



**KANNALAND**  
MUNISIPALITEIT | MUNICIPALITY

## **Quarterly Budget Report – Section 52** **1<sup>st</sup> Quarter of 2024/25**



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

## Table of Contents

GLOSSARY .....	3
LEGISLATIVE FRAMEWORK.....	5
Report of the Executive Mayor .....	5
Recommendations .....	5
SECTION 1 – EXECUTIVE SUMMARY .....	6
1.1 INTRODUCTION.....	6
1.2 CONSOLIDATED PERFORMANCE .....	6
1.3 MATERIAL DIFFERENCES TO THE SDBIP .....	7
1.4 REMEDIAL ACTIONS .....	7
SECTION 2 – IN-YEAR BDUEGT STATEMENT TABLES .....	8
2.1 TABLE C1 – QUARTERLY BUDGET SUMMARY .....	8
2.2 TABLE C2 – QUARTERLY BUDGETED FINANCIAL PERFORMANCE .....	9
2.3 TABLE C3 – QUARTERLY BUDGETED FINANCIAL PERFORMANCE .....	10
2.4 TABLE C4 – QUARTERLY FINANCIAL PERFROMANCE.....	11
2.5 OPERATING REVENUE BY SOURCES:.....	11
2.6 OPERATING EXPENDITURE BY TYPE .....	12
2.7 TABLE C5 – QUARTERLY BUDGETED CAPITAL EXPENDITURE .....	13
2.8 TABLE C6 – QUARTERLY BUDGETED FINANCIAL POSITION.....	14
2.9 TABLE C7 – QUARTERLY BUDGETED CASH FLOW .....	15
SECTION 3 SUPPORTING DOCUMENTATION .....	16
3.1 TABLE SC3 – DEBTORS AGE ANALYSIS .....	16
3.2 DEBTORS PAYMENT PERCENTAGES .....	16
3.3 TABLE SC4 – CREDITORS AGE ANALYSIS .....	19
3.4 INVESTMENT PORTFOLIO ANALYSIS .....	20
3.6 TABLE SC8 – EXPENDITURE ON COUNCILLOR, SENIOR MANAGERS AND OTHER STAFF .....	21
3.7 MATERIAL VARIANCES TO THE SDBIP .....	22
3.8 CAPITAL PROGRAMME PERFORMANCE .....	25
SECTION 4 – QUALITY CERTIFICATION.....	26
ANNEXURE A - Bank Withdrawals MFMA Section 11(4).....	27
ANNEXURE B – SCM POLICY IMPLEMENTATION PLAN – Q1 .....	29
APPENDIX A – DEVIATION REGISTER [JUL 2024 – SEPT 2024] .....	40
APPENDIX B – TENDER REGISTER.....	41
ANNEXURE D – BUDGET FUNDING PLAN .....	42

## 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 accordance with Section 52(d) of the Municipal Finance Management Act, I submit a report to the council within 30 days after the end of the first quarter of 2024/25, on the implementation of the budget and the financial state of affairs of the Kannaland Municipality.

The submission of this report forms part of the general responsibilities of the Mayor of a Municipality and is intended to inform and enable the council to fulfil its oversight responsibility.

## Executive Mayor

## Recommendations

That the council takes cognisance of the Quarterly budget statement of the **First quarter of the 2024/25 MTREF (Q1)**.

## SECTION 1 – EXECUTIVE SUMMARY

### 1.1 INTRODUCTION

In terms of section 52(d) of the Municipal Finance Management Act 56 of 2003, the mayor of a municipality must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality. The format and content of in-year reporting are set out in the Municipal Budget and Reporting Regulations of 2009, that was published in terms of section 168 of the MFMA (2003).

### 1.2 CONSOLIDATED PERFORMANCE

This report is a summary of the main budget issues arising from the in-year monitoring process. It compares the progress of the budget to the projections contained in the Service Delivery and Budget Implementation Plan (SDBIP).

It also compares the quarterly projections for service delivery targets and performance indicators contained in the SDBIP, against the actual; outcomes of the municipality's performance in service delivery for the 1<sup>st</sup> quarter of 2024/25.

The performance against the budget can be summarized as follow:

Amount in thousands	Original Budget	YTD Budget	YTD Actual	YTD Budget vs YTD Actual Variance	YTD Budget vs YTD Actual Variance %
<b>Operating Revenue</b>	R 251 773	R 251 773	R 64 764	R 1 820	3%
<b>Operating Expenditure</b>	R 250 576	R 250 576	R 52 897	R (9 746)	-16%
<b>Capital</b>	R 32 938	R 32 938	R 2 447	R (5 787)	-70%

#### Operational Revenue

The municipality's total operational revenue budget amounts to R251 million and the year-to-date revenue on the budget accrued to R 64 million. This represents 26% of total revenue to date.

#### Operational Expenditure

The municipality's total operational expenditure budget amounts to R251 million, with a year-to-date performance of R53 million, or 21% of the total expenditure budget.

## **Capital Expenditure**

The total capital budget for the municipality amounts to R33 million with a year-to-date performance of R 2.4 million, or 7% of the total capital 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 slow spending on capital budget;
- (c) That monthly monitoring of the implementation of the Budget Funding Plan;
- (d) That measures on debt collection are implemented and applied effectively;
- (e) A procurement plan be developed and approved as a matter of urgency;
- (f) That the funding plan addresses all issues and challenges on the financial performance of the municipality and adapt to an always changing environment.

## SECTION 2 – IN-YEAR BUDGET STATEMENT TABLES

### 2.1 TABLE C1 – QUARTERLY BUDGET SUMMARY

WC041 Kannaland - Table C1 Monthly Budget Statement Summary - Q1 First Quarter									
Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	28 008	28 234	28 234	2 361	7 104	7 058	45	1%	28 234
Service charges	124 861	134 359	134 359	12 593	35 092	33 590	1 502	4%	134 359
Investment revenue	1 762	1 500	1 500	124	316	375	(59)	-16%	1 500
Transfers and subsidies - Operational	72 746	65 516	65 516	1 345	18 425	16 379	2 046	12%	65 516
Other own revenue	22 552	22 164	22 164	1 363	3 826	5 541	(1 715)	-31%	22 164
<b>Total Revenue (excluding capital transfers and</b>	<b>249 930</b>	<b>251 773</b>	<b>251 773</b>	<b>17 786</b>	<b>64 764</b>	<b>62 943</b>	<b>1 820</b>	<b>3%</b>	<b>251 773</b>
Employee costs	93 649	88 441	87 441	8 683	25 350	21 860	3 490	16%	87 441
Remuneration of Councillors	3 956	3 635	3 635	26	967	909	59	6%	3 635
Depreciation and amortisation	17 799	12 314	12 314	1 026	3 079	3 079	0	0%	12 314
Interest	4 185	1 300	1 300	17	18	325	(307)	-95%	1 300
Inventory consumed and bulk purchases	65 420	70 475	70 475	1 027	16 363	17 619	(1 256)	-7%	70 475
Transfers and subsidies	396	400	400	-	-	100	(100)	-100%	400
Other expenditure	107 834	74 011	75 011	1 348	7 120	18 752	(11 632)	-62%	75 011
<b>Total Expenditure</b>	<b>293 240</b>	<b>250 576</b>	<b>250 576</b>	<b>12 127</b>	<b>52 897</b>	<b>62 643</b>	<b>(9 746)</b>	<b>-16%</b>	<b>250 576</b>
<b>Surplus/(Deficit)</b>	<b>(43 310)</b>	<b>1 197</b>	<b>1 197</b>	<b>5 659</b>	<b>11 867</b>	<b>300</b>	<b>11 567</b>	<b>3858%</b>	<b>1 197</b>
Transfers and subsidies - capital (monetary allocations)	16 611	22 282	22 282	2 624	2 624	5 571	(2 947)	-53%	22 282
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(26 699)</b>	<b>23 479</b>	<b>23 479</b>	<b>8 283</b>	<b>14 490</b>	<b>5 870</b>	<b>8 620</b>	<b>147%</b>	<b>23 479</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>(26 699)</b>	<b>23 479</b>	<b>23 479</b>	<b>8 283</b>	<b>14 490</b>	<b>5 870</b>	<b>8 620</b>	<b>147%</b>	<b>23 479</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>33 026</b>	<b>32 938</b>	<b>32 938</b>	<b>2 077</b>	<b>2 447</b>	<b>8 235</b>	<b>(5 787)</b>	<b>-70%</b>	<b>32 938</b>
Capital transfers recognised	21 747	32 938	32 938	2 077	2 447	8 235	(5 787)	-70%	32 938
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	11 279	-	-	-	-	-	-	-	-
<b>Total sources of capital funds</b>	<b>33 026</b>	<b>32 938</b>	<b>32 938</b>	<b>2 077</b>	<b>2 447</b>	<b>8 235</b>	<b>(5 787)</b>	<b>-70%</b>	<b>32 938</b>
<b>Financial position</b>									
Total current assets	19 001	64 826	64 826	-	30 069	-	-	-	64 826
Total non current assets	309 530	320 603	320 603	-	308 899	-	-	-	320 603
Total current liabilities	90 830	64 732	64 732	-	97 468	-	-	-	64 732
Total non current liabilities	47 140	75 972	75 972	-	47 140	-	-	-	75 972
<b>Community wealth/Equity</b>	<b>190 560</b>	<b>244 725</b>	<b>244 725</b>		<b>186 077</b>				<b>244 725</b>
<b>Cash flows</b>									
Net cash from (used) operating	59 159	6 972	6 972	(10 070)	33 704	1 743	(31 961)	-1834%	226 699
Net cash from (used) investing	(14 217)	(22 282)	(22 282)	-	(484)	5 571	6 055	109%	22 282
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the month/year end</b>	<b>81 587</b>	<b>74 878</b>	<b>74 878</b>		<b>73 060</b>	<b>97 501</b>	<b>24 441</b>	<b>25%</b>	<b>288 821</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	9 128	4 219	3 923	3 813	3 273	2 637	15 866	110 488	153 348
<b>Creditors Age Analysis</b>									
Total Creditors	14 625	3 706	3 105	-	-	-	-	61 307	82 743

