157	(150)	-13%	4 628
Pension and UIF Contributions		7	9	9	1	2	2	(1)	-25%	9
Medical Aid Contributions		-	-	-	-	-	-	-		-
Overtime Performance Bonus		_	_	-	-	- -	_	_		-
Motor Vehicle Allowance		303	676	- 676	23	- 69	169	(100)	-59%	676
Cellphone Allowance		86	178	178	6	17	45	(28)	-62%	178
Housing Allow ances	1	-	-	-	-	-	-	-		-
Other benefits and allowances		22	136	136	4	13	34	(21)	-61%	136
Payments in lieu of leav e Long service awards	1	-	-	-	-	-	-	_		_
Post-retirement benefit obligations	2	_	_	_	_	_	_	_		_
Entertainment	_	_	_	-	-	_	_	_		_
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		-	-	-	-	-	-	-		-
In kind benefits		-	-	-	-	-	-	-		-
Sub Total - Senior Managers of Municipality % increase	4	3 794	5 627	5 627	376	1 109	1 407	(298)	-21%	5 627
// IIICICasc	7		48,3%	48,3%						48,3%
Other Municipal Staff										
Basic Salaries and Wages		61 213	55 034	54 034	6 549	17 304	13 508	3 796	28%	54 034
Pension and UIF Contributions		7 583	10 497	10 497	618	1 825	2 624	(800)		10 497
Medical Aid Contributions Overtime		2 395 8 603	3 493 4 122	3 493 4 122	182 736	568 2 629	873 1 031	(305) 1 598	-35% 155%	3 493 4 122
Performance Bonus		789	725	725	730	2 023	181	(160)		725
Motor Vehicle Allowance		3 614	3 089	3 089	306	1 008	772	236	31%	3 089
Cellphone Allowance		107	157	157	16	31	39	(8)	-20%	157
Housing Allow ances		339	1 200	1 200	22	78	300	(222)		1 200
Other benefits and allowances		6 425	3 785	3 785	(138)		946	(225)	-24%	3 785
Payments in lieu of leave Long service awards		1 771 (2 985)	100	100	15	56 _	25 _	31	125%	100
Post-retirement benefit obligations	2	(2 300)		_	_	_	_	_		_
Entertainment				-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		-	-	-	-	-	-	-		-
In kind benefits Sub Total - Other Municipal Staff		89 854	82 200	81 200	8 308	24 241	20 300	3 942	19%	81 200
% increase	4	03 004	-8,5%	-9,6%	0 000	27271	20 000	0 0 42	1370	-9,6%
Total Parent Municipality		97 604	91 462	90 462	8 709	26 318	22 615	3 702	16%	90 462
Unpaid salary, allowances & benefits in arrears:								-	-	
Board Members of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-		-
Pension and UIF Contributions		-		-	-	-		_		
Medical Aid Contributions		-	614	614	-	-	153	(153)	-100%	614
Overtime Performance Bonus			-	-	_	-	_	_		-
Motor Vehicle Allowance				_	_	_	_	_		_
Cellphone Allowance			_	-	-	-	-	_		-
Housing Allow ances		-	-	-	-	-	-	-		-
Other benefits and allowances	l _	1	-	-	0	0	-	0		-
Board Fees	5	-	-	-	-	-	-	_		-
Payments in lieu of leav e Long service awards							-	_		-
Post-retirement benefit obligations		-	_	_	_	_		_		_
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance	1	-	-	-	-	-	-	-		-
In kind benefits Sub Total - Executive members Board	2		- 614	- 614	_ 0	- 0	- 153	(153)	-100%	- 614
		l ''			U	U	133	(103)	-100%	74797,2%
	4									
% increase	4		74797,2%	74797,2%						14151,270
% increase Total Municipal Entities	4	1	614	614	0	0	153	(153)		614
% increase	4	1 97 605			0 8 709	0 26 318	153 22 769			614 91 076 -6,7%

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data strings will be	currently busy assessed and a bu	dget funding plan	will be drafted a	aligned the budg and adopted by (	get assumption of Council.	i the financial sys	tem. The update

# 12.1 Financial Performance 2024/25

# **SECTION 5 – SCM DEVIATIONS**

			SEPT	<b>DEVIATIONS 2024/2025</b>			
NO	DATE	<b>DEPARTMENT</b>	ORDER	<u>SUPPLIER</u>		<u>AMOUNT</u>	REASON
1	10/09/2024	Administration	21323	Protea Hotel North Wharf	R	8 680,20	
2	10/09/2024	Technical Department	21327	Coastel Armature Winders & Supplies	R	175 915,50	
3	04/09/2024	Administration	21305	ICT Wize Group Pty Ltd	R	9 600,00	
				CMN Chartered Accountants &			
4	05/09/2024	Finance	21310	Business advisors	R	499 060,28	
5	05/09/2024	Finance	21309	Caseware/Adapt IT	R	20 766,47	
6					R	714 022,45	

#### **SECTION 6 – 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.

#### MFMA Circular 124 – Municipality Compliance Self-Assessment



	Province	
	wc	
Code	District	Code Description
WC041	Garden Route	Kannaland

																I	Mor	nthly	/Pe	rfo	rma	ınc	e R	ер	ort																			
					Pa	rt A					Part	В			Part	С		Par	t D				Р	art C	;											Part I	E						Part F	
Mur	nicipal Det	ails	Esko	om A	nd Bu acc	lk wat	ter cu	rrent	Com	nplian	ce wi		unded		RP/BF Tari ssessr	f		ctricity a				arterly ates a				oroper arges			imizat enue	ion of Base					o	versig	jht					Comp	liance S	Status
Month	Code Descr	Code	C1	C2	СЗ	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	:17 C	:18	C19	C20	C21	C22	C23	C24	C25	C26	C27	C28	C29	C30 C	:31 C	32 C33	C34	C3	5 C36	6 C37 C	C38 C3	39 C4	0 C41	Score		
1.July	Kannaland	WC041	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes N	VA۱	I/A Yes	Ye:	s Ye	es Yes	Yes	No Ye	es Ye	s Yes	95%	Non Con	mpliance
2.August	Kannaland	WC041	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes N	VA	I/A Yes	Ye:	s Ye	es Yes	Yes	No Ye	es Ye	s Yes	95%	Non Con	mpliance
3.September	Kannaland	WC041	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes N	VA	I/A Yes	Ye:	s Ye	es Yes	s Yes I	No Ye	es Ye	s Yes	85%	Non Con	mpliance
4.October	Kannaland	WC041																																								0%	Non Con	mpliance
5.November	Kannaland	WC041																																								0%	Non Con	mpliance
6.December	Kannaland	WC041																																								0%	Non Con	mpliance
7.January	Kannaland	WC041																																								0%	Non Con	mpliance
8.February	Kannaland	WC041																																								0%	Non Con	mpliance
9.March	Kannaland	WC041																																								0%	Non Con	mpliance
10.April	Kannaland	WC041																																								0%	Non Con	mpliance
11.May	Kannaland	WC041																																								0%	Non Con	mpliance
12.June	Kannaland	WC041																																								0%	Non Con	mpliance

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# MFMA Circular 124 - Municipal Indigent Household Information



