KANNALAND
MUNISIPALITEIT | MUNICIPALITY

Monthly Budget Report for May 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 May 2025, 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 May 2025.

That the Council takes cognisance of the Eskom Debt Relief Report for May 2025.

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	YTD Budget	Monthly Actual	YTD Actual	YTD Budget vs YTD Actual Variance	YTD Budget vs YTD Actual Variance %
Operating Revenue	R 243 786	R 223 470	R14 960	R 221 860	R 1 611	-1%
Operating Expenditure	R 285 441	R 261 515	R 15 158	R 205 341	R (56 175)	-21%
Capital	R 25 946	R 23 636	R1 967	R 14 097	R (9 540)	-40%

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

Operational Revenue

The municipality's total operational revenue budget amounts to R14.96 million and the year-to-date revenue on the budget accrued to R223 million. This represents 93% of the YTD variance for total revenue.

Operational Expenditure

The municipality's total operational expenditure budget amounts to R15.16 million, with a year-to-date performance of R261 million, or 94% of the YTD variance for total expenditure budget.

Capital Expenditure

The total capital budget for the municipality amounts to R26 million with a year-to-date performance of R 14 million, or 45% of the total capital budget.

Operating Surplus/Deficit

The variances for operating revenue amounted to R14.9 million exceeding budget, and expenditure amounting to R 15.15 million below budget, with an operating deficit of R 198 thousand 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

WC041 Kannaland - Table C1 Monthly Budget Statement Summary - M11 May

Description	2023/24	Budget Year 2024/25							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Financial Performance								%	
Property rates	28,008	28,234	28,234	2,372	26,110	25,881	229	1%	28,234
Service charges	124,861	134,359	134,359	10,678	120,814	123,162	(2,349)	-2%	134,359
Investment revenue	1,762	1,500	1,500	133	1,372	1,375	(3)	-0%	1,500
Transfers and subsidies - Operational	72,746	65,516	64,134	286	51,566	58,790	(7,224)	-12%	64,134
Other own revenue	22,552	22,164	15,559	1,491	21,998	14,262	7,735	54%	15,559
Total Revenue (excluding capital transfers and	**249,930**	**251,773**	**243,786**	**14,960**	**221,860**	**223,470**	**(1,611)**	**-1%**	**243,786**
Employee costs	93,649	88,441	109,154	9,116	97,382	100,025	(2,643)	-3%	109,154
Remuneration of Councillors	3,956	3,635	3,764	303	3,961	3,451	510	15%	3,764
Depreciation and amortisation	17,799	12,314	12,314	1,026	11,301	11,288	13	0%	12,314
Interest	4,185	1,300	1,300	17	150	1,192	(1,041)	-87%	1,300
Inventory consumed and bulk purchases	65,420	70,475	83,074	3,651	59,110	76,151	(17,041)	-22%	83,074
Transfers and subsidies	396	400	632	3	358	579	(221)	-38%	632
Other expenditure	107,834	74,011	75,203	1,041	33,078	68,829	(35,751)	-52%	75,203
Total Expenditure	**293,240**	**250,576**	**285,441**	**15,158**	**205,341**	**261,515**	**(56,175)**	**-21%**	**285,441**
Surplus/(Deficit)	**(43,310)**	**1,197**	**(41,655)**	**(198)**	**16,519**	**(38,045)**	**54,564**	**-143%**	**(41,655)**
Transfers and subsidies - capital (monetary allocations)	16,611	22,282	25,786	1,867	15,508	23,637	(8,129)	-34%	25,786
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(26,699)**	**23,479**	**(15,869)**	**1,669**	**32,027**	**(14,408)**	**46,435**	**-322%**	**(15,869)**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(26,699)**	**23,479**	**(15,869)**	**1,669**	**32,027**	**(14,408)**	**46,435**	**-322%**	**(15,869)**
Capital expenditure & funds sources									
Capital expenditure	**33,026**	**32,938**	**25,946**	**1,967**	**14,097**	**23,784**	**(9,687)**	**-41%**	**25,946**
Capital transfers recognised	21,747	32,938	25,786	1,967	14,097	23,637	(9,540)	-40%	25,786
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	11,279	–	–	–	–	–	–		–
Total sources of capital funds	**33,026**	**32,938**	**25,786**	**1,967**	**14,097**	**23,637**	**(9,540)**	**-40%**	**25,786**
Financial position									
Total current assets	19,001	64,826	(66,146)		74,583				(66,146)
Total non current assets	309,530	320,603	313,611		312,339				313,611
Total current liabilities	90,830	64,732	(33,934)		128,121				(33,934)
Total non current liabilities	47,140	75,972	75,972		47,140				75,972
Community wealth/Equity	**190,560**	**244,725**	**244,725**		**209,991**				**244,725**
Cash flows									
Net cash from (used) operating	59,159	6,972	(117,647)	21,659	119,626	(107,197)	(226,823)	212%	231,199
Net cash from (used) investing	(14,217)	(22,282)	(25,786)	(2,522)	(16,778)	23,637	40,415	171%	25,786
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**81,587**	**74,878**	**(53,245)**	**–**	**142,689**	**6,627**	**(136,061)**	**-2053%**	**296,825**

Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	6,170	3,622	3,426	3,544	2,909	2,997	18,526	133,872	175,065
Creditors Age Analysis									
Total Creditors	8,366	8,593	6,126	–	–	–	–	86,227	109,311

2.2 TABLE C2 – MONTHLY BUDGETED FINANCIAL PERFORMANCE

(Functional Classification)

WC041 Kannaland - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M11 May

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	Full Year Forecast
Revenue - Functional									%	
Governance and administration		**81,154**	**54,667**	**53,226**	**2,989**	**77,230**	**48,791**	28,440	58%	**53,226**
Executive and council		35,452	13,603	13,612	–	37,070	12,478	24,592	197%	13,612
Finance and administration		45,703	41,064	39,614	2,989	40,160	36,313	3,848	11%	39,614
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**43,432**	**35,632**	**31,686**	**1,485**	**20,600**	**29,045**	(8,445)	-29%	**31,686**
Community and social services		15,932	15,691	15,691	1,485	12,344	14,384	(2,039)	-14%	15,691
Sport and recreation		46	66	66	–	58	60	(3)	-4%	66
Public safety		(1)	5	–	–	1	–	1		–
Housing		27,456	19,870	15,929	–	8,197	14,602	(6,404)	-44%	15,929
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**2,898**	**6,316**	**3,716**	**147**	**2,126**	**3,406**	(1,279)	-38%	**3,716**
Planning and development		–	–	–	–	–	–	–		–
Road transport		2,898	6,316	3,716	147	2,126	3,406	(1,279)	-38%	3,716
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**139,055**	**177,440**	**180,944**	**12,207**	**137,411**	**165,865**	(28,454)	-17%	**180,944**
Energy sources		73,635	95,625	95,625	6,898	80,127	87,657	(7,530)	-9%	95,625
Water management		41,889	46,676	50,180	3,149	33,469	45,998	(12,529)	-27%	50,180
Waste water management		11,946	18,386	18,386	1,093	12,092	16,854	(4,762)	-28%	18,386
Waste management		11,586	16,753	16,753	1,066	11,724	15,357	(3,633)	-24%	16,753
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**266,540**	**274,055**	**269,572**	**16,827**	**237,368**	**247,107**	**(9,739)**	**-4%**	**269,572**
Expenditure - Functional										
Governance and administration		**96,208**	**86,057**	**103,346**	**6,633**	**80,990**	**94,596**	(13,606)	-14%	**103,346**
Executive and council		25,078	24,977	31,407	1,889	27,361	28,790	(1,428)	-5%	31,407
Finance and administration		71,130	61,081	71,939	4,744	53,629	65,806	(12,178)	-19%	71,939
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**39,663**	**35,964**	**31,497**	**909**	**21,337**	**28,872**	(7,535)	-26%	**31,497**
Community and social services		9,204	12,529	11,632	574	9,356	10,662	(1,306)	-12%	11,632
Sport and recreation		931	1,922	2,302	107	1,409	2,110	(701)	-33%	2,302
Public safety		1,479	405	369	128	1,524	338	1,186	351%	369
Housing		28,049	21,107	17,195	100	9,049	15,762	(6,713)	-43%	17,195
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**15,122**	**17,994**	**20,579**	**1,377**	**13,430**	**18,864**	(5,434)	-29%	**20,579**
Planning and development		–	620	452	49	227	414	(188)	-45%	452
Road transport		15,122	17,374	20,127	1,329	13,204	18,450	(5,246)	-28%	20,127
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**142,246**	**110,560**	**130,019**	**6,239**	**89,584**	**119,183**	(29,599)	-25%	**130,019**
Energy sources		70,153	71,137	88,894	4,444	64,425	81,486	(17,061)	-21%	88,894
Water management		38,087	16,925	18,143	773	11,763	16,631	(4,867)	-29%	18,143
Waste water management		17,002	12,079	11,493	449	6,456	10,535	(4,079)	-39%	11,493
Waste management		17,004	10,419	11,489	572	6,939	10,531	(3,592)	-34%	11,489
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	**293,240**	**250,576**	**285,441**	**15,158**	**205,341**	**261,515**	**(56,175)**	**-21%**	**285,441**
Surplus/ (Deficit) for the year		**(26,699)**	**23,479**	**(15,869)**	**1,669**	**32,027**	**(14,408)**	**46,435**	**-322%**	**(15,869)**