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

WC041 Kannalad - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q1 First Quarter										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
<b>Revenue - Functional</b>									%	
<b>Governance and administration</b>		81 154	54 667	54 667	3 778	25 339	13 667	11 672	85%	54 667
Executive and council		35 452	13 603	13 603	-	15 616	3 401	12 215	359%	13 603
Finance and administration		45 703	41 064	41 064	3 778	9 723	10 266	(543)	-5%	41 064
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		43 432	35 632	35 632	2 094	3 096	8 908	(5 812)	-65%	35 632
Community and social services		15 932	15 691	15 691	2 094	3 096	3 923	(827)	-21%	15 691
Sport and recreation		46	66	66	-	-	16	(16)	-100%	66
Public safety		(1)	5	5	(0)	0	1	(1)	-79%	5
Housing		27 456	19 870	19 870	-	-	4 967	(4 967)	-100%	19 870
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		2 898	6 316	6 316	192	543	1 579	(1 035)	-66%	6 316
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		2 898	6 316	6 316	192	543	1 579	(1 035)	-66%	6 316
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		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%	95 625
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	(1 239)	-27%	18 386
Waste management		11 586	16 753	16 753	1 081	3 253	4 188	(935)	-22%	16 753
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	266 540	274 055	274 055	20 410	67 387	68 514	(1 126)	-2%	274 055
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		96 208	86 057	86 057	6 323	21 859	21 514	345	2%	86 057
Executive and council		25 078	24 977	24 977	1 494	6 856	6 244	612	10%	24 977
Finance and administration		71 130	61 081	61 081	4 829	15 003	15 270	(267)	-2%	61 081
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		39 663	35 964	35 964	1 169	3 772	8 991	(5 218)	-58%	35 964
Community and social services		9 204	12 529	12 529	823	2 716	3 132	(416)	-13%	12 529
Sport and recreation		931	1 922	1 922	117	399	481	(82)	-17%	1 922
Public safety		1 479	405	405	128	376	101	274	271%	405
Housing		28 049	21 107	21 107	101	282	5 277	(4 995)	-95%	21 107
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		15 122	17 994	17 994	1 168	3 381	4 498	(1 117)	-25%	17 994
Planning and development		-	620	620	-	-	155	(155)	-100%	620
Road transport		15 122	17 374	17 374	1 168	3 381	4 343	(962)	-22%	17 374
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		142 246	110 560	110 560	3 467	23 885	27 640	(3 755)	-14%	110 560
Energy sources		70 153	71 137	71 137	1 162	17 541	17 784	(243)	-1%	71 137
Water management		38 087	16 925	16 925	984	2 863	4 231	(1 368)	-32%	16 925
Waste water management		17 002	12 079	12 079	677	1 626	3 020	(1 394)	-46%	12 079
Waste management		17 004	10 419	10 419	644	1 855	2 605	(749)	-29%	10 419
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	293 240	250 576	250 576	12 127	52 897	62 643	(9 746)	-16%	250 576
<b>Surplus/ (Deficit) for the year</b>		(26 699)	23 479	23 479	8 283	14 490	5 870	8 620	147%	23 479

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

<b>WC041 Kannaland - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q1 First Quarter</b>										
Vote Description	Ref	2023/24		Budget Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - MUNICIPAL MANAGER	1	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)	-73,8%	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)	-12,4%	179 256
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES (Continued)		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>2</b>	<b>266 540</b>	<b>274 055</b>	<b>274 055</b>	<b>20 410</b>	<b>67 387</b>	<b>68 514</b>	<b>(1 126)</b>	<b>-1,6%</b>	<b>274 055</b>
<b>Expenditure by Vote</b>										
Vote 1 - MUNICIPAL MANAGER	1	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)	-26,1%	38 553
Vote 4 - TECHNICAL SERVICES		154 980	123 029	123 029	4 493	26 850	30 757	(3 907)	-12,7%	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]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>293 240</b>	<b>250 576</b>	<b>250 576</b>	<b>12 127</b>	<b>52 897</b>	<b>62 643</b>	<b>(9 746)</b>	<b>-15,6%</b>	<b>250 576</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>(26 699)</b>	<b>23 479</b>	<b>23 479</b>	<b>8 283</b>	<b>14 490</b>	<b>5 870</b>	<b>8 620</b>	<b>146,8%</b>	<b>23 479</b>

## 2.4 TABLE C4 – QUARTERLY FINANCIAL PERFORMANCE

WC041 Kannaland - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter

Description	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
<b>Revenue</b>										
<b>Exchange Revenue</b>		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		-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		670	1 148	1 148	53	163	287	(124)	-43%	1 148
Licence and permits		202	663	663	18	50	166	(116)	-70%	663
Operational Revenue		487	66	66	23	78	17	61	369%	66
<b>Non-Exchange Revenue</b>		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	45	1%	28 234
Surcharges and Taxes		6 032	-	-	-	-	-	-	-	-
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	-	-	58	179	-	179	-	-
Gains on disposal of Assets		-	4 000	4 000	-	-	1 000	(1 000)	-100%	4 000
Other Gains		-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and</b>		<b>249 930</b>	<b>251 773</b>	<b>251 773</b>	<b>17 786</b>	<b>64 764</b>	<b>62 943</b>	<b>1 820</b>	<b>3%</b>	<b>251 773</b>
<b>Expenditure By Type</b>										
Employee related costs		93 649	88 441	87 441	8 683	25 350	21 860	3 490	16%	87 441
Remuneration of councillors		3 956	3 635	3 635	26	967	909	59	6%	3 635
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	0	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
Irrecoverable 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	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>293 240</b>	<b>250 576</b>	<b>250 576</b>	<b>12 127</b>	<b>52 897</b>	<b>62 643</b>	<b>(9 746)</b>	<b>-16%</b>	<b>250 576</b>
<b>Surplus/(Deficit)</b>		<b>(43 310)</b>	<b>1 197</b>	<b>1 197</b>	<b>5 659</b>	<b>11 867</b>	<b>300</b>	<b>11 567</b>	<b>0</b>	<b>1 197</b>
Transfers and subsidies - capital (monetary allocations)		16 611	22 282	22 282	2 624	2 624	5 571	(2 947)	(0)	22 282
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(26 699)</b>	<b>23 479</b>	<b>23 479</b>	<b>8 283</b>	<b>14 490</b>	<b>5 870</b>			<b>23 479</b>
Income Tax		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>(26 699)</b>	<b>23 479</b>	<b>23 479</b>	<b>8 283</b>	<b>14 490</b>	<b>5 870</b>			<b>23 479</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(26 699)</b>	<b>23 479</b>	<b>23 479</b>	<b>8 283</b>	<b>14 490</b>	<b>5 870</b>			<b>23 479</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>(26 699)</b>	<b>23 479</b>	<b>23 479</b>	<b>8 283</b>	<b>14 490</b>	<b>5 870</b>			<b>23 479</b>

## 2.5 OPERATING REVENUE BY SOURCES:

- **YTD Electricity Revenue – R 24 million (27% of the Water Budget)**

Electricity billing during the end of **quarter one** amounted to **R 8.7 million** a **10%** of the budget

- **YTD Water Revenue – R 5.3 million (22% of the Water Budget)**

Water billing during the end of **quarter one** amounted to **R 2.1 million** a **9%** of the budget

- **Interest on Outstanding Debtors**

Interest charges on outstanding debtors for the year-to-date is **R 2.1 million** and **R 784 thousand** for the end of the quarter.

- **Rental of facilities and equipment**

Rental of facilities and equipment amounted to **R 53 thousand and 5%** of the total budget for the end of **quarter one**.

- **Interest on external investments – R 124 thousand (8% of the interest Budget)**

- **Fines Penalties and forfeits**

Fines Penalties and forfeits for the end of **quarter one** amounted to **R 12 thousand** this represents **1%** of the YTD budget.

- **Other revenue, Agency services, licences and permits**

Other Revenue, Agency Services and Licences and permits amounts to **R 58 thousand**.

## **2.6 OPERATING EXPENDITURE BY TYPE**

- **Employee Related Costs for the year amounts to R 25 million representing 29% the budget Councillors amounts to R 967 thousand or 27% of the annual budget**

The first quarter amounts to R 8.6 million (10% of Annual Employee Budget) with Councillors at R 26 thousand (1% of the Annual Councillors Remuneration Budget)

- **Bulk Purchases amounts to R16 million or 26% of the annual budget**

Bulk purchases for the end of quarter one amounts of **R 515 thousand** representing **3%** of the YTD budget.