Municipal Debt Relief - Monthly Reporting - Indigent Households Information (MFMA Circular 124 (Condition 6.6))

Instruction - complete only with information of the current households registered as indigent with the municipality ( Do NOT include the information of all households unless explicitly stated otherwise)

		As Per Debt Relief	Curren	t Year - 202/202	4 📮	2023/2	024 - Mon	nthly Moni	toring								Ţ
		Application															
Description	Ref		T	T	Г	I						·					
		Baseline	Adopted Budget	Adjusted Budget	Full Year Forecast	M01	M02	M03	M04	M05	M06	M07	M08	M09	M10	M11	M12
Indigent Household service targets	1																
<u>Water</u> : (Include All Indigent households also in Eskom supplied areas)										,			,		,		,
Indigent HH's with piped water inside dwelling						1 995	2 029	2 063									
Indigent HH's with piped water inside yard (but not in dwelling)																	
Indigent HH's using public tap (at least min.service level) Indigent HH's with other water supply (at least min.service level)	2																
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total	1 4	-	-	_	_	1 995	2 029	2 063	-	-	-	_	-	_	-	-	-
Indigent HH's using public tap (< min.service level)	3					1 000	1010	2 000									
Indigent HH's with other water supply (< min.service level)	4																
Indigent HH's with No water supply																	
Total no. of Indigent HH's receiving - Below Minimum Service Level sub-total	5	-	-	-	-	4.005		2 063	-	-	-	-	-	-	-	-	-
Total number of registered indigent households Status of Water meters :	1 3	_	_	_	_	1 995	2 029	2 063	-	-	-	-	-	-	-	-	-
Number of Indigent HH's with prepaid Water						1 995	2 029	2 063									
Number of Indigent HH's with conventional metered Water						1333	2 023	2 003									
Number of Indigent HH's NOT metered currently - Water																	
Number of Indigent HH's with NO Water supply - No metering		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total number of registered indigent households	10	-	-	-	-	1 995	2 029	2 063	-	-	-	-	-	-	-	-	-
Status of unlimited supply of Water :																	
Number of Indigent HH's with conventional metered Water - where the municipality is NOT physically restricting Water to the national free basic limit of 6 kilottres per 'household per month'																	
Number of Indigent HH's NOT metered currently receiving unlimited supply - Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total number of registered indigent households receiving unlimited supply - Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of the Total Number of registered indigent households receiving unlimited supply - State the Number of HH's																	
billed for consumption above the 6 kilolitres	11																
Energy: (Include All Indigent households also in Eskom supplied areas) Indigent HH's with Electricity (at least min.service level)																	
Indigent HH's with Electricity - prepaid (min.service level)						1 995	2 029	2 063	_	_	-	_	_	_	_	_	_
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total		-	-	-	-	1 995	2 029	2 063	-	-	-	-	-	-	-	-	-
Indigent HH's with Electricity (< min.service level)																	
Indigent HH's with Electricity - prepaid (< min. service level)																	
Indigent HH's with other energy sources  Total no. of Indigent HH's receiving - Below Minimum Service Level sub-total		-	_	_	_			-	-	-	-	_	-	_	-	-	
Total number of registered indigent households	5	_	-	_	_	1 995	2 029	2 063	_	_	_	_	_	1 -	_	_	1 -
Status of Electricity meters :																	
Number of Indigent HH's with prepaid Electricity						1 995	2 029	2 063	-	-	-	-	-	-	-	-	-
Number of Indigent HH's with conventional metered Electricity																	
Number of Indigent HH's NOT metered currently - Electricity  Number of indigent HH's with other energy sources - No metering		-	_	_	_	_	_	_	-	_	-	_	-	_	_	-	_
Total number of registered indigent households	12	]	]	1 -	-	1 995	2 029	2 063	_	1 -	_	. I	_	1 -	1 -	_	1 -
Status of unlimited supply of Electricity :	1											İ					
Number of Indigent HH's with conventional metered Electricity - where the municipality is NOT physically																	
restricting Electricity to the national free basic limit of 50kwh per \household per month																	
Number of Indigent HH's NOT metered currently receiving unlimited supply - Electricity		-	_	_		_	_	_	_	_	_		_	_	_		
Total number of registered indigent households receiving unlimited supply - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of the Total Number of registered indigent households receiving unlimited supply of Electricity - State the Number of HH's billed for consumption above the 50 kwh																	
STATE STATE OF STATE OF BUTTER OF KIND	13																
								1									
	1	J	1	1		Į.		l .		1		i	l .	1	Į.		1

Number of ALL Households receiving Free Basic Service (including registered Indigent Households)         7           Water (6 kilolities per household per month)         1 995 2 029 2 063	
Cost of Free Basic Services provided to ALLHousehols in - Formal Settlements (R'000).  Water (6 kilolitres per household per month)  Electricity/other energy (50kwh per household per month)	-
Cost of Free Basic Services provided to ALL Households in - Informal Formal Settlements (R'000) Water (6 kilolifers per household per month) Electricity/other energy (50kwh per household per month)	
Total cost of FBS Water and Electricity provided to ALL Households 8 368 407 374 685 380 964	
Highest level of free service provided per household (ALL Households)	
Property rates (R value threshold) Water (kilolifies per household per month) Sanitation (kilolifies per household per month) Sanitation (Rand per household per month) Electricity (kilolifies per household per month) Retuse (average liftes per week)	
Revenue cost of subsidised services provided for ALL Households (R'000) 9	
Residential Category: Properly rales (tariff adjustment) ( impermissable values per section 17 of MPRA)  14(a)	
PSI Category: Property rates (tariff adjustment) ( impermissable values per section 17 of MPRA) 14(b)	
Additional Subsidies: Property rates exemptions, reductions and rebates in excess of section 17 of MPRA)	
Weter (in excess of 6 kilolitres per indigent household per month) 15	
Sanilation (in excess of free sanitation service to indigent households) 16	
Electricity/other energy (in excess of 50 kwh per indigent household per month)	
Refuse (in excess of one removal a week for indigent households)	
Municipal Housing - rental rebates Housing - top structure subsidies  6 Other	
Total revenue cost of subsidised services provided	

# MFMA Circular 124 – Municipal Collection Rate Assessment



		Municipal Deta	ails		
	Western Cape				
Code	District	Municipality		Period Monitored	No.Of Wards
WC041		Kannaland		September	8