2.3 TABLE C3 – MONTHLY BUDGETED FINANCIAL PERFORMANCE

(Revenue & Expenditure by Municipal Vote)

WC041 Kannaland - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M11 May										
Vote 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 %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - MUNICIPAL MANAGER		35,452	13,603	13,612	–	37,070	12,478	24,592	197.1%	13,612
Vote 2 - CORPORATE SERVICES		45,258	44,530	33,984	1,664	21,290	31,152	(9,862)	-31.7%	33,984
Vote 3 - FINANCIAL SERVICES		44,987	36,666	39,216	2,916	39,626	35,948	3,677	10.2%	39,216
Vote 4 - TECHNICAL SERVICES		140,844	179,256	182,760	12,248	139,383	167,530	(28,147)	-16.8%	182,760
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]		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**266,540**	**274,055**	**269,572**	**16,827**	**237,368**	**247,107**	**(9,739)**	**-3.9%**	**269,572**
Expenditure by Vote	1									
Vote 1 - MUNICIPAL MANAGER		25,078	24,977	31,407	1,889	27,361	28,790	(1,428)	-5.0%	31,407
Vote 2 - CORPORATE SERVICES		67,531	61,804	67,920	4,476	54,360	62,123	(7,763)	-12.5%	67,920
Vote 3 - FINANCIAL SERVICES		44,257	38,553	38,715	1,466	22,697	35,489	(12,792)	-36.0%	38,715
Vote 4 - TECHNICAL SERVICES		154,980	123,029	145,785	7,310	100,525	133,635	(33,111)	-24.8%	145,785
Vote 5 - CALITZDORP SPA		–	–	–	–	–	–	–		–
Vote 6 - CORPORATE SERVICES (Continued)		1,393	2,214	1,614	16	398	1,479	(1,081)	-73.1%	1,614
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**293,240**	**250,576**	**285,441**	**15,158**	**205,341**	**261,515**	**(56,175)**	**-21.5%**	**285,441**
Surplus/ (Deficit) for the year	2	**(26,699)**	**23,479**	**(15,869)**	**1,669**	**32,027**	**(14,408)**	**46,435**	**-322.3%**	**(15,869)**