- **Finance Charges amount to R 17 thousand or 1% of the annual budget**

- **Other materials – R 512 thousand (5% of the budget)**

Expenditure on “Other Materials” is well below the year-to-date forecast.

- **Contracted Services amount to R 2.9 million or 8% of the annual budget**

The expenditure at the end of quarter one amounts to **R 357 million** or **1%** of the budget.

- **Other Expenditure – R 764 thousand (3 % of Budget)**

Other expenditure is much lower than forecasted. Expenditure can only be incurred in terms of available revenue.

## 2.7 TABLE C5 – QUARTERLY BUDGETED CAPITAL EXPENDITURE

WC041 Kannaland - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q1 First Quarter										
Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		193	-	-	-	-	-	-	-	-
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		26 554	22 178	22 178	2 077	2 447	5 545	(3 097)	-56%	22 178
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES (Continued)		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	<b>26 747</b>	<b>22 178</b>	<b>22 178</b>	<b>2 077</b>	<b>2 447</b>	<b>5 545</b>	<b>(3 097)</b>	<b>-56%</b>	<b>22 178</b>
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		6 279	10 760	10 760	-	-	2 690	(2 690)	-100%	10 760
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES (Continued)		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	<b>6 279</b>	<b>10 760</b>	<b>10 760</b>	<b>-</b>	<b>-</b>	<b>2 690</b>	<b>(2 690)</b>	<b>-100%</b>	<b>10 760</b>
<b>Total Capital Expenditure</b>	3	<b>33 026</b>	<b>32 938</b>	<b>32 938</b>	<b>2 077</b>	<b>2 447</b>	<b>8 235</b>	<b>(5 787)</b>	<b>-70%</b>	<b>32 938</b>
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>										
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		<b>193</b>								
Community and social services		51	-	-	-	-	-	-	-	-
Sport and recreation		142	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>										
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>32 833</b>	<b>32 938</b>	<b>32 938</b>	<b>2 077</b>	<b>2 447</b>	<b>8 235</b>	<b>(5 787)</b>	<b>-70%</b>	<b>32 938</b>
Energy sources		384	626	626	-	-	156	(156)	-100%	626
Water management		7 093	12 656	12 656	-	-	3 164	(3 164)	-100%	12 656
Waste water management		24 225	17 956	17 956	433	803	4 489	(3 686)	-82%	17 956
Waste management		1 130	1 700	1 700	1 644	1 644	425	1 219	287%	1 700
<b>Other</b>										
<b>Total Capital Expenditure - Functional Classification</b>	3	<b>33 026</b>	<b>32 938</b>	<b>32 938</b>	<b>2 077</b>	<b>2 447</b>	<b>8 235</b>	<b>(5 787)</b>	<b>-70%</b>	<b>32 938</b>
<b>Funded by:</b>										
National Government		20 662	30 416	30 416	2 077	2 447	7 604	(5 157)	-68%	30 416
Provincial Government		1 085	2 522	2 522	-	-	630	(630)	-100%	2 522
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		<b>21 747</b>	<b>32 938</b>	<b>32 938</b>	<b>2 077</b>	<b>2 447</b>	<b>8 235</b>	<b>(5 787)</b>	<b>-70%</b>	<b>32 938</b>
<b>Borrowing</b>	6									
Internally generated funds		11 279	-	-	-	-	-	-	-	-
<b>Total Capital Funding</b>	7	<b>33 026</b>	<b>32 938</b>	<b>32 938</b>	<b>2 077</b>	<b>2 447</b>	<b>8 235</b>	<b>(5 787)</b>	<b>-70%</b>	<b>32 938</b>

### CAPITAL EXPENDITURE

- The YTD capital expenditure at the end of **quarter one** was **R 2.4 million** which amounts to **7%** of the total budget.

## 2.8 TABLE C6 – QUARTERLY BUDGETED FINANCIAL POSITION

WC041 Kannaland - Table C6 Monthly Budget Statement - Financial Position - Q1 First Quarter						
Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
R thousands						
<b>ASSETS</b>	1					
<b>Current assets</b>						
Cash and cash equivalents		9 707	26 093	26 093	17 195	26 093
Trade and other receivables from exchange transactions		32 456	6 414	6 414	29 605	6 414
Receivables from non-exchange transactions		2 459	3 322	3 322	5 025	3 322
Current portion of non-current receivables		-	-	-	-	-
Inventory		1 974	1 981	1 981	1 974	1 981
VAT		(26 534)	25 953	25 953	(22 634)	25 953
Other current assets		(1 062)	1 063	1 063	(1 097)	1 063
<b>Total current assets</b>		<b>19 001</b>	<b>64 826</b>	<b>64 826</b>	<b>30 069</b>	<b>64 826</b>
<b>Non current assets</b>						
Investments		-	-	-	-	-
Investment property		1 064	1 116	1 116	1 064	1 116
Property, plant and equipment		308 458	319 477	319 477	307 827	319 477
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		-	-	-	-	-
Intangible assets		8	9	9	8	9
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
<b>Total non current assets</b>		<b>309 530</b>	<b>320 603</b>	<b>320 603</b>	<b>308 899</b>	<b>320 603</b>
<b>TOTAL ASSETS</b>		<b>328 531</b>	<b>385 429</b>	<b>385 429</b>	<b>338 968</b>	<b>385 429</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Financial liabilities		-	-	-	-	-
Consumer deposits		1 446	1 364	1 364	1 468	1 364
Trade and other payables from exchange transactions		89 925	25 374	25 374	82 054	25 374
Trade and other payables from non-exchange transactions		14 991	8 402	8 402	25 718	8 402
Provision		4 735	7 477	7 477	4 735	7 477
VAT		(20 267)	22 114	22 114	(16 507)	22 114
Other current liabilities		-	-	-	-	-
<b>Total current liabilities</b>		<b>90 830</b>	<b>64 732</b>	<b>64 732</b>	<b>97 468</b>	<b>64 732</b>
<b>Non current liabilities</b>						
Financial liabilities		-	-	-	-	-
Provision		35 590	20 653	20 653	35 590	20 653
Long term portion of trade payables		-	44 502	44 502	-	44 502
Other non-current liabilities		11 550	10 817	10 817	11 550	10 817
<b>Total non current liabilities</b>		<b>47 140</b>	<b>75 972</b>	<b>75 972</b>	<b>47 140</b>	<b>75 972</b>
<b>TOTAL LIABILITIES</b>		<b>137 971</b>	<b>140 704</b>	<b>140 704</b>	<b>144 608</b>	<b>140 704</b>
<b>NET ASSETS</b>	2	<b>190 560</b>	<b>244 725</b>	<b>244 725</b>	<b>194 360</b>	<b>244 725</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		190 098	237 309	237 309	185 615	237 309
Reserves and funds		462	7 417	7 417	462	7 417
Other		-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>190 560</b>	<b>244 725</b>	<b>244 725</b>	<b>186 077</b>	<b>244 725</b>

## 2.9 TABLE C7 – QUARTERLY BUDGETED CASH FLOW

WC041 Kannaland - Table C7 Monthly Budget Statement - Cash Flow - Q1 First Quarter										
Description	Ref	2023/24	Budget Year 2024/25							
		R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	1									
<b>Receipts</b>										
Property rates		17 177	25 160	25 160	1 671	4 361	6 290	(1 929)	-31%	25 160
Service charges		82 221	123 878	123 878	9 627	25 671	30 969	(5 299)	-17%	123 878
Other revenue		16 053	8 716	8 716	399	1 615	2 179	(564)	-26%	8 716
Transfers and Subsidies - Operational		73 430	62 503	62 503	-	23 679	15 626	8 054	52%	62 503
Transfers and Subsidies - Capital		19 652	19 760	19 760	-	8 105	4 940	3 165	64%	19 760
Interest		3	6 657	6 657	-	-	1 664	(1 664)	-100%	6 657
Dividends		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Suppliers and employees		(149 375)	(239 702)	(239 702)	(21 768)	(29 727)	(59 925)	(30 198)	50%	(19 975)
Interest		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>59 159</b>	<b>6 972</b>	<b>6 972</b>	<b>(10 070)</b>	<b>33 704</b>	<b>1 743</b>	<b>(31 961)</b>	<b>-1834%</b>	<b>226 699</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Capital assets		(14 217)	(22 282)	(22 282)	-	(484)	5 571	6 055	109%	22 282
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(14 217)</b>	<b>(22 282)</b>	<b>(22 282)</b>	<b>-</b>	<b>(484)</b>	<b>5 571</b>	<b>6 055</b>	<b>109%</b>	<b>22 282</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>44 942</b>	<b>(15 310)</b>	<b>(15 310)</b>	<b>(10 070)</b>	<b>33 219</b>	<b>7 314</b>			<b>248 981</b>
Cash/cash equivalents at beginning:		36 645	90 188	90 188		39 840	90 188			39 840
Cash/cash equivalents at month/year end:		81 587	74 878	74 878		73 060	97 501			288 821

The total bank balances at the end of **Quarter one** was as follow;

- Standard Bank Main Account is **R 1.1 million**;
- The Traffic Account has **R 773 thousand**;
- Deposit Account has and **R 281 thousand**;
- Call Account has **R 15 984 million**;
- 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 Statement - aged debtors - Q1 First Quarter													
Description	NT Code	Budget Year 2024/25										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
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 - Electricity	1300	2 563	889	520	1 075	341	76	512	977	6 954	2 982	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	3 187	998	866	780	693	636	3 167	23 509	33 837	28 786	-	-
Receivables from Exchange 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	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>9 128</b>	<b>4 219</b>	<b>3 923</b>	<b>3 813</b>	<b>3 273</b>	<b>2 637</b>	<b>15 866</b>	<b>110 488</b>	<b>153 348</b>	<b>136 078</b>	<b>-</b>	<b>-</b>
<b>2023/24 - totals only</b>													
<b>Debtors Age Analysis By Customer Group</b>													
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	-	-
<b>Total By Customer Group</b>	<b>2600</b>	<b>9 128</b>	<b>4 219</b>	<b>3 923</b>	<b>3 813</b>	<b>3 273</b>	<b>2 637</b>	<b>15 866</b>	<b>110 488</b>	<b>153 348</b>	<b>136 078</b>	<b>-</b>	<b>-</b>

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.