Collection Rate Assessment																				
		Summary	- Quarter 1	,			Summa	ry - Quarter 2				Summa	y - Quarter 3				Summary	- Quarter 4		
Aggregate Collection	Billing	Collection	R - Billing not collected	% Collection	Q1	Billing	Collection	R - Billing not collected	% Collection	Q2	Billing	Collection	R - Billing not collected	% Collection	Q1	Billing	Collection	R - Billing not collected	% Collection	Q1
1.Collection for whole demarcation	45 567 550	39 241 137	6 326 413	86%		-	-		#DIV/0!		-	-	9	#DIV/0!		-	-	-	#DIV/0!	
2.Collection excl Eskom supplied areas	32 888 639	29 478 517	3 410 122	90%		-	-	-	#DIV/0!		-	-	•	#DIV/0!		-	-	-	#DIV/0!	
3.Collection: Property Rates	9 233 585	1 719 809	7 513 776	19%	19%	-	-	-	#DIV/0!		-	-	•	#DIV/0!		-	-	-	#DIV/0!	
4.T otal average collection: Electricity (Municipal supplied areas)	18 037 976	17 680 319	357 657	98%	98%	-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!	
5.Total average collection: Water	12 342 706	16 943 045	(4 600 338)	137%		-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!	
6.Total average collection: Wastewater	2 895 648	1 346 158	1 549 490	46%	46%	-	-	-	#DIV/0!		-	-	•	#DIV/0!		-	-	-	#DIV/0!	
7.Total average collection: Refuse	2 828 957	1 181 044	1 647 913	42%		-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!	
8.Total average collection: Interest	228 677	370 762	(142 085)	162%		-		-	#DIV/0!				-	#DIV/0!					#DIV/0!	1

# MFMA Circular 124 - Monthly Revenue Collection Reporting

Municipal Debt Relief - Monthly Revenue Collection Reporting (condition 6.7)

Province

Demarcation Code

Municipality

Kannaland

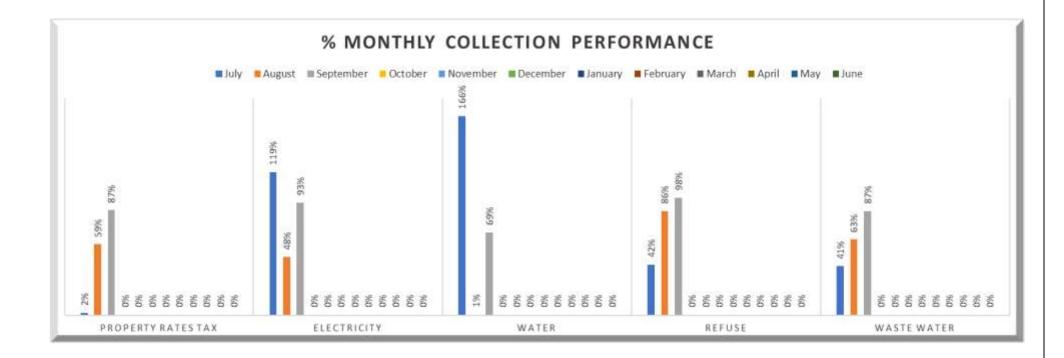
Average collection rate (MFMA Circular 124 condition 6.7)

NB - Collection rate principle applied ( Cash collection of previous month billing)

Collection Rate Assessment																
								2.August - Reporti	ng for July in August			3. September - Reporting for August in September				
Total Aggr	Billing For June	Collection in July	R - Billing not collected	% Collection	Billing For July	Collection in August	R - Billing not collected	% Collection	Billing For August	Collection for in September	R - Billing not collected	% Collection				
1.Collection for whole demarcation			18 591 064	19 412 967	5 460 168	104%	13 051 323	7 690 136	5 361 187	59%	13 925 163	12 138 033	2 039 454	87%		
2.Collection excl Eskom supplied areas			16 704 841	18 057 675	5 611 800	108%	8 211 467	3 967 108	4 300 914	48%	7 972 331	7 453 733	1 311 129	93%		
3.Collection: Property Rates				77 668	4 397 083	2%	2 385 893	12 411	2 373 483	1%	2 372 941	1 629 731	743 210	69%		
4.Total average collection: Electricity (Municipal supplied areas)				4 581 720	0	119%	6 723 495	5 810 578	912 916	86%	7 457 860	7 288 020	169 840	98%		
5.Total average collection: Water			8 477 661	14 034 634	0	166%	1 850 348	1 164 446	685 902	63%	2 014 697	1743 964	270 733	87%		
6.Total average collection: Wastewater			866 982	364 507	502 474	42%	1 016 798	346 315	670 482	34%	1 011 869	635 335	376 534	63%		
7.Total average collection: Refuse			839 093	341 691	497 402	41%	997 506	326 133	671 373	33%	992 357	513 220	479 138	52%		
8. 7.Total average collection: Interest			75 956	12 747	63 209	17%	77 283	30 253	47 031	39%	75 438	327 763	0	434%		