2.4 TABLE C4 – MONTHLY FINANCIAL PERFROMANCE

WC041 Kannaland - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

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	Full Year Forecast
Revenue									%	
Exchange Revenue		138,298	147,437	147,432	11,918	133,591	135,146	(1,555)	-1%	147,432
Service charges - Electricity		73,292	89,822	89,822	6,859	79,720	82,337	(2,617)	-3%	89,822
Service charges - Water		33,366	24,044	24,044	2,187	22,647	22,040	607	3%	24,044
Service charges - Waste Water Management		9,196	10,415	10,415	821	9,326	9,547	(221)	-2%	10,415
Service charges - Waste management		9,006	10,078	10,078	811	9,120	9,239	(118)	-1%	10,078
Sale of Goods and Rendering of Services		483	419	409	68	430	375	55	15%	409
Agency services		1,208	1,450	1,450	62	1,219	1,329	(111)	-8%	1,450
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		8,623	7,832	7,832	876	8,675	7,179	1,496	21%	7,832
Interest earned from Current and Non Current Assets		1,762	1,500	1,500	133	1,372	1,375	(3)	0%	1,500
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		670	1,148	1,148	60	635	1,052	(417)	-40%	1,148
Licence and permits		202	663	663	22	192	608	(416)	-68%	663
Operational Revenue		487	66	71	19	254	65	189	289%	71
Non-Exchange Revenue		111,632	104,336	96,354	3,042	88,269	88,324	(56)	0%	96,354
Property rates		28,008	28,234	28,234	2,372	26,110	25,881	229	1%	28,234
Surcharges and Taxes		6,032	–	–	–	6,604	–	6,604		–
Fines, penalties and forfeits		921	2,561	561	23	212	514	(303)	-59%	561
Licence and permits		0	1,086	486	–	–	445	(445)	-100%	486
Transfer and subsidies - Operational		72,746	65,516	64,134	286	51,566	58,790	(7,224)	-12%	64,134
Interest		3,208	2,939	2,939	298	3,122	2,694	428	16%	2,939
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		716	–	–	63	655	–	655		–
Gains on disposal of Assets		–	4,000	–	–	–	–	–		–
Other Gains		–	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and		**249,930**	**251,773**	**243,786**	**14,960**	**221,860**	**223,470**	**(1,611)**	**-1%**	**243,786**
Expenditure By Type										
Employee related costs		93,649	88,441	109,154	9,116	97,382	100,025	(2,643)	-3%	109,154
Remuneration of councillors		3,956	3,635	3,764	303	3,961	3,451	510	15%	3,764
Bulk purchases - electricity		60,101	60,529	75,798	3,648	56,119	69,481	(13,362)	-19%	75,798
Inventory consumed		5,318	9,946	7,276	3	2,991	6,670	(3,679)	-55%	7,276
Debt impairment		29,222	11,933	11,933	–	–	10,939	(10,939)	-100%	11,933
Depreciation and amortisation		17,799	12,314	12,314	1,026	11,301	11,288	13	0%	12,314
Interest		4,185	1,300	1,300	17	150	1,192	(1,041)	-87%	1,300
Contracted services		35,829	35,267	37,336	371	19,043	34,225	(15,181)	-44%	37,336
Transfers and subsidies		396	400	632	3	358	579	(221)	-38%	632
Irrecoverable debts written off		17,622	–	–	–	756	–	756		–
Operational costs		23,403	26,810	25,933	670	13,279	23,666	(10,387)	-44%	25,933
Losses on Disposal of Assets		1,272	–	–	–	–	–	–		–
Other Losses		486	–	–	–	–	–	–		–
Total Expenditure		**293,240**	**250,576**	**285,441**	**15,158**	**205,341**	**261,515**	**(56,175)**	**-21%**	**285,441**
Surplus/(Deficit)		**(43,310)**	**1,197**	**(41,655)**	**(198)**	**16,519**	**(38,045)**	**54,564**	**(0)**	**(41,655)**
Transfers and subsidies - capital (monetary allocations)		16,611	22,282	25,786	1,867	15,508	23,637	(8,129)	**(0)**	25,786
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(26,699)**	**23,479**	**(15,869)**	**1,669**	**32,027**	**(14,408)**			**(15,869)**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**(26,699)**	**23,479**	**(15,869)**	**1,669**	**32,027**	**(14,408)**			**(15,869)**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**(26,699)**	**23,479**	**(15,869)**	**1,669**	**32,027**	**(14,408)**			**(15,869)**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**(26,699)**	**23,479**	**(15,869)**	**1,669**	**32,027**	**(14,408)**			**(15,869)**

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:

- **Sale of Goods and Rendering of Services** – amounts to R68 thousand for **May 2025** and R 375 thousand YTD which represents **15%** variance to the budget.
- **Interest on outstanding debtors** – **21%** YTD variance from the budget. This variance is due to improved debt collection strategies.
- **Rental from fixed Assets –** amounted to R 60 thousand and R 635 thousand YTD which represents a negative **40**% variance to the budget.
- **Licence and permits** - (negative **68%** YTD variance from the budget). Amounted to R 22 thousand for the month of **May 2025**.
- **Fines, Penalties & Forfeits** – Almost no activity, with a negative **59%** 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 9.1 million for **May 2025** and R 88.2million YTD, this represents a negative **3%** spending on the budget. The variance on employee related cost is due to salary increases, and high overtime and standby during the month of reporting.
- **Remuneration of Councillors –** amounted to R 303 thousand for **May 2025** and R 3.9 million YTD, this represents a **15%** on the budget.
- **Bulk Purchases –**amounted to **3.6 million** for the month under review and represents a negative **19%** on the budget.
- **Inventory Consumed –** represents a negative **44%** negative on the budget.
- **Contracted Services** – amounted to R 1.3 million in **May 2025** and R 31.1 million YTD.
- **Other Expenditure** - amounted to R 670 thousand in **May 2025.**