### 3.2 DEBTORS PAYMENT PERCENTAGES

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



Complete This Section			Quarter 1 Performance Per Ward											
Services	Electricity Supplier	Ward Name & Number	1.July				2.August				3.September			
			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
<b>Property Rates Tax</b>			-	-	-	#DIV/0!	-	100	0	#DIV/0!	154 687	80 189	74 498	52%
Electricity	Mun. Supplied	Nousville - Ward 1	111 048	50 275	60 774	45%	120 173	175 897	0	146%	152 037	110 753	41 285	73%
Water			326 429	94 749	231 680	29%	162 477	81 196	81 281	50%	206 677	90 700	115 977	44%
Refuse			126 619	36 221	90 397	29%	177 429	62 608	114 821	35%	177 097	75 509	101 589	43%
Waste Water			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%
<b>Property Rates Tax</b>			-	716	0	#DIV/0!	-	269	0	#DIV/0!	71 963	50 964	20 999	71%
Electricity	Ekom supplied	Zoar - Ward 2	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!
Water			455 860	19 658	436 201	4%	307 435	18 967	288 468	6%	375 319	100 018	275 301	27%
Refuse			306 569	25 904	280 665	8%	343 258	20 135	323 123	6%	341 932	51 185	290 747	15%
Waste Water			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%
<b>Property Rates Tax</b>			-	4 057	0	#DIV/0!	-	1	0	#DIV/0!	180 068	64 391	115 677	36%
Electricity	Ekom supplied	Calaburp farms - Ward 3	114	-	114	0%	33	-	33	0%	-	-	-	#DIV/0!
Water			6 997	410	6 587	6%	6 009	2 302	3 707	38%	36 844	7 864	28 980	21%
Refuse			-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!
Waste Water			-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!
Interest			-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!
<b>Property Rates Tax</b>			-	-	-	#DIV/0!	-	-	-	#DIV/0!	22 220	12 767	9 453	57%
Electricity	Mun. Supplied	Berg & Calaburp - Ward 3	11 669	4 621	7 048	40%	12 228	10 438	1 790	85%	13 585	21 021	0	155%
Water			311 915	6 306 273	0	2022%	212 631	45 252	167 378	21%	220 180	82 268	137 912	37%
Refuse			86 523	18 741	67 782	22%	126 573	28 559	98 014	23%	126 573	33 635	92 938	27%
Waste Water			79 317	11 795	67 522	15%	112 833	21 945	90 888	19%	111 783	26 032	85 751	23%
Interest			483	-	483	0%	483	81	402	17%	1 545	61 365	0	3973%
<b>Property Rates Tax</b>			-	(72)	72	#DIV/0!	-	731	0	#DIV/0!	451 926	301 034	150 892	67%
Electricity	Mun. Supplied	Calaburp Town - Ward 3	623 825	536 690	87 135	86%	548 522	385 933	162 588	70%	646 980	884 463	0	137%
Water			6 176 444	5 884 826	291 618	95%	166 210	118 699	47 511	71%	203 933	417 738	0	205%
Refuse			86 697	75 550	11 147	87%	96 571	64 003	32 568	66%	96 239	112 412	0	117%
Waste Water			19 697	16 723	2 974	85%	21 682	14 063	7 619	65%	22 002	24 103	0	110%
Interest			6 426	1 757	4 669	27%	6 496	3 746	2 750	58%	6 546	31 335	0	479%
<b>Property Rates Tax</b>			4 474 751	-	4 474 751	0%	2 385 893	-	2 385 893	0%	948 996	826 497	122 499	87%
Electricity	Mun. Supplied	Ladsmith Town - Ward 4	2 883 558	3 677 600	0	128%	2 834 717	2 081 655	753 062	73%	3 181 354	2 848 781	332 572	90%
Water			685 246	861 479	0	126%	460 343	430 449	29 894	94%	470 151	594 735	0	126%
Refuse			184 276	173 131	11 145	94%	192 701	135 314	57 387	70%	189 874	211 327	0	111%
Waste Water			282 943	248 579	34 364	88%	296 088	199 428	96 660	67%	293 329	282 005	11 323	96%
Interest			58 630	6 651	51 979	11%	59 887	20 947	38 940	35%	56 859	22 419	34 440	39%
<b>Property Rates Tax</b>			-	24 504	0	#DIV/0!	-	11 310	0	#DIV/0!	488 564	254 421	234 144	52%
Electricity	Ekom supplied	Ladsmith Farm - Ward 4	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			461 443	801 517	0	174%	470 856	458 846	12 010	97%	449 081	434 864	14 217	97%
Refuse			16 352	7 164	9 188	44%	20 507	11 597	8 911	57%	20 176	19 046	1 130	94%
Waste Water			11 306	12 272	0	109%	11 815	7 757	4 059	66%	11 815	10 843	972	92%
Interest			4 875	-	4 875	0%	4 875	-	4 875	0%	-	-	4 875	0%
<b>Property Rates Tax</b>			-	48 462	0	#DIV/0!	-	-	-	#DIV/0!	54 517	39 469	15 048	72%
Electricity	Ekom supplied	Van Wykedorp - Ward 4	-	-	-	#DIV/0!	-	-	-	#DIV/0!	-	-	-	#DIV/0!
Water			53 328	65 722	0	123%	64 387	8 735	55 652	14%	52 511	15 776	36 735	30%
Refuse			32 057	4 980	27 077	16%	40 466	3 917	36 549	10%	40 466	10 106	30 360	25%
Waste Water			19 546	590	18 957	3%	25 533	117	25 416	0%	25 214	202	25 012	1%
Interest			63	-	63	0%	63	-	63	0%	63	-	63	0%

### 3.3 TABLE SC4 – CREDITORS AGE ANALYSIS

WC041 Kannaland - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q1 First Quarter

Description	NT Code	Budget Year 2024/25								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
<b>R thousands</b>										
<b>Creditors Age Analysis By Customer Type</b>										
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	–	–	–	–	–	–	–	–	–
Loan repayments	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
<b>Total By Customer Type</b>	<b>1000</b>	<b>14 625</b>	<b>3 706</b>	<b>3 105</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>61 307</b>	<b>82 743</b>

- The total outstanding creditors as at the end of **September 2024** amounts to **R 82.74 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 2023-2024 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				
Grant Name	Original Budget	Total Received	Total Spent	Unspent
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
			R 138 489,90	
			R 164 957,00	
			R 154 586,50	
INEP	R -			R -
INEP (Eskom)	R 104 000,00			R -
WSIG	R 9 000 000,00	R 4 800 000,00	R 923 704,31	R 3 876 295,69

The following indicates expenditure on each respective grant received (Operational) and (Capital) for Quarter one of 2024/25 -

#### Expenditure:

- Financial Management Grant amounts to **R1 295 million**.
- Municipal Infrastructure Grant (MIG) amounts **R 1 700 million** capital expenditure and **MIG PMU** amounts to **R 104 thousand**.
- Expanded Public Works Programme amounts to **R 458 thousand**.
- Municipal Replacement Fund (MRF) amounts to **R 639 thousand**.
- Water Service Infrastructure Grant (WSIG) amounts to **R 924 thousand**.