Complete This Section	Quarter 1 Performance Per Ward														
complete this section	- Conplete Time Occident							2.A	ugust		3. September				
Services	Electricity Supplier	Ward Name & Number	Billing For June	Collection for June in July	Rand Value of Billing not collected	% Collection	Billing For July	Collection for July in August	Rand Value of Billing not collected	% Collection	Billing For August	Collection for August in September	Rand Value of Billing not collected	% Collection	
Property Rates Tax			-	-	-	#DIV/0!	-	100	0	#DIV/0!	154 687	80 189	74 498	52%	
Electricity	2	T Pu	111 048	50 275	60 774	45%	120 173	175 897	0	146%	152 037	110 753	41 285	73%	
Water	giddh		326 429	94 749	231 680	29%	162 477	81 196	81 281	50%	206 677	90 700	115 977	44%	
Refuse	S S	alle Second	126 619	36 221	90 397	29%	177 429	62 608	114 821	35%	177 097	75 509	101 589	43%	
Waste Water	2	8	167 206	52 086	115 121	31%	216 389	84 923	131 465	39%	216 545	233 515	0	108%	
Interest			1 141	-	1 141	0%	1 141	1 140	1	100%	1 211	69 130	0	5708%	
Property Rates Tax			-	716	0	#DIV/0!	-	269	0	#DIV/0!	71 963	50 964	20 999	71%	
Electricity	2	g g	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	
Water	ddn	S S	455 860	19 658	436 201	4%	307 435	18 967	288 468	6%	375 319	100 018	275 301	27%	
Refuse	E g	is	306 569	25 904	280 665	8%	343 258	20 135	323 123	6%	341 932	51 185	290 747	15%	
Waste Water	iii	N	286 966	22 463	264 503	8%	332 458	18 083	314 376	5%	331 182	58 635	272 547	18%	
Interest			4 338	4 338	0	100%	4 338	4 338	0	100%	4 338	143 515	0	3308%	
Property Rates Tax		E E	-	4 057	0	#DIV/0!	-	1	0	#DIV/0!	180 068	64 391	115 677	36%	
Electricity	3		114	-	114	0%	33	-	33	0%	-	-	-	#DIV/0!	
Water	ddns	Ě	6 997	410	6 587	6%	6 009	2 302	3 707	38%	36 844	7 864	28 980	21%	
Refuse	E G	g	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	
Waste Water	20	72	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	
Interest		8	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!	
Property Rates Tax		Pag	-	-	-	#DIV/0!	-	-	-	#DIV/0!	22 220	12 767	9 453	57%	
Electricity	2		11 669	4 621	7 048	40%	12 228	10 438	1 790	85%	13 585	21 021	0	155%	
Water	007	3 8	311 915	6 306 273	0	2022%	212 631	45 252	167 378	21%	220 180	82 268	137 912	37%	
Refuse	Ş	<b>ii</b>	86 523	18 741	67 782	22%	126 573	28 559	98 014	23%	126 573	33 635	92 938	27%	
Waste Water	~	<u> </u>	79 317	11 795	67 522	15%	112 833	21 945	90 888	19%	111 783	26 032	85 751	23%	
Interest		8	483		483	0%	483	81	402	17%	1 545	61 365	0	3973%	
Property Rates Tax		E Pie	-	(72)	72	#DIV/0!	-	731	0	#DIV/0!	451 926	301 034	150 892	67%	
Electricity	3		623 825	536 690	87 135	86%	548 522	385 933	162 588	70%	646 980	884 463	0	137%	
Water	80	i w	6 176 444	5 884 826	291 618	95%	166 210	118 699	47 511	71%	203 933	417 738	0	205%	
Refuse	g.	8	86 697	75 550	11 147	87%	96 571	64 003	32 568	66%	96 239	112 412	0	117%	
Waste Water	•	Digital Control of the Control of th	19 697	16 723	2 974	85%	21 682	14 063	7 619	65%	22 002	24 103	0	110%	
Interest		0	6 426	1 757	4 669	27%	6 496	3 746	2 750	58%	6 546	31 335	0 422 400	479%	
Property Rates Tax  Electricity		P P	4 474 751 2 883 558	3 677 600	4 474 751 0	0% 128%	2 385 893 2 834 717	2 081 655	2 385 893 753 062	0% 73%	948 996 3 181 354	826 497 2 848 781	122 499 332 572	87% 90%	
Water	2	2	2 883 558 685 246	861 479	0	126%	2 834 717 460 343	430 449	753 062 29 894	94%	470 151	2 848 781 594 735	332 572	126%	
water Refuse	dns	John John John John John John John John	184 276		44.445	94%	460 343 192 701		29 894 57 387	70%	189 874	211 327	0	111%	
Retuse Waste Water	Mun	£	184 276	173 131	11 145 34 364	94% 88%	192 /01 296 088	135 314 199 428	57387 96 660	70% 67%	189 874 293 329	211 327 282 005		111% 96%	
waste water Interest		sp pa	282 943 58 630	248 579 6 651	34 364 51 979	11%	296 U88 59 887	20 947	38 940	35%	293 329 56 859	282 005	11 323 34 440	39%	
Property Rates Tax		4	58 630	24 504	0 51 9/9	#DIV/0!	59 887	11 310	38 940	#DIV/0!	488 564	254 421	234 144	52%	
Electricity	_	p.e.	226 407	312 534	0	138%	3 207 822	3 156 655	51 167	98%	3 463 904	3 423 003	40 901	99%	
Water	blec	ş. p	461 443	801 517	0	174%	3 207 822 470 856	458 846	12 010	98%	3 463 904 449 081	3 423 003 434 864	40 901 14 217	99%	
water Refuse	ans a	Fa	461 443 16 352	7 164	9 188	44%	20 507	458 846 11 597	8 911	97% 57%	20 176	434 864 19 046	14 217	94%	
Waste Water	og S	e E	11 306	12 272	0 3 100	109%	11 815	7 757	4 059	66%	11 815	10 843	972	92%	
waste water Interest		R	4 875		4 875	0%	4 875	/ /5/	4 059	0%	4 875	10 843	4 875	92%	
Property Rates Tax		4	4 8 / 3	48 462	0	#DIV/0!	4 0/3	-	4 0/3	#DIV/0!	54 517	39 469	15 048	72%	
Electricity	-	pred		46 462		#DIV/0!		-	_	#DIV/0!	34 317	39 409	15 046	#DIV/0!	
Water	eg.	*	53 328	65 722	0	123%	64 387	8 735	55 652	14%	52 511	15 776	36 735	30%	
Refuse	âns u	- P	32 057	4 980	27 077	16%	40 466	3 917	36 549	10%	40 466	10 106	30 360	25%	
Waste Water	9	W.	19 546	590	18 957	3%	25 533	117	25 416	0%	25 214	202	25 012	1%	
Interest		Ę.	19 546		10 957	0%	25 555	11/	25 416	0%	63	202	63	0%	

# MFMA Circular 124 - Electricity and Water as Collection Tools



#### Provincial Treasury Debt Relief Compliance Assessment - July 2024



Provincial Treasury

Julinda Gantana

Head of Department

julinda.gantana@westerncape.gov.za | Tel: 021 483 3749/6204/6267

Reference No.: PTR 16/1/3 Enquiries: Steven Kenyon

Private Bag X9165 CAPE TOWN 8000

Ms O Gaarekwe
Acting Deputy Director-General
Intergovernmental Relations
National Treasury
40 Church Square
PRETORIA
0001

AND

Mr D Sereo Municipal Manager Kannaland Municipality P O Box 32 Ladismith 6655

Per email:

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Dear Ms Gaarekwe and Mr D Sereo

# MFMA CIRCULAR NO. 124 - MUNICIPAL DEBT RELIEF PROVINCIAL TREASURY CERTIFICATION OF MUNICIPAL COMPLIANCE OF WC041 KANNALAND MUNICIPALITY DURING JULY 2024

The National Treasury approved the debt relief application of Kannaland Municipality with effect 1 August 2023. July 2024 constitutes the 12th month of the Municipality's first 12-month debt relief compliance cycle. The Western Cape Provincial Treasury monitored and assessed the Municipality's compliance with all the debt relief conditions during August 2024. This letter provides an overview of the Provincial Treasury's assessment of the Municipality's compliance with the programme's conditions.

#### Condition 6.1 - Municipality non-compliance

In terms of the National Treasury (NT) approval, the municipality must comply with conditions 6.1 – 6.14 of MFMA Circular 124 read together with the additional conditions specific to the municipality set-out in its National Treasury debt relief approval letter. From the Provincial Treasury's assessment, the municipality's average compliance with the MFMA Circular 124 conditions during July 2024 increased to 71 per cent, which was an improvement from the 68 per cent achieved in June 2024, but still much lower than the 85 per cent achieved previously – refer the performance sheet in the table below that shows the municipality's overall.

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relief compliance performance across the months of its debt relief cycle. We observe that Kannaland Municipality has consistently paid its Eskom accounts. However, despite an improvement in the collection rate, the figures used to calculate collection rates are questionable due to data credibility issues. Therefore, it is not clear whether Kannaland Municipality meets sufficient conditions necessary to quality for the one third (1/3) debt write-off at the end of its first debt relief compliance cycle on 31 July 2024.