Most expenditure items were less than forecasted and this is due to the lack of recognition of expenditure once incurred, in addition to cash flow issues that results in the municipality only spending in terms of available revenue. The Municipality is still busy implementing expenditure on the accrual basis, expenses has been recognized when paid. This process will be corrected in the next view months.

2.7 TABLE C5 – MONTHLY BUDGETED CAPITAL EXPENDITURE

WC041 Kannaland - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M11 May

Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 2 - CORPORATE SERVICES		193	–	–	–	–	–	–		–
Vote 4 - TECHNICAL SERVICES		26,554	22,178	25,682	1,967	14,097	23,542	(9,445)	-40%	25,682
Total Capital Multi-year expenditure	4,7	**26,747**	**22,178**	**25,682**	**1,967**	**14,097**	**23,542**	**(9,445)**	**-40%**	**25,682**
Single Year expenditure appropriation	2									
Vote 2 - CORPORATE SERVICES		–	–	160	–	–	147	(147)	-100%	160
Vote 4 - TECHNICAL SERVICES		6,279	10,760	104	–	–	95	(95)	-100%	104
Total Capital single-year expenditure	4	6,279	10,760	264	–	–	242	**(242)**	**-100%**	264
Total Capital Expenditure	3	**33,026**	**32,938**	**25,946**	**1,967**	**14,097**	**23,784**	**(9,687)**	**-41%**	**25,946**
Capital Expenditure - Functional Classification										
Community and public safety		**193**	**–**	**160**	**–**	**–**	**147**	(147)	-100%	**160**
Community and social services		51	–	160	–	–	147	(147)	-100%	160
Sport and recreation		142	–	–	–	–	–	–		–
Trading services		**32,833**	**32,938**	**25,786**	**1,967**	**14,097**	**23,637**	(9,540)	-40%	**25,786**
Energy sources		384	626	626	227	227	574	(347)	-61%	626
Water management		7,093	12,656	5,504	–	147	5,045	(4,898)	-97%	5,504
Waste water management		24,225	17,956	17,198	1,741	11,414	15,765	(4,351)	-28%	17,198
Waste management		1,130	1,700	2,458	–	2,309	2,253	56	3%	2,458
Total Capital Expenditure - Functional Classification	3	**33,026**	**32,938**	**25,946**	**1,967**	**14,097**	**23,784**	**(9,687)**	**-41%**	**25,946**
Funded by:										
National Government		20,662	30,416	19,760	1,741	13,724	18,113	(4,390)	-24%	19,760
Provincial Government		1,085	2,522	6,026	227	373	5,524	(5,150)	-93%	6,026
Transfers recognised - capital		**21,747**	**32,938**	**25,786**	**1,967**	**14,097**	**23,637**	**(9,540)**	**-40%**	**25,786**
Internally generated funds		11,279	–	–	–	–	–	–		–
Total Capital Funding	7	**33,026**	**32,938**	**25,786**	**1,967**	**14,097**	**23,637**	**(9,540)**	**-40%**	**25,786**

CAPITAL EXPENDITURE

- amounted to **R 2 million** in **May 2025** and **R 14 million YTD** which represents a negative **40%** variance to the budget**.**