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

WC041 Kannaland - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q1 First Quarter										
Summary of Employee and Councillor remuneration	Ref	2023/24			Budget Year 2024/25					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
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		114	-	-	-	29	-	29	-	-
Motor Vehicle Allowance		36	-	-	-	9	-	9	-	-
Cellphone Allowance		300	329	329	-	75	82	(7)	-9%	329
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
<b>Sub Total - Councillors</b>		<b>3 956</b>	<b>3 635</b>	<b>3 635</b>	<b>26</b>	<b>967</b>	<b>909</b>	<b>59</b>	<b>6%</b>	<b>3 635</b>
<b>% increase</b>	4		<b>-8,1%</b>	<b>-8,1%</b>						<b>-8,1%</b>
<b>Senior Managers of the Municipality</b>										
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 Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		22	136	136	4	13	34	(21)	-61%	136
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>3 794</b>	<b>5 627</b>	<b>5 627</b>	<b>376</b>	<b>1 109</b>	<b>1 407</b>	<b>(298)</b>	<b>-21%</b>	<b>5 627</b>
<b>% increase</b>	4		<b>48,3%</b>	<b>48,3%</b>						<b>48,3%</b>
<b>Other Municipal Staff</b>										
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)	-30%	10 497
Medical Aid Contributions		2 395	3 493	3 493	182	568	873	(305)	-35%	3 493
Overtime		8 603	4 122	4 122	736	2 629	1 031	1 598	155%	4 122
Performance Bonus		789	725	725	-	21	181	(160)	-88%	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 Allowances		339	1 200	1 200	22	78	300	(222)	-74%	1 200
Other benefits and allowances		6 425	3 785	3 785	(138)	721	946	(225)	-24%	3 785
Payments in lieu of leave		1 771	100	100	15	56	25	31	125%	100
Long service awards		(2 985)	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>89 854</b>	<b>82 200</b>	<b>81 200</b>	<b>8 308</b>	<b>24 241</b>	<b>20 300</b>	<b>3 942</b>	<b>19%</b>	<b>81 200</b>
<b>% increase</b>	4		<b>-8,5%</b>	<b>-9,6%</b>						<b>-9,6%</b>
<b>Total Parent Municipality</b>		<b>97 604</b>	<b>91 462</b>	<b>90 462</b>	<b>8 709</b>	<b>26 318</b>	<b>22 615</b>	<b>3 702</b>	<b>16%</b>	<b>90 462</b>
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>										
<b>Board Members of Entities</b>										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	614	614	-	-	153	(153)	-100%	614
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		1	-	-	0	0	-	0	-	-
Board Fees		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Executive members Board</b>		<b>1</b>	<b>614</b>	<b>614</b>	<b>0</b>	<b>0</b>	<b>153</b>	<b>(153)</b>	<b>-100%</b>	<b>614</b>
<b>% increase</b>	4		<b>74797,2%</b>	<b>74797,2%</b>						<b>74797,2%</b>
<b>% increase</b>	4									
<b>Total Municipal Entities</b>		<b>1</b>	<b>614</b>	<b>614</b>	<b>0</b>	<b>0</b>	<b>153</b>	<b>(153)</b>	<b>-100%</b>	<b>614</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>97 605</b>	<b>92 076</b>	<b>91 076</b>	<b>8 709</b>	<b>26 318</b>	<b>22 769</b>	<b>3 549</b>	<b>16%</b>	<b>91 076</b>
<b>% increase</b>	4		<b>-5,7%</b>	<b>-6,7%</b>						<b>-6,7%</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>93 649</b>	<b>87 828</b>	<b>86 828</b>	<b>8 683</b>	<b>25 350</b>	<b>21 707</b>	<b>3 643</b>	<b>17%</b>	<b>86 828</b>

### **3.7 MATERIAL VARIANCES TO THE SDBIP**

**FINAL REVISED TOP LAYER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) 2024/25** includes the following KPA's to be discussed in more detail in Appendix C.

KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens

KPA 2: To Provide adequate Services and improve our public relations

KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks

KPA 4: To Facilitate Economic Growth and Social and Community development

KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation

KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy

KPA 7: To Strive towards a financially sustainable municipality

**DETAILED CAPITAL PROJECTS FOR 2024/25**

Type	Grant Name	Allocation 2024	Allocation 2025	Allocation 2026
National	Municipal Infrastructure Grant	R 11 217 000	R 11 542 000	R 12 147 000
National	Water Services Infrastructure Grant	R 9 000 000	R 10 000 000	R 35 000 000
National	Integrated National Electrification Grant		R 600 000	R 700 000
Provincial	Financial Assistance to Municipalities for Maintenance and Construction of Transport Infrastructure	-	R 50 000	R 52 000
Provincial	Human Settlements Development Grant (Beneficiaries)	R 14 167 000	R 8 000 000	R 29 000 000
Provincial	Title Deeds Restoration Grant	R 403 000	R 403 000	-
Provincial	Informal Settlements Upgrading Partnership Grant	R 500 000	R 5 200 000	-
Provincial	Municipal Energy Resilience Grant	R 522 000	-	-
Provincial	Municipal Water Resilience Grant	R 2 000 000	-	-
<b>Total Capital Projects Grant</b>		<b>R 37 809 000</b>	<b>R 35 795 000</b>	<b>R 76 899 000</b>

*K*

MONTHLY PROJECTIONS OF CASH FLOW 2024/25

ANNEXURE II

WCDM Kannaland - Supporting Table S400 Budgeted monthly cash flow													Medium Term Revenue and Expenditure Framework		
MONTHLY CASH FLOW	Budget Year 2024/25												Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
	July	August	Sept.	October	November	December	January	February	March	April	May	June			
<b>Cash Receipts By Source</b>															
Property rates	2 297	2 297	2 297	2 297	2 297	2 297	2 297	2 297	2 297	2 297	2 297	2 297	2 297	2 297	2 297
Service charges - electricity revenue	7 158	7 158	7 158	7 158	7 158	7 158	7 158	7 158	7 158	7 158	7 158	7 158	7 158	7 158	7 158
Service charges - water revenue	1 793	1 793	1 793	1 793	1 793	1 793	1 793	1 793	1 793	1 793	1 793	1 793	1 793	1 793	1 793
Service charges - sanitation revenue	726	726	726	726	726	726	726	726	726	726	726	726	726	726	726
Service charges - refuse removal	714	714	714	714	714	714	714	714	714	714	714	714	714	714	714
Tenure of facilities and equipment	81	81	81	81	81	81	81	81	81	81	81	81	81	81	81
Interest earned - retained investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	555	555	555	555	555	555	555	555	555	555	555	555	555	555	555
Grants received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and rebates	318	318	318	318	318	318	318	318	318	318	318	318	318	318	318
Unwarranted and permits	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41
Agency services	121	121	121	121	121	121	121	121	121	121	121	121	121	121	121
Tenders and Subsidies - Government	3 257	3 257	3 257	3 257	3 257	3 257	3 257	3 257	3 257	3 257	3 257	3 257	3 257	3 257	3 257
Other income	182	182	182	182	182	182	182	182	182	182	182	182	182	182	182
<b>Cash Receipts by Source</b>	<b>18 584</b>	<b>18 584</b>	<b>18 584</b>	<b>18 584</b>	<b>18 584</b>	<b>18 584</b>	<b>18 584</b>	<b>18 584</b>	<b>18 584</b>	<b>18 584</b>	<b>18 584</b>	<b>18 584</b>	<b>18 584</b>	<b>18 584</b>	<b>18 584</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - central Government	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647
Transfers and subsidies - created (or-built)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers on disposal of fixed and intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Stockroom loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in investment assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>20 231</b>	<b>20 231</b>	<b>20 231</b>	<b>20 231</b>	<b>20 231</b>	<b>20 231</b>	<b>20 231</b>	<b>20 231</b>	<b>20 231</b>	<b>20 231</b>	<b>20 231</b>	<b>20 231</b>	<b>20 231</b>	<b>20 231</b>	<b>20 231</b>
<b>Cash Payments by Type</b>															
Salaries and wages	(8 349)	(8 349)	(8 349)	(8 349)	(8 349)	(8 349)	(8 349)	(8 349)	(8 349)	(8 349)	(8 349)	(8 349)	(8 349)	(8 349)	(8 349)
Remuneration of consultants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subsidiary purchases - electricity	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)
Other materials - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	(4 872)	(4 872)	(4 872)	(4 872)	(4 872)	(4 872)	(4 872)	(4 872)	(4 872)	(4 872)	(4 872)	(4 872)	(4 872)	(4 872)	(4 872)
Contracted services	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	(1 715)	(1 715)	(1 715)	(1 715)	(1 715)	(1 715)	(1 715)	(1 715)	(1 715)	(1 715)	(1 715)	(1 715)	(1 715)	(1 715)	(1 715)
<b>Cash Payments by Type</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>
<b>Other Cash Flows/Payments by Type</b>															
Other cash flows	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>	<b>(31 544)</b>
<b>NET INCREASE/DECREASE IN CASH HELD</b>	<b>2 411</b>	<b>2 411</b>	<b>2 411</b>	<b>2 411</b>	<b>2 411</b>	<b>2 411</b>	<b>2 411</b>	<b>2 411</b>	<b>2 411</b>	<b>2 411</b>	<b>2 411</b>	<b>2 411</b>	<b>2 411</b>	<b>2 411</b>	<b>2 411</b>
Opening cash held at the month/year begin	30 558	32 969	35 380	37 791	40 202	42 613	45 024	47 435	49 846	52 257	54 668	57 079	59 490	61 901	64 312
Cash held at the month/year end	32 969	35 380	37 791	40 202	42 613	45 024	47 435	49 846	52 257	54 668	57 079	59 490	61 901	64 312	66 723