WC041 Kannaland Municipality overall performance from 5 September 2023 up to and including July 2024:

														No	nthi	yΡ	Ho	mu	nce	Rep	101															
			1982	P	nt.	-	a	75	Tai	G:	8	13	aric	1	Fa		I	935		Part C		F	T	ř	190		911	98	- 2	WIE	96	6	5.11		Part F	535
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B.tpC	Kneedest	NOTE:	120	16	ta		8	Ŀ	in M	100	34	03	(a) Ye	fa	Ya		<u>a</u>	100	36	16	16	ne i		3 (5	NA.	Per C	100	100		wheel	411	100	e Ye	20	No.	opene
filler	Reveniend	MON	No. 55	14	Mr	řα	la		St Ti	13	35	933	14 15	) fe	33		3	DH.	4331	100			1	36	38			900		e ser	e (0	Self	e Te	DV.	limit	cylena
Table :	Remarked	WOM:	170,177	12	10				N/m	lia	100	H)	le te	16	3	W	8	te s	6 04	133	10	Sec.	ďΑ	1	I ke	telo	100	200	80	albert.	11/14	(See )	e Ye	as	NewCo	return

WC041 Kannaland Municipality overall relief performance for July 2024:

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-		Fee2	Reit	440	7010	Potit	10000	Fort	Perif
	Mescad Eyals.	Stand and State or section of	Completes with advanced \$10.00	Total Assessment	Districtly and under excellent features		Remotered Season Sea	Bertytt	Complexes Dates
Month	State Same   Gods				EN CIE CIP (CIP	co on an low on low on	condition of	antestamentas Instructuration	
144y	Managed NONE	<b>新海田 新海田</b>	to be in the late.	Marin Se	75 m 6 m	SECRETARING - 1-1-1-	I to I to DHIT	name (SERVICE) has been been been added to	The Edition Control

The National Treasury will only request Eskom to write-off a Municipality's arrear debt, if the Municipality demonstrates to the National Treasury's satisfaction, that the Municipality complied with the aforementioned canditions for a consecutive period of 12 months. The Municipality is encouraged to take urgent measures to ensure full compliance with all conditions of the Municipal Debt Relief programme.

#### Condition 6.2 - Application-based supported by Council's resolution

The Municipality's application was endorsed by the Council and approved by National Treasury, subject to addressing specified gaps, All of these have subsequently been addressed.

#### Condition 6.3 - Maintaining the Eskom bulk current account.

The Municipality has consistently paid the Eskom current accounts on time. However, the water current account invoice and proof of payment were not included in the FMR. As a result, verification of payment could not be completed. Additionally, the data strings for July 2024 were not submitted due to processing delays from the June 2024 month-end, which affected July's reporting and resulted in non-submission. Despite a Schedule G notification of non-compliance, the portal cannot be re-opened, leaving the status of the data strings as outstanding, similar to last month. In previous months, the municipality has struggled to accurately reconcile the data strings against bank statements or proofs of payment. To address these issues, it has been recommended that the municipality strengthen the financial team's capabilities in reconciliation processes or employ specialized financial reconciliation programs to automate and reduce errors.

#### Condition 6.4 - A funded MTREF

For the July 2024 compliance certificate, the Provincial Treasury (PT) assessed that Kannaland Municipality's adopted 2024/25 MTREF budget is unfunded. The municipality is currently revising its Budget Funding Plan following PT's assessment of the final adopted budget. During the 2024/25 draft budget discussions, it was

Municipal Circular No. 124 – Municipal Debt Relief Provincial Treasury Certification of Municipal Compliance of WC041 Kannaland Municipality July 2024 made clear that the council could not immediately adopt a final budget funding plan due to the need for further assessment and collaboration to accurately determine funding requirements. The Municipality and PT have agreed that the revised Budget Funding Plan must undergo consultation with PT before adoption.

The Provincial Executive initiated a mandatory intervention at Kannaland Municipality in December 2023, due to significant financial management concerns, as identified in terms of Section 140 of the Municipal Finance Management Act (MFMA). However, difficulties in collaboration and angoing resistance from the municipality have jeopardized the intervention's effectiveness, posing risks to financial stability and compliance with the Municipal Debt Relief programme. In response, the Municipal Financial Recovery Service (MFRS) from National Treasury is crafting a mandatory financial recovery plan. This plan will involve consultations with key stakeholders and include a public participation phase to ensure comprehensive input. A roadmap detailing activities, outcomes, and timelines will be shared with municipal officials to promote transparency and cooperation.

#### Condition 6.5 - Cost reflective tariffs

As part of the Municipal Debt Relief conditions Kannaland is required to update the National Treasury Tariff Model. The Municipality has not yet submitted evidence at having done this; hence a completed NT Tariff Model is still required.

#### Condition 6.6 - Electricity and water as collection tools

The Municipality issues a consolidated monthly bill to consumers, prioritizing payment allocations first to property rates, then water, wastewater, retuse removal, and lastly, electricity. Account holders automatically receive a breakdown of these charges, with the option for property owners to authorize tenants to open separate service accounts which is not consistent with the conditions in circular 124. In cases of non-payment, electricity services are disconnected, and prepaid electricity purchases are blacked, except for registered indigent consumers. However, the Municipality lacks the infrastructure to restrict water supply to defaulting non-indigent consumers. This limitation is under technical review to assess implementation feasibility and costs. Registered indigent consumers receive monthly limits of 50 kilowatt hours of electricity and 6 kilolitres of water. These practices are detailed in the monthly MFMA s.71 statement, which includes indigent information as specified by the National Treasury.

#### Conditions 6.7 - Maintain a minimum average quarterly collection of property rates and services charges

Kannaland Municipality reported an aggregate collection rate of 104% across its entire demarcation and 108% when excluding Eskom areas in July 2024. However, there are significant discrepancies between the figures in the Municipal C Schedule and the data in the monthly Annexure D revenue collection. These inconsistencies undermine the credibility of the reported collection rates and complicate verification against the required threshold of 85%. Resolving these discrepancies is crucial for ensuring the accuracy and reliability of the financial reporting.

Provincial Treasury notes that Kannaland Municipality reported an aggregate quarterly collection rate of 62% across its entire demarcation for the period April to June 2024, which did not meet the mandated 85% average quarterly collection target set for April 2024 onwards. In prior quarters Kannaland had met the 80% collection rate threshold that was applicable prior to April 2024, so there was a concerning deterioration in collections in the last quarter of the 2023/24 municipal financial year.

#### **▼** Condition 6.8 - Completeness of the Revenue Base

The municipality has not shown alignment between its billing system and the Council-approved General Valuation Roll (GVR) or any supplementary GVRs, as revealed by the National Treasury's property rates reconciliation tool. This misalignment has led to various issues, including misclassifications, incorrect property

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Municipal Circular No. 124 – Municipal Debt Relief Provincial Treasury Certification of Municipal Compliance of WC047 Kannaland Municipality July 2024 transfers, and omissions, Corrective actions such as notifying the valuer, adjusting classifications, conducting supplementary valuations, and rectifying property categorizations are underway. Despite these efforts, the municipality has not included the required monthly action plan in the Section 71 report, and it has not provided updates on the progress of the action plan.

### Condition 6.9 - Monitor and Report on compliance

The Western Cape Provincial Treasury's assessment contirmed that the MFMA S71 narrative statement was uploaded to the GoMuni portal but was rejected due to an error on the cover page, which listed the incorrect financial period 2023/24 instead of 2024/25. The municipality was advised to rectify this error and resubmit. Additionally, the MFMA S71 Statement was not published on the Municipality's website. This statement was also assessed against the Municipal Budget-and Reporting Regulations, 2009 (MBRR) and the National Treasury MFMA S71 reporting guidance issued to debt relief municipalities on 10 May 2024, in conjunction with paragraphs 9(i) to 9(ix) of the NT debt relief approval letter.