2.8 TABLE C6 – MONTHLY BUDGETED FINANCIAL POSITION

WC041 Kannaland - Table C6 Monthly Budget Statement - Financial Position - M11 May						
Description	Ref	2023/24	Budget Year 2024/25			
R thousands		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
ASSETS	1					
Current assets						
Cash and cash equivalents		9,707	26,093	(103,542)	27,870	(103,542)
Trade and other receivables from exchange transactions		32,456	6,414	6,409	49,498	6,409
Receivables from non-exchange transactions		2,459	3,322	(678)	8,234	(678)
Current portion of non-current receivables		–	–	–	–	–
Inventory		1,974	1,981	4,649	1,974	4,649
VAT		(26,534)	25,953	25,953	(11,896)	25,953
Other current assets		(1,062)	1,063	1,063	(1,098)	1,063
Total current assets		**19,001**	**64,826**	**(66,146)**	**74,583**	**(66,146)**
Non current assets						
Investments		–	–	–	–	–
Investment property		1,064	1,116	1,116	1,064	1,116
Property, plant and equipment		308,458	319,477	312,485	311,267	312,485
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		–	–	–	–	–
Total non current assets		**309,530**	**320,603**	**313,611**	**312,339**	**313,611**
TOTAL ASSETS		**328,531**	**385,429**	**247,465**	**386,922**	**247,465**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	–	–	–	–
Consumer deposits		1,446	1,364	1,364	1,581	1,364
Trade and other payables from exchange transactions		89,925	25,374	(78,305)	97,395	(78,305)
Trade and other payables from non-exchange transactions		14,991	8,402	13,415	28,205	13,415
Provision		4,735	7,477	7,477	4,735	7,477
VAT		(20,267)	22,114	22,114	(3,795)	22,114
Other current liabilities		–	–	–	–	–
Total current liabilities		**90,830**	**64,732**	**(33,934)**	**128,121**	**(33,934)**
Non current liabilities						
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
Total non current liabilities		**47,140**	**75,972**	**75,972**	**47,140**	**75,972**
TOTAL LIABILITIES		**137,971**	**140,704**	**42,038**	**175,261**	**42,038**
NET ASSETS	2	**190,560**	**244,725**	**205,427**	**211,661**	**205,427**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		190,098	237,309	237,309	209,530	237,309
Reserves and funds		462	7,417	7,417	462	7,417
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**190,560**	**244,725**	**244,725**	**209,991**	**244,725**

2.9 TABLE C7 – MONTHLY BUDGETED CASH FLOW

WC041 Kannaland - Table C7 Monthly Budget Statement - Cash Flow - M11 May										
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	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES	1								%	
Receipts										
Property rates		17,177	25,160	25,125	1,517	17,769	23,031	(5,262)	-23%	25,125
Service charges		82,221	123,878	123,878	8,294	93,529	113,555	(20,026)	-18%	123,878
Other revenue		16,053	8,716	6,115	435	16,502	5,606	10,896	194%	6,115
Transfers and Subsidies - Operational		73,430	62,503	64,134	–	56,140	58,790	(2,650)	-5%	64,134
Transfers and Subsidies - Capital		19,652	19,760	25,264	–	24,160	23,159	1,002	4%	25,264
Interest		3	6,657	6,657	–	–	6,102	(6,102)	-100%	6,657
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(149,375)	(239,702)	(368,821)	11,413	(88,474)	(337,440)	(248,966)	74%	(19,975)
Interest		–	–	–	–	–	–	–		–
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		59,159	6,972	(117,647)	21,659	119,626	(107,197)	(226,823)	212%	231,199
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(14,217)	(22,282)	(25,786)	(2,522)	(16,778)	23,637	40,415	171%	25,786
NET CASH FROM/(USED) INVESTING ACTIVITIES		(14,217)	(22,282)	(25,786)	(2,522)	(16,778)	23,637	40,415	171%	25,786
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–		–
NET INCREASE/ (DECREASE) IN CASH HELD		44,942	(15,310)	(143,433)	19,137	102,849	(83,560)			256,985
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	(53,245)		142,689	6,627			296,825

The total bank balance ending of **May 2025** were as follow;

- Standard Bank Main Account is **R 11 thousand;**
- The Traffic Account has **R 679 thousand;**
- Deposit Account has **R 236 thousand**;
- Call Account has **R 18.7 million**; and
- Eskom Bulk Account has **R 445 thousand.**