### 3.8 CAPITAL PROGRAMME PERFORMANCE

CAPITAL COMMITMENTS 2024/2025 FY (September 2024)								
No.	Grant	Project No	Project Name	Original Budget	Expenditure	Still to spend	% Spend	Status/Progress/Comments
1	MIG		YELLOW FLEET	R 1 700 000,00	R 1 700 000,00	R -	100%	
2	MIG		REFURBISHMENT OF VAN WYKSDORP WASTE WATER TREATMENT WORKS	R 2 500 000,00	R -	R 2 500 000,00	0%	
3	MIG		REFURBISH AND UPGRADE CALITZDORP WASTE WATER TREATMENT WORKS	R 3 156 000,00	R -	R 3 156 000,00	0%	
4	MIG		REFURBISH AND UPGRADE ZOAR WASTE WATER TREATMENT WORKS OXIDATION PHASE 2	R 3 300 000,00	R -	R 3 300 000,00	0%	
5	Water Resilience Grant		Municipal Water Resilience Grant	R 2 000 000,00		R 2 000 000,00	0%	
6	WSIG		UPGRADE AND REFURBISH LADISMITH WASTE WATER TREATMENT WORKS PH2	R 9 000 000,00	R 923 704,31	R 8 076 295,69	11%	
7	INEP		INEP (Eskom)	R 104 000,00	R -	R 104 000,00	0%	
8	Water Resilience Grant		Municipal Energy Resilience Grant	R 522 000,00		R 522 000,00	0%	
		<b>TOTALS</b>		<b>R 22 282 000,00</b>	<b>R 2 623 704,31</b>	<b>R 19 658 295,69</b>	<b>13,3%</b>	<b>EXPENDITURE FOR 2024/2025 FY</b>

## **SECTION 4 – QUALITY CERTIFICATION**

I, Dillo Sereo, the Accounting Officer of **Kannaland Municipality WC041**, hereby certify that the quarterly budget statement for **Quarter one**, ending **30 September 2024**, has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

**Print name: Dillo Sereo**

**Signature:** .....

**Date:** .....

## ANNEXURE A - Bank Withdrawals MFMA Section 11(4)

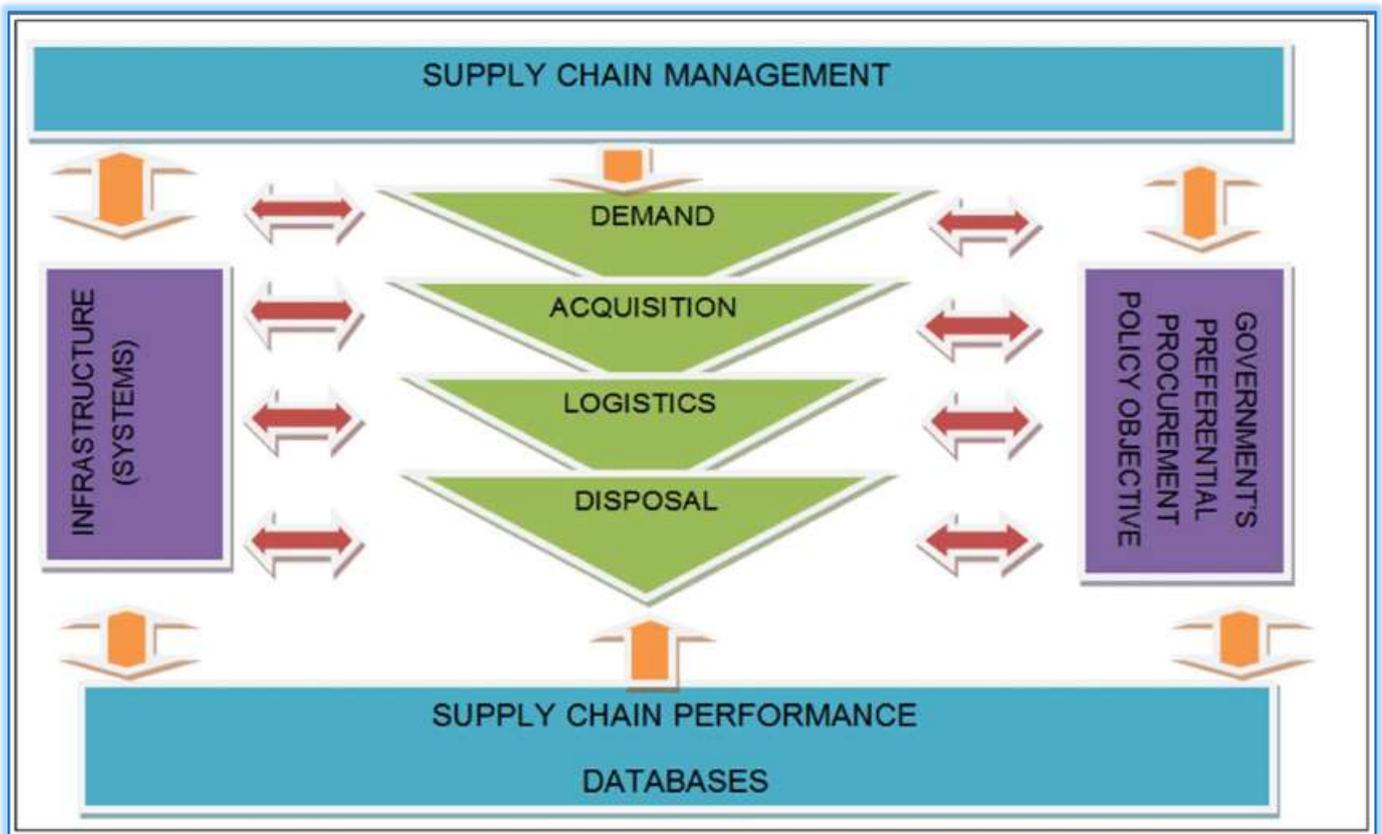
PROVINCIAL TREASURY		
Withdrawals from Municipal Bank Accounts		
In accordance with Section 11, Sub-section 1 (b) to (j)		
<b>NAME OF MUNICIPALITY:</b>	KANNALAND MUNICIPALITY	
<b>MUNICIPAL DEMARCATION CODE:</b>	WC041	
<b>QUARTER ENDED:</b>	Sep-24	
<b>MFMA section 11.</b> (1) Only the <i>accounting officer</i> or the <i>chief financial officer</i> of a <i>municipality</i> , or any other senior financial <i>official</i> of the <i>municipality</i> acting on the written authority of the <i>accounting officer</i> may withdraw money or authorise the withdrawal of money from any of the <i>municipality</i> bank accounts, and may do so only -  (b) to defray expenditure authorised in terms of section 26(4); (c) to defray unforeseeable and unavoidable expenditure authorised in terms of section 29(1); (d) in the case of a bank account opened in terms of section 12. to make payments from the account in accordance with subsection (4) of that section; (e) to pay over to a person or organ of state money received by the <i>municipality</i> on behalf of that person or organ of state, including - (i) money collected by the <i>municipality</i> on behalf of that person or organ of state by agreement; or (ii) any insurance or other payments received by the <i>municipality</i> for that person or organ of state; (f) to refund money incorrectly paid into a bank account; (g) to refund guarantees, sureties and <i>security</i> deposits; (h) for cash management and <i>investment</i> purposes in accordance with section 13; (i) to defray increased expenditure in terms of section 31; or (j) for such other purposes as may be <i>prescribed</i> . (4) The <i>accounting officer</i> must within 30 days after the end of each <i>quarter</i> - (a) table in the <i>municipal council</i> a consolidated report of all withdrawals made in terms of subsection (1)(b) to (j) during that <i>quarter</i> ; and (b) submit a copy of the report to the relevant <i>provincial treasury</i> and the <i>Auditor-General</i> .	<b>Amount</b>	<b>Reason for withdrawal</b>
	R 0,00	
	R 0,00	
	R 0,00	
	R 2 315 635,96	Motor Registration and RTMC transaction fees
	R 0,00	
	<b>Name and Surname: D SEREO</b>	
	<b>Rank/Position:</b>	MUNICIPAL MANAGER
	<b>Signature:</b>	
<b>Tel number</b>	<b>Fax number</b>	<b>Email Address</b>
(028) 551 8000	(028) 551 1766	<a href="mailto:jodene@kannaland.gov.za">jodene@kannaland.gov.za</a>
<b>The completed form must reach Mr Wesley Baatjies at the Provincial Treasury, Private Bag x 9165, 7 Wale Street, Cape Town, 8000, Tel: 021 483 5007, Fax 021 483 8623, Email: wbaatjie@pgwc.gov.za on or before the 15th of the month following the end of each quarter.</b>		





**KANNALAND**  
MUNICIPALITEIT | MUNICIPALITY

# Supply Chain Management Policy Implementation Report First quarter 2024/25



Quarterly Report in terms of Section 6(3) of the Municipal SCM Policy

## Contents

1.INTRODUCTION .....	Error! Bookmark not defined.
2.BACKGROUND.....	Error! Bookmark not defined.
3.SCM POLICY & PROCEDURES .....	Error! Bookmark not defined.
3. <i>Adoption of a SCM Policy by Council</i> .....	Error! Bookmark not defined.
3.2 <i>SCM Procedures</i> .....	Error! Bookmark not defined.
3.3 <i>Delegations</i> .....	Error! Bookmark not defined.
3.4 <i>Infrastructure Procurement</i> .....	Error! Bookmark not defined.
4.FUNCTIONING OF THE SCM UNIT.....	Error! Bookmark not defined.
4.1 <i>SCM Structure</i> :.....	Error! Bookmark not defined.
4.2 <i>Declaration of Interest</i> : .....	Error! Bookmark not defined.
4.3 <i>Code of Conduct for SCM Practitioners</i> :.....	Error! Bookmark not defined.
4.4 <i>Training of SCM Personnel</i> : .....	Error! Bookmark not defined.
4.FUNCTIONING OF BID COMMITTEES .....	Error! Bookmark not defined.
5.REPORTING .....	Error! Bookmark not defined.
5.1 Total Bids Awarded .....	Error! Bookmark not defined.
a) Value of all Awards .....	Error! Bookmark not defined.
b) Deviations – Clause 36(1)(a).....	Error! Bookmark not defined.
c) Minor Breaches.....	Error! Bookmark not defined.
d) Objections, Complaints and Appeals.....	Error! Bookmark not defined.
e) Incidences of Non-compliance and Irregular Expenditure .....	Error! Bookmark not defined.
f) Awards above R2000 to spouses, child, parent of a person in service of the state	<b>Error! Bookmark not defined.</b>
6.FINANCIAL IMPLICATIONS.....	Error! Bookmark not defined.
7.STAFF IMPLICATIONS .....	Error! Bookmark not defined.
8.COMMENTS FROM OTHER DEPARTMENTS, DIVISIONS AND ADMINISTRATIONS	<b>Error!</b>
<b>Bookmark not defined.</b>	
9.ANNEXURES .....	Error! Bookmark not defined.
APPENDIX A.....	Error! Bookmark not defined.
APPENDIX B.....	Error! Bookmark not defined.
APPENDIX C.....	Error! Bookmark not defined.
APPENDIX D.....	Error! Bookmark not defined.