The assessment confirmed that the MFMA S71 narrative statement included the following information:

	MFMA 571 Statement component	Compliance (Yes/No)
l.	The Budget Performance Overview (paragraph 4) of the MFMA S71 statement explicitly advised on the Municipality's progress in implementing the Municipality's budget and (where relevant also the budget funding plan) – where implementation is slow, the statement advised explicitly on progress, challenges, and corrective actions.	Yes
2.	The conclusion (paragraph 14) of the MFMA S77 statement explicitly advised as part of the MFMA Circular No. 124; Condition 6.9 reporting -  I. Any risk associated; and  II. The mitigating factors.  with the implementation of the Municipality's Budget Funding Plan and/or Funded Budget.	Yes
3.	Annexure B of the MFMA \$71 statement included the following debt relief reporting compone	nts
3.1.1	The Municipality's MFMA Circular No. 124 self-assessment,	Yes
3.1.2	The self-assessment (refer 3.1.1 above) was included in the format of MFMA Budget Circular No 128 (Annexure B).	Yes
3.2	The Municipality's overall relief compliance across the months of its debt relief participation since its National Treasury debt relief approval effective date	Yes
3.3	The latest Provincial Treasury debt relief compliance certificate and report issued to the Municipality.	Yes
3.4.1	The Municipality's revenue collection performance i. the overall performance graph; ii. Summary worksheet; and iii. Collection per ward indicating who supplies electricity in the ward	Yes
3,4,2	The revenue collection performance information (refer 3.4.2) was included in the format of MFMA Budget Circular No. 128 (Annexure D).	Yes
3.5.1	The indigent management information	Yes
3.5.2	The indigent management information was included in the format of MFMA Budget Circular No. 128 (Annexure C).	Yes
3.6.1	The summary of the Municipality's property rates reconciliation undertaken in the National Treasury format.	Yes

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Municipal Circular No. 124 – Municipal Debt Refief Provincial Treasury Certification of Municipal Compliance of WC041 Kannafand Municipality July 2024

MFMA 571 Statement component						
The Municipality's progress during the month against its planned corrective action to address any variances evident from the property rates reconciliation.	No					
Any Eskom and Water (if the Municipality has the Water function) Bulk current account invoice(s) due and payable during the month of reporting	No					
The Municipality's proof of payment of any such Eskorn and/or Water Bulk current account invoice(s) during the month of reporting.	Yes					
The Municipality's reconciliation statement for electricity and water (if it has the function) aligning to the MFMA 571 mSCOA data strings upload.	No					
Recommendations noting explicitly the aforementioned debt relief reporting to the Mayor and/or Mayoral Committee meeting	Yes					
	The Municipality's progress during the month against its planned corrective action to address any variances evident from the property rates reconciliation.  Any Eskom and Water (if the Municipality has the Water function) Bulk current account invoice(s) due and payable during the month of reporting.  The Municipality's proof of payment of any such Eskom and/or Water Bulk current account invoice(s) during the month of reporting.  The Municipality's reconciliation statement for electricity and water (if it has the function) aligning to the MFMA 571 mSCOA data strings upload.  Recommendations noting explicitly the aforementioned debt relief reporting to the Mayor.					

The Municipality has integrated its monthly debt compliance reporting into its MFMA S71 narratives as required and demonstrated its commitment to continuous improvement and adherence to the set of conditions. The Municipality's MFMA Circular No. 124 self-assessment indicated several non-compliance issues. The remediat actions undertaken to achieve compliance and the limetrames thereof outlined in the MFMA S71 are noted and monitored by the Provincial Treasury. The progress on the implementation of the Budget Funding Plan is of concern and the Municipality needs to address the slow progress thereof.

# Condition 6.10 - Provincial Treasury certification of municipal compliance

Provincial Treasury closely monitors compliance with the conditions of the Municipal Debt Relief Programme, and this letter is submitted in fulfillment of the PT's role in certifying compliance of the Municipality.

### Condition 6.11 - Limitation on Municipal borrowing powers

The limitation on municipal borrowing powers and the prohibition of borrowing during debt relief periods form a dual regulatory framework aimed at ensuring fiscal responsibility. Compliance necessitates meticulous scrutiny of borrowing activities to ascertain adherence to authorized limits and program guidelines. These measures, while promoting sustainable debt management, also stabilize the Municipality's financial standing, prevent over-leveraging, and mitigate Immediate financial strain. Adhering to these regulations is paramount for maintaining creditworthiness, mitigating financial risks, and sateguarding the Municipality's long-term financial health. Thus, robust oversight and adherence to regulatory frameworks are imperative for prudent financial governance and sustained fiscal resilience.

The Municipality has complied with this condition since its debt relief effective date of 5 September 2023, to date.

# Condition 6.12 - Proper management of resources and Condition 6.13 - Accounting Treatment

It is noted that during February 2024, the National Treasury: Office of the Accountant General (OAG) issued the Supplementary Guide to MFMA Circular No. 124 on 21 February 2024. According to this guidance, municipalities are no longer required to maintain separate bank accounts for debt relief purposes as previously mandated by Condition 6.12 of MFMA Circular No. 124. However, regardless of the decision to discontinue a separate bank account, municipalities must demonstrate ring-tencing for debt relief through their monthly mSCOA data string submissions.

The Municipality has not conducted transactions through the previously established ring-fenced subaccount, which was designated for settling current obligations to Eskom and paying for bulk water accounts before using these funds for other purposes. Although the Municipality has submitted documents related to

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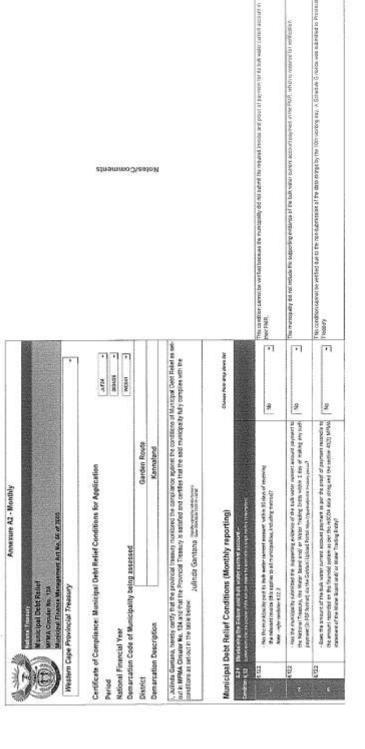
Municipal Circular No. 124 – Municipal Debt Relief Provincial Treasury Certification of Municipal Compliance of WC843 Kannaland Municipality July 2024 the primary account's monthly bank reconciliations to Go Muni, showing opening and closing balances, they have not provided full bank statements. For further guidance, the Municipality should refer to the Municipal Debt Relief Supplementary Guide to MFMA Circular No. 124, issued by the National Treasury on 16 February 2024.

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By having applied for Municipal Debt Relief, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agreed to make an application to NERSA to voluntarily revoke the Municipality's license in terms of section 17 of the Electricity regulation Act, 2006 (Act No. 4 of 2006). It is noted that this condition will only come into effect if the Municipality's participation in the debt relief programme is terminated.

# Provincial Treasury Compliance Certification

The Provincial Treasury certifies that it monitored and assessed WC041 Kannaland Municipality's compliance against the MFMA Circular No. 124 conditions and NT debt relief approval letter as set-out below in the PT's compliance certificate for the Municipality in relation to the period 1-31 July 2024:



MFMA Circular No 124 - Municipal Debt Reset Frovincial Treasury Certification of municipal compliance of WC041 Kannaland Municipality July 2024

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Municipal Circular No. 124 – Municipal Debt Relief Fravincial Treasury Certification of Municipal Compliance of WC041 Konnaland Municipality July 2024.