SECTION 3 SUPPORTING DOCUMENTATION

3.1 TABLE SC3 – DEBTORS AGE ANALYSIS

WC041 Kannaland - Supporting Table SC3 Monthly Budget Statement - aged debtors - M11 May													
Description	NT Code	Budget Year 2024/25											
R thousands		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
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	2,706	1,134	1,088	1,469	1,017	1,110	5,323	26,954	40,802	35,874	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1,800	353	228	141	70	106	1,424	1,341	5,464	3,083	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	2,658	759	762	611	542	495	3,448	26,085	35,360	31,181	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	849	406	403	396	393	389	2,288	15,622	20,746	19,088	–	–
Receivables from Exchange Transactions - Waste Management	1600	1,588	656	631	608	588	577	3,515	22,547	30,710	27,835	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	0	0	0	–	–
Interest on Arrear Debtor Accounts	1810	35	62	94	126	124	153	1,407	36,481	38,482	38,291	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	(3,467)	252	221	193	175	166	1,120	4,841	3,502	6,495	–	–
Total By Income Source	**2000**	**6,170**	**3,622**	**3,426**	**3,544**	**2,909**	**2,997**	**18,526**	**133,872**	**175,065**	**161,847**	**–**	**–**
2023/24 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	(249)	317	147	42	20	8	41	316	642	428	–	–
Commercial	2300	86	249	285	195	160	141	830	5,696	7,641	7,022	–	–
Households	2400	6,438	2,930	2,866	3,186	2,614	2,731	16,769	115,988	153,523	141,288	–	–
Other	2500	(105)	126	128	120	115	117	885	11,872	13,259	13,109	–	–
Total By Customer Group	**2600**	**6,170**	**3,622**	**3,426**	**3,544**	**2,909**	**2,997**	**18,526**	**133,872**	**175,065**	**161,847**	**–**	**–**

The total amount owed to Kannaland Municipality amounted to **R 175 million** at the end of **May 2025**.

- **R134 million or 76%** of the total outstanding debtors are older than one year.
- **R162 million or 92%** of the outstanding debtors are outstanding for more than 90 days and are less likely to be recoverable debt.

The biggest concern regarding debt collection in Kannaland Municipality is the ability to collect service charges for water, refuse and sewerage in areas where electricity is not supplied by the municipality. Pre-paid electricity remains the most effective form of credit control.

3.3 TABLE SC4 – CREDITORS AGE ANALYSIS

WC041 Kannaland - Supporting Table SC4 Monthly Budget Statement - aged creditors - M11 May											
Description	NT Code	Budget Year 2024/25									Prior year totals for chart (same period)
R thousands		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	6,622	8,222	4,651	–	–	–	–	55,462	**74,956**	–
Bulk Water	0200	81	59	–	–	–	–	–	–	**140**	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	500	58	166	–	–	–	–	1,403	**2,127**	–
Auditor General	0800	607	168	1,214	–	–	–	–	16,927	**18,917**	–
Other	0900	556	86	95	–	–	–	–	12,435	**13,172**	–
Total By Customer Type	**1000**	**8,366**	**8,593**	**6,126**	**–**	**–**	**–**	**–**	**86,227**	**109,311**	–

- The total outstanding creditors as at the end of **May** 2025 amounts to **R 109 million**.

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

- ESKOM = R75 million, of which the entire amount is conditionally written off. The other R34 million is mainly made up of Creditors with payment arrangements, being AG, SALGA, SAMRAS, Collaborator consist of R32 million and further Municipal debt owed by Kannaland municipality to neighbouring municipalities amount to R2. 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.

5/31/2025				
	Original Budget	Total Received	Total Spent	Unspent
Grant Name	Amount			
Provincial Government	**R29,567,814.00**	**R17,357,892.00**	**R12,231,236.43**	**R 5,126,655.57**
Housing	R 4,800,000.00	R 4,800,000.00	R 3,842,983.22	R 957,016.78
Human Settlement Grant	R 14,167,000.00	R 4,354,262.00	R 4,354,262.00	R -
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 3,559,000.00	R 2,538,212.20	R 1,020,787.80
Municipal Water Resilience Grant	R 1,503,814.00		R 520,435.92	R 983,378.08
Municipal Water Resilience Grant	R 4,000,000.00	R 4,000,000.00		R 4,000,000.00
Municipal Energy Resilience Grant	R 522,000.00	R 522,000.00		R 522,000.00
Comm Dev Workers	R 113,000.00	R 122,630.00	R 78,834.08	R 43,795.92
National Government Grants	**R61,955,000.00**	**R61,345,000.00**	**R56,709,821.18**	**R 4,635,178.82**
Equitable Share	R 37,479,000.00	R 36,991,000.00	R 36,991,000.00	R -
FMG (Audit)	R 2,900,000.00	R 2,900,000.00	R 1,733,850.53	R 1,166,149.47
Mun Infrastructure Grant	R 560,850.00	R 560,850.00	R 509,755.64	R 51,094.36
Mun Infrastructure Grant	R 10,656,150.00	R 10,638,150.00	R 8,885,936.32	R 1,752,213.68
EPWP	R 1,255,000.00	R 1,255,000.00	R 1,196,592.00	R 58,408.00
INEP	R -			R -
INEP (Eskom)	R 104,000.00			R -
WSIG	R 9,000,000.00	R 9,000,000.00	R 6,718,747.71	R 2,281,252.29