## 1. INTRODUCTION

In terms of clauses 6(1) & 6(3) of Kannaland Municipality's Supply Chain Management Policy, the following responsibilities were allocated:

- 1) The council of a municipality must maintain oversight over the implementation of its supply chain management policy.
- 3) The accounting officer must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor of the municipality.

## 2. BACKGROUND

The purpose of this report is to ensure that Council maintains oversight over the implementation of the Supply Chain Management Policy, specifically regarding the following:

- a) Awards made through the bid committee system for the Quarter under review;
- b) Deviations in terms of Clause 36 of the Supply Chain Management Policy;
- c) Minor breaches approved by the Accounting Officer in terms of Clause 36(2) of the Supply Chain Management Policy;
- d) The status of objections, complaints and appeals lodged;
- e) Deviations in terms of section 114 of the MFMA, pertaining to the approval of a tender other than the one recommended through normal procurement processes;
- f) Clause 32 of the SCM Policy disclosure, procurement of goods or services under a contract secured by another organ of state;
- g) Status update on the implementation of the Council approved procurement plan as year-to-date; and
- h) Report of and progress made with incidences of non-compliance and irregular expenditure identified and currently undergoing investigation.

## 3. SCM POLICY & PROCEDURES

3.1 Adoption of a S

3.2 CM Policy by Council

- Adopted.

3.2 SCM Procedures

- SCM procedures manual and relevant SOP's.

It should however be noted that implementation has been hampered due to the delay in the staff placement process.

3.3 Delegations

- All delegations have not been delegated, are not in writing and accepted.  
The above will be address as a matter of urgency.

3.4 Infrastructure Procurement

- The Standard for Infrastructure Procurement and Delivery Management Policy has been adopted.

## 4. FUNCTIONING OF THE SCM UNIT

4.1 SCM Structure:

- The approved SCM Structure is in place but not in full operation to date.

It is important to note that there are numerous critical vacancies within the SCM department that needs to be filled as a matter of urgency. There are only three positions filled and all are assuming acting positions for more than nine months that is in contravention with the Collective agreement.

Please see below the latest approved organogram:

<b>SCM</b>	Manager: SCM & Contract Management	n/a
Demand & Acquisition Management	Senior SCM Practitioner: Demand & Acquisition Management	n/a
	Senior Clerk: Procurement	n/a
Logistics, Compliance & Contract Management	Senior SCM Practitioner: Logistics, Compliance & Contract Management	n/a
	Clerk: Logistics, Compliance & Contract Management	n/a
	Clerk: Inventory Control	n/a

#### 4.2 Declaration of Interest:

- All SCM Practitioners Have declared their interests.

#### 4.3 Code of Conduct for SCM Practitioners:

- All SCM Practitioners have signed the Code of Conduct.

#### 4.4 Training of SCM Personnel:

- Training schedule to be made available.

## 4. FUNCTIONING OF BID COMMITTEES

- 4.1 All Bid Committees are constituted in line with Clauses 27, 28 and 29 of the SCM Policy of Kannaland Municipality.
- 4.2 All Infrastructure Committees are aligned with the Infrastructure Delivery Management System (IDMS)
- 4.3 Bid Committee Terms of Reference are in place.

## 5. REPORTING

### 5.1 Total Bids Awarded

Bids are awarded in terms of Kannaland Municipality's Supply Chain Management Policy.

Total value of bids awarded for the quarter under review:

Bids are awarded in terms of Kannaland Municipality’s Supply Chain Management Policy and the preferential points system prescribed in the Preferential Procurement Policy.

Procurement transactions have been processed through the bid committee system and formal written price quotations in excess of R30 000 within the following timeframes:

	<b>2024/25 1st Quarter</b>	<b>2024/25 YTD</b>	<b>2024/2025</b>
Bids Processed	4	4	
Bids processed - Average per Quarter	4	4	
Average days from final evaluation to Bid Adjudication Committee	10	10	
Average days from initiation to Bid Specification Committee	10	10	
<b>Estimated Value of Awards (Rand)</b>	n/a	n/a	

A schedule of these awards for the 1<sup>st</sup> Quarter of 2024/25 is attached as **Annexure A**.

### a) Value of all Awards

The total value of tenders and formal written price quotations in excess of R30 000 awarded by the Supply Chain Management Unit for the 1<sup>st</sup> Quarter of 2024/25:

1. No tenders were awarded in the first quarter of the 2024/25 financial year
2. The below formal quotations have been awarded in the 2024/25 financial year

Formal quote number and description	Amount
FQ 20/2024: Supply and delivery of cleaning material for Kannaland Municipality (once-off)	R 35 168,00
FQ 21/2024: Supply and delivery of plumbing material for Kannaland Municipality (once-off)	R 121 095,40
FQ 22/2024: Supply and delivery of electrical material (once-off)	R 81 354,22
FQ 23/2024: Supply delivery of five(5) notebooks	R 71 507,00
FQ 24/2024: Quotation for land surveyor services (once-off)	R 44 735,00
<b>Total formal quotations awarded</b>	<b>R 353 859,62</b>

	Operational Amount (Including VAT, where applicable)	Capital Amount (Including VAT, where applicable)	VAT @ 15%	Value of Awards (Including VAT, where applicable) for Q1
<b>Bid Awards (xxx)</b>	<b>R 353 859,62</b>		<b>R 46 155,60</b>	<b>R 353 859,62</b>

### b) Deviations – Clause 36(1)(a)

Clause 36(1)(a) of Kannaland Municipality’s Supply Chain Management Policy allows circumstances for deviations from the procurement processes. Furthermore, the policy requires in Clause 36(2), that the reasons for any deviations from the procurement processes must be recorded and be reported to Council.

Deviations approved by the Accounting Officer or by the delegated officials were motivated in terms of the following categories for applications approved for the 2024/25 year to date is compared to the 2024/2025 financial year as per the following schedule:

SCM Policy	Description	2024/25 1st Quarter	2024/25 to date	2024/2025
Clause 36(1)(a)(i)	Emergency	15	15	15
Clause 36(1)(a)(ii)	Sole Provider	0	0	0
Clause 36(1)(a)(iii)	Special works of Art	0	0	0
Clause 36(1)(a)(iv)	Animals for zoos	0	0	0
Clause 36(1)(a)(v)	Impractical Impossible	1	1	
<b>Total</b>		<b>16</b>	<b>16</b>	<b>16</b>

A schedule of Deviations approved in terms of Clauses 36(1)(a) is attached as **Annexure B**.

### Value of all Deviations Awarded

The total value of deviations processed via the Supply Chain Management Unit for the 1<sup>st</sup> Quarter of 2024/25, are as follows:

	Operational Amount (Excluding VAT, where applicable)	Capital Amount (Excluding VAT, where applicable)	VAT @ 15%	Value of Awards (Including VAT, where applicable) for Q1
<b>Deviations (xxx)</b>	<b>R 1 813 479,65</b>	<b>R0.00</b>	<b>R 236 540,82</b>	<b>R 1 813 479,65</b>

### c) Minor Breaches

The Supply Chain Management Policy states in Clause 36(1)(b) that the Accounting Officer may consider ratifying any minor breach of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

The Accounting Officer approved no (0) minor breaches of the Supply Chain Management Policy in the 1<sup>st</sup> Quarter of the 2024/2025 financial year:

SCMMB #	Date approved	Description
N/A		

#### **d) Objections, Complaints and Appeals**

In terms of Clause 49 of the SCM Policy, persons aggrieved by decisions or actions taken in the implementation of the supply chain management system, may lodge a written objection against the decision or action within 10 business days of the decision or action.

These objections must be dealt with and resolved in terms of Clause 50(1) of the SCM Policy. In terms of this, the Accounting Officer has appointed an 'appeals authority' which must strive to resolve all objections within 46 business days of receipt and report to the Accounting Officer on a monthly basis on the objections received, attended to and resolved in terms of Clause 50(3) of the Policy.

In terms of Section 62 of the Local Government: Municipal Systems Act, No. 32 of 2000, a person whose rights are affected by a decision taken by a staff member of a municipality, may appeal against that decision by giving written notice of the appeal and reasons to the municipal manager within 21 days of the date of the notification of the decision.