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Municipal Circular No. 124 – Municipal Debt Reiter Provincial Treasury Certification of Municipal Compliance of WC04? Kannaland Municipality July 2024

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Municipal Circular No. 124 - Municipal Debt Relief Provincial Treasury Certification of Municipal Compliance of WC041 Kannaland Municipality July 2024.

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Municipal Circular No. 124 - Municipal Debi Refer Pravincial Treasury Certification of Municipal Compliance of WC041 Kannaland Municipality July 2024

The Western Cape Provincial Treasury's assessment and compliance certificate confirms that during July 2024 Kannaland Municipality did not fully comply with all the MFMA Circular No. 124 conditions as was elaborated on above. It is also noted that the Municipality's July 2024 average compliance of 71 per cent which is an improvement from the 68 per cent achieved during June 2024. The Municipality must address these non-compliance matters. The Provincial Treasury is of the view that it is not clear whether Kannaland Municipality's level of compliance is sufficient to qualify for the one third (1/3) debt write-off at the end of its first debt reflet compliance cycle on 31 July 2024. The Municipality must improve its collection rate and address the other outstanding matters as listed above. The Municipality is urged to strengthen its implementation of the debt relief conditions to gain the benefit of having a portion of its debt written off.

The Provincial Treasury continues to appreciate the opportunity that the Municipal Debt Relief Programme provided to municipalities and is committed to supporting our municipalities to ensure that they comply with the conditions of the programme in order to derive the full benefit.

Yours sincerely

# Julinda Gantana Date: 2024.08.28 17:38:04

Digitally signed by Julinda +02'00'

### MS J GANTANA HEAD OFFICIAL: PROVINCIAL TREASURY

The Executive Mayor: Mr J Donson - mayor@kannaland.gov.za

Municipal CFO: Mrs. R Saptoe - cfo@kannaland.gov.za

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Senior Manager Finance Cape Coastal Cluster: Afika Brey - BreyA@eskom.co.za

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MFMA Coordinator: Steven Kenyon - Steven.Kenyon@westerncape.gov.za

Director-General: Department of Cooperative Governance: Mr Mbulelo Tshangana -Zandilez@coata.gov.za

CEO: SALGA: Sithole Mbanga - hmozibuko@salga.org.za

MFMA Circular No 124 - Municipal Debt Relief Provincial Treasury Certification of municipal compliance of WC041 Kannaland Municipatity July 2024

# MFMA Circular 124 – Property Rates Reconciliation

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Frequely omedianes	GV	MFS	Variance	GV Market Values	MFS Market Values	Variance
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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	- 650.000
Apricultural	3006	3008	-2	1,699,368,000.00	1,700,233,956.00	
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Multi Use	0	0	0			
Vacant	302	299	3	8,513,000.00	7,737,000.00	776,000
POW	56	56	0	48,060,000.00	47,980,000.00	200,000
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Other	63	63	. 0	75,522,000.00	75,522,000.00	Ton National
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ON .	10.04	16-263	1,261	32,833.63	9,572.63	1,261
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Tital V	82,821,637.75	HZ 232 275 00	89131679	2.42/AU//1	9 239 271 00	1,2700
1000	100000000	distributed .	Pena	- Sec. 847.73	9,832,271.00	95.300
Prepared By	1 GRIS	PE		Date	11-10-203	4
	Contaigt Details			trae	11 10 100	7
Signature	Ch	n				
				- *		
Reviewed By	RNEL			Date	11/2/2001	P
	Coptact Details					

# MFMA Circular 124 - Maintain Eskom & Water Bulk Accounts

# Standard Bank of South Africa

ComputerGeneratestCopy

CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No User ID Sub Module

Description

420543546

SSVS GUH48 20240919 15 42:27 3

User Name KANNALAND MUNICIPALITY

Reference 2024263602 Action date 20240927 GAV53 M SCHEFFERS

Sub-batch 001 From Account no 0009420543546 From Account Name KANNALANO MUNICIPALITY (MAIN)

Trans No Acc No / CDI Branch No Statement Ref Account Name

55161636814 200910 KANNALAND MUN

ESKOM HOLDINGS WC REGION ESKOM NEW

Creditor Code

Amount 6,720,153.76
StatusDescription FINAL AUDIT TO BE DOWNLOADED

RTGS/RTC 277 ISN/Bus Ref Pay Alert

DATE: 2024-09-27 11:45:51 Page: 1



ESKOM HOLDINGS SOC LTD REG NO 2002/01/5527/30 VAT REG NO 4740101500

KANNALAND LOCAL MUNICIPALITY ATT CHIEF FINANCIAL OFFICER P 0 BOX 30 LADISMITH 6655

# WESTERN REGION PO BOX 377 SELVILLE 7535

CONTACT CENTRE: (0860) 037564 0862 417 566 FAX NO:

E-MAIL: WEB:

WWW.ESKOW.CO.ZA

005	YOUR ACCOUNT NO					
10.0	SECURITY HELD					
8-14	BILLING DATE					
9740	TAX INVOICE NO					
2024	ACCOUNT MONTH					
19-13	CURRENT DUE DATE					
7268	VAT REG NO					
21	ACCOUNT MONTH CURRENT DUE DATE					



THE:

CUSTOMER SELF SERVICE WEBSITE:

WESTERN REGION TO BOX 377 BELVILLE 7535

7052108005 NAME

FAX NUMBER 0866160914

4

334110

DIRECT DEPOSIT DETAIL BRANCH CODE: 340167430 BANK ACC NO:

ACCOUNT NO / REFERENCE NO

KANNALAND LOCAL MUNICIPALITY

0934 7052108005

# TAX INVOICE

E-MAIL: locditeue@kontaland.gov.za

	TV-V/ 11.4 A CS1/Cylin		
ACCOUNT TRANSACTION SUMMA	RY		
DED CHARGE		· R	25,465,0
COMINISTRATION CHARGE		fi	6,621.5
RANSMISSION NETWORK CAPACITY		#	960,500.0
DIST, NETWORK CAPACITY CHARGE		FR	115,500.0
ETWORK DEMAND CHARGE		FR	901,785,3
JRBAN LOW VOLTAGE SUBSIDY		H	282,900.0
WOLLARY SERVICE (ALL)		Ħ	15,713.8
NERGY CHARGE (OFF)	1,004,045.00	R	1,028,543.7
ENERGY CHARGE (PEAK)	388,963.60	R	2,241,489.6
NERGY CHARGE (STO)	788,568.00	ět.	1,487,633.5
ELECTRIFICATION AND RURAL SUBS (ALL)		R	337,308.8
REACTIVE ENERGY	101,444.05	R	28,708.6
ERVICE CHARGE	- Constitute	R	12,471.9
TOTAL CHARGES FOR BILLING PE	ERIOD	R	5,843,611.9
ACCOUNT SUMMARY FOR AUGUS	ST 2024		
SALANCE BROUGHT FORWARD	(Due Date 2024-08-07)	R	37,714,341.0
PAYMENT(S) RECEIVED	Cash - 2024-08-08	я	-6,997,930.7
OTAL CHARGES FOR BILLING PERSOD		я	5,843,611.1
AT RAISED ON ITEMS AT 14%		H	0.0
VAT RAISED ON ITEMS AT 15%	- O'	A.	876,541.8
	, mA		
	The Color		
	.0"		
	0"		
	0.		

CURRENT

6,720,153.76 TOTAL DUE R

TOTAL AMOUNT DUE 37,436,564.10

7250000 6400000 5550000 4700000 3000000 ASONDIFMAMJJA MONTH

ARREARS

\*99 DAYS 61-90 DAYS 31-60 DAYS 16-30 DAYS

18,380,471.9 5,338,007.72 6,997.930.72 0.00

Account OVERDUE - Subject to Disconnection

PAGE RUN NO	EE 20
BILL GROUP	
BILL PAGE	1 OF 2

37,436,564.10

PAYMENT ARRANGEMENT INSTALMENT 0.00 ARREARS 30,716,410.34 DUE DATE (For Corrent Amount) 2024-09-13 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. 1982/1000738/06

Computer Generated Copy

CURRENT ACCOUNT - STATEMENT DETAILS

Account 0000420543546

KANNALAND MUNICIPALI Statement For 2024/927 VAT Registration 4540197268

Branch 000113

LADISMITH CAPE

Statement No 497

ge	Details	Service Fee	Debil	Gredit	Date	Belance
1	BALANCE BROUGHT FORWARD	0.00	0.00	0.00	20240926	838,662.53
1	CREDIT CARD EFTPOS SETTLEMENT CR EFTPOS PLC 9 0003873109577	0.00	0.00	1,980.00	20240926	840,542.5
1	CREDIT CARD EFTPOS SETTLEMENT DR EFTPOS PLC 9 0003873109577	0.00	0.00	6,917.40	20240920	847,459.92
1	CREDIT CARD EFTPOS SETTLEMENT DR EFTPOS R3G 5 0000073109682	0.00	0.00	13,252.41	20240926	860,712.34
4	CREDIT TRANSFER  OAC RENTAL	0.00	0.00	81.10	20240927	860,783.44
1	CREDIT TRANSFER UTILITIES WORLD	0.00	0.00	61,804.75	20240927	922,566,16
1	CREDIT TRANSFER UTILITIES WORLD	0.00	0.00	71,002.02	20240927	993,600.21
1	CREDIT TRANSFER CBL 4544	0,00	0.00	1,912.80	20240927	995,513.01
1	CASH DEPOSIT: NOTES CALITZDORP	0.00	0.00	800.00	20240927	996,313.0
3	CASH DEPOSIT NOTES/COINS COMOTORS 25/9/2024	0.00	0.00	1,465.20	20240927	997,778.21
1	CASH DEPOSIT NOTES/COINS CBL MOTORS 25/09/2024	0.00	0.00	1,945,00	20240927	999,723.21
1	CASH DEPOSIT NOTES/COINS COMOTORS 23/09/2024	0.00	0.00	2,022.00	20240927	1,001,745.21
1	CASH DEPOSIT NOTES/COINS CBL MOTORS 23/09/2024	0.00	0.00	5,307.50	20240927	1,007,052,71
3.	CASH DEPOSIT NOTES/COINS LADISMITH	0.00	0.00	6,155,10	20240927	1,013,207.61
1	CASH DEPOSIT: NOTES LADISMITH	0.00	0,00	21,570.00	20240927	1,034,777.81
1	CASH DEPOSIT NOTES/COINS CALITZDORP	0.00	0.00	43,714.20	20240927	1,078,492,01
*	ELECTRONIC BANKING TRANSFER FR WSIG IMBRILIO PAYMENT	0.00	0.00	497,694.11	20240927	1,576,188.12
1	ELECTRONIC BANKING TRANSFER FR MIG TO MAIN	0.00	0.00	1,700,000.00	20240927	3,276,186.12
1	ELECTRONIC BANKING TRANSFER FR DEP TO MAIN	0.00	0.00	2,900,000.00	20240927	6,176,186,12
1	ELECTRONIC BANKING TRANSFER FR BULK TO MAIN	0.00	0.00	3,900,000,00	20240927	10,076,186.12
2	BALANCE BROUGHT FORWARD	0.00	0.00	0,00	20240927	10,076,186.12
2	ELECTRONIC BANKING PAYMENT TO BUYS BUYS CATHERIN RVX8815:55	0.00	-1,607,74	0.00	20240927	10,074,578.36
2	ELECTRONIC BANKING PAYMENT TO C0220 CLAASSEN CM. RVX6815:37	0.00	-1,645.60	0.00	20240927	10,072,932.76
100	ELECTRONIC BANKING PAYMENT TO: C0220 CLAASSEN CM RVX8815:47	0.00	-1,645,60	0,00	20240927	10,071,287,18
	ELECTRONIC BANKING PAYMENT TO BUYS BUYS GR RVX6815:55	0.00	-1,899,60	0.00	20240927	10,069,387.58
2	ELECTRONIC BANKING PAYMENT TO BUYS BUYS N RVX6815:55	0.00	-1,913.79	0.00	20240927	10,067,473.78
2	ELECTRONIC BANKING PAYMENT TO STEEN STEENKAMP L RVX6815:55	0.00	-2,616,43	0.00	20240927	10,064,655,36
2	VAN D MERWE VAN DER RYX8815:55	0.00	-2,835,01	0.00	20240927	10,061,820.35
	ELECTRONIC BANKING PAYMENT TO STEEN STEENKAMP L RVX8815:37	0.00	-21,251.48	0.00	20240927	10,040,568.87
2	ELECTRONIC BANKING PAYMENT TO ESKOM ESKOM HOLDING RVX6808:34	0.00	-308,672,28	0.00	20240927	9,731,896.58
2	ELECTRONIC BANKING PAYMENT TO IMBRI IMBRIOLO CONS RVX6815:47	0.00	-497,694.11	0,00	20240927	9,234,202.48
2	ELECTRONIC BANKING PAYMENT TO MNR P MATHABATHA NO RVX6815.55	0.00	-1,700,000,00	0,00	20240927	7,634,202.48
2	ELECTRONIC BANKING PAYMENT TO ESKOM ESKOM HOLDING RVXBB08:33	0,00	-6,720,153.76	0.00	20240927	814,048.72
2	ELECTRONIC BANKING TRANSFER TO THE TRABASPORT RECEIPTS	0.00	-84,594.54	0.00	20240927	729,454,18

DATE 20241010 13:58:46

Page:1

# **SECTION 7 – QUALITY CERTIFICATION**





info@kannaland.co.za Tel: (028) 551 1023 Fax: (028) 551 1766 Kerkstr. 32 Church St. LADISMITH 6655

# QUALITY CERTIFICATE

I, Dillo Sereo Accounting Officer of Kannaland Municipality WC041, hereby certify that –

(mark as appropriate)

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

For the month SEPTEMBER 2024 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: Dillo Sereo

Municipal Manager of Kannaland Municipality WC041

Signature

Date: 11 October 2024