#### **e) Incidences of Non-compliance and Irregular Expenditure**

In terms of Section 32(4) of the Local Government: Municipal Finance Management, Act No. 56 of 2003, the Executive Mayor, inter alia, must be made aware of all possible irregular expenditure incurred by the municipality.

A register of all incidences of irregular expenditure identified and currently undergoing investigation will be attached when compiled.

#### **f) Awards above R2000 to spouses, child, parent of a person in service of the state**

Section 45 of the Supply Management Policy – Nothing to declare

## **6. FINANCIAL IMPLICATIONS**

Nothing to be reported.

## 7. STAFF IMPLICATIONS

Nothing to be reported.

## 8. COMMENTS FROM OTHER DEPARTMENTS, DIVISIONS AND ADMINISTRATIONS

Nothing to be reported.

## 9. ANNEXURES

Annexure A: Schedule of Awards made through the Bid Committee system and all formal written price quotations in excess of R30 000;

Annexure B: Schedule of Deviations from the procurement processes;

Annexure C: Schedule of disputes, objections, queries, complaints and appeals received

### **RECOMMENDATION TO THE COUNCIL:**

That the activities undertaken, and outcomes achieved in the implementation of the Kannaland Municipality's Supply Chain Management Policy for the 2<sup>nd</sup> Quarter of 2024/25 **be noted**, including the schedules pertaining to -

- Awards made through the Bid Committee system and all formal written price quotations in excess of R30 000;
- Deviations from the procurement processes;
- Disputes, objections, queries, complaints and appeals received; and
- Irregular Expenditure report will be available for the 1<sup>st</sup> Quarter of 2024/2025.

## **APPENDIX A**

Attached

## **APPENDIX B**

Attached

## **APPENDIX C**

Attached (There was no disputes, objections, queries, complaints and appeals received)

## APPENDIX A – DEVIATION REGISTER [JUL 2024 – SEPT 2024]

July-September DEVIATIONS 2024/2025						
<u>NO</u>	<u>DATE</u>	<u>DEPARTMENT</u>	<u>ORDER</u>	<u>SUPPLIER</u>	<u>AMOUNT</u>	<u>REASON</u>
1	05/08/2024	Finance Department	21243	Caseware Software	R217 148,95	
2	15/08/2024	Administration	21271	Palm House Boutique Hotel	R5 200,00	
3	14/08/2024	Administration	21265	Palm House Boutique Hotel	R5 200,00	
4	15/08/2024	Administration	21272	Shoprite Checkers Debtors Depos	R6 093,68	
5	15/08/2024	Administration	21273	Shoprite Checkers Debtors Depos	R3 115,35	
6	16/08/2024	Office of MM	21278	Victoria Oaks Guesthouse	R2 180,00	
7	22/08/2024	Administration	21287	Valley Containers	R11 212,70	
8	22/08/2024	Administration	21288	Bidvest Steiner	R12 903,35	
9	13/08/2024	Administration	21263	Konica Minolta	R62 539,13	
10	05/08/2024	Human Resource Department	21242	Biddulphs International	R13 531,59	
11	21/08/2024	ICT Department	21282	ICT Wize Corp Pty Ltd	R28 319,00	
12	05/08/2024	ICT Department	21245	ICT Wize Corp Pty Ltd	R28 319,00	
13	30/08/2024	Administration	96871	Sanitech	R90 186,68	
14	30/08/2024	Technical Department	21299	GM Essential Labour	R59 040,00	
	21/08/2024	Finance Department		CMN Chartered Accountants	R280 176,28	
15					R825 165,71	
16						
<u>NO</u>	<u>DATE</u>	<u>DEPARTMENT</u>	<u>ORDER</u>	<u>SUPPLIER</u>	<u>AMOUNT</u>	
1	10/09/2024	Administration	21323	Protea Hotel North Wharf	R8 680,20	
2	17/09/2024	Administration	21339	Konica Minolta South Africa	R9 310,69	
3	09/09/2024	Administration	21316	Valley Containers	R10 982,50	
4	04/09/2024	ICT Department	21305	ICT Wize Corp Pty Ltd	R9 600,00	
5	05/09/2024	Finance Department	21310	CMN Chartered Accountants & Business Advisors	R499 060,28	
6	05/09/2024	Finance Department	21309	Caseware/Adapt IT	R20 766,47	
7	16/09/2024	Legal services	21338	Liesel Scholtz Prokureurs	R253 998,30	
8	10/09/2024	Technical Department	21327	Coastal Armature Winders & Supplies	R175 915,50	
9					R988 313,94	

# APPENDIX B – TENDER REGISTER

#	Slid No	Slid Description	Slid Specification Date	Opening Date	Closing Date	Briefing Session	Briefing Session Date	Supply Date	Current Active Date	Validity	Extension	Admin Compliance	BEC Scheduled Date	BEC Completed	BAC Scheduled Date	BAC Completed	Award	Queries	Notes
1	KANNA 04/2024	PANEL OF ENGINEERING CONSULTING FIRMS TO RENDER PROFESSIONAL SERVICES FOR (2) YEARS		26-Mar-24	26-Apr-24	N/A	N/A	Wednesday, October 2, 2024	24	Active	Yes	Yes	02 July 2024	Yes		Yes	Yes		
2	KANNA 05/2024	PANEL OF PROFESSIONAL SERVICE PROVIDERS FOR PROGRAMME IMPLEMENTATION TECHNICAL SUPPORT TO THE PROJECTS MANAGEMENT UNIT.		26-Mar-24	6-May-24	N/A	N/A	Wednesday, October 2, 2024	24	Active	Yes	Yes	20 June 2024	Yes		Yes	Yes		
3	KANNA 06/2024	EXPRESSION OF INTEREST		11-Apr-24	13-May-24	N/A	N/A		2024	Active	Yes	Yes	13 June 2024	Yes	27 June 2024	Yes	Yes		
4	KANNA 07/2024	PANEL OF ELECTRICAL NETWORK MAINTENANCE AND/OR UPGRADE FOR A PERIOD OF THREE (3) YEARS AS AND WHEN NEEDED		31-Aug-24	13-Sep-24	Not Compulsory	6-May-24	Thursday, December 12, 2024	27	Active	Yes	Yes	17 - 18 October 2024		18 - 19 October 2024				Bid buy with compliance evaluation. Bid evaluation committee meeting scheduled
5	KANNA 08/2024	PANEL OF SERVICES PROVIDERS FOR THE REPAIR AND MAINTENANCE OF PUMPS AND PUMP STATION INFRASTRUCTURE FOR A PERIOD OF THREE (3) YEARS AS AND WHEN NEEDED		31-Aug-24	13-Sep-24	Not Compulsory	6-May-24	Thursday, December 12, 2024	27	Active	Yes	Yes	17 - 18 October 2024		18 - 19 October 2024				Bid buy with compliance evaluation. Bid evaluation committee meeting scheduled
6	KANNA 09/2024	PANEL OF SERVICES PROVIDERS FOR THE CONSTRUCTION, UPGRADING AND/OR MAINTENANCE OF THE ROADS AND STORMWATER INFRASTRUCTURE OF KANNALAND MUNICIPALITY FOR A PERIOD OF THREE(3) YEARS		31-Aug-24	13-Sep-24	Not Compulsory	6-May-24	Thursday, December 12, 2024	27	Active	Yes	Yes	17 - 18 October 2024		18 - 19 October 2024				Bid buy with compliance evaluation. Bid evaluation committee meeting scheduled
7	KANNA 10/2024	PANEL OF CONTRACTORS FOR CONSTRUCTION, UPGRADING AND/OR MAINTENANCE OF WATER AND SEWER INFRASTRUCTURE PROJECTS FOR A PERIOD OF THREE(3) YEARS		31-Aug-24	13-Sep-24	Not Compulsory	6-May-24	Thursday, December 12, 2024	27	Active	Yes	Yes	17 - 18 October 2024		18 - 19 October 2024				Bid buy with compliance evaluation. Bid evaluation committee meeting scheduled
		ICT	Wednesday, October 2, 2024																BID SPECIFICATION COMMITTEE REFERRED SPECIFICATIONS BACK FOR REVISION- STILL AWAITING UPDATED SPECIFICATIONS FROM SUBDEPARTMENTS
		METER READING SOFTWARE	Wednesday, October 2, 2024																
		RENTAL OF WATER TRUCK	Wednesday, October 2, 2024																
		RENTAL OF JONER TRUCK	Wednesday, October 2, 2024																
		SAMPLING & TESTING	Wednesday, October 2, 2024																
		SUPPLY AND DELIVERY OF WATER CHEMICALS	Wednesday, October 2, 2024																
		DRAINING SERVICES																	
		DEEP COLLECTION																	
		PRINTERS																	
		HYGIENIC SERVICES																	
		THE PROVISION OF TYRES																	
		FLEET MANAGEMENT SYSTEM																	
		TRANSACTIONAL ADVISORY SERVICES																	
		PANEL OF ATTORNEYS																	
		PANEL OF PROCEEDING OFFICERS																	
		PANEL OF CONSULTANTS(AUDIT SUPPORT)																	

## **ANNEXURE D – BUDGET FUNDING PLAN**

The municipality drafted and adopted a funding plan by Council on 11 October 2024. The progress will be reported on in the next section 71 report for October 2024.