3.5 GRANT RECEIPTS AND EXPENDITURE

The following indicates expenditure on each respective grant received (Operational) and (Capital) for May 2025 –

National Treasury

Expenditure:

- Financial Management Grant amounts to **R 32 thousand.**
- Municipal Infrastructure Grant PMU amounts to **R41 thousand**
- Municipal Infrastructure Grant amounts to **R 1.27 million.**
- Water Service Infrastructure Grant amounts to **R 249 thousand.**

Provincial Treasury

Expenditure:

- Libraries Grant amounts to **R212 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 - M11 May										
		2023/24	Budget Year 2024/25							
Summary of Employee and Councillor remuneration R thousands	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		3,354	3,306	3,414	228	3,219	3,130	89	3%	3,414
Pension and UIF Contributions		152	–	21	17	170	19	150	781%	21
Medical Aid Contributions		114	–	–	11	112	–	112		–
Motor Vehicle Allowance		36	–	–	22	185	–	185		–
Cellphone Allowance		300	329	329	25	275	302	(27)	-9%	329
Sub Total - Councillors		**3,956**	**3,635**	**3,764**	**303**	**3,961**	**3,451**	**510**	**15%**	**3,764**
% increase	4		**-8.1%**	**-4.8%**						**-4.8%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		3,377	4,628	5,175	331	3,103	4,744	(1,641)	-35%	5,175
Pension and UIF Contributions		7	9	9	0	5	8	(3)	-41%	9
Motor Vehicle Allowance		303	676	676	53	314	620	(306)	-49%	676
Cellphone Allowance		86	178	166	2	33	152	(119)	-78%	166
Other benefits and allowances		22	136	83	4	49	77	(28)	-36%	83
Sub Total - Senior Managers of Municipality		**3,794**	**5,627**	**6,109**	**391**	**3,504**	**5,600**	**(2,096)**	**-37%**	**6,109**
% increase	4		**48.3%**	**61.0%**						**61.0%**
Other Municipal Staff										
Basic Salaries and Wages		61,213	55,034	71,897	6,399	66,090	65,906	184	0%	71,897
Pension and UIF Contributions		7,583	10,497	7,425	633	6,736	6,806	(70)	-1%	7,425
Medical Aid Contributions		2,395	3,493	2,333	217	2,206	2,138	68	3%	2,333
Overtime		8,603	4,122	9,821	1,025	9,510	9,002	508	6%	9,821
Performance Bonus		789	725	632	–	1,560	579	981	169%	632
Motor Vehicle Allowance		3,614	3,089	4,416	334	3,820	4,048	(228)	-6%	4,416
Cellphone Allowance		107	157	130	10	115	119	(4)	-3%	130
Housing Allowances		339	1,200	481	21	399	441	(43)	-10%	481
Other benefits and allowances		6,425	3,785	5,760	86	3,275	5,248	(1,974)	-38%	5,760
Payments in lieu of leave		1,771	100	150	–	96	138	(41)	-30%	150
Long service awards		(2,985)	–	–	–	70	–	70		–
Sub Total - Other Municipal Staff		**89,854**	**82,200**	**103,044**	**8,725**	**93,878**	**94,425**	**(547)**	**-1%**	**103,044**
% increase	4		**-8.5%**	**14.7%**						**14.7%**
Total Parent Municipality		**97,604**	**91,462**	**112,918**	**9,419**	**101,342**	**103,476**	**(2,134)**	**-2%**	**112,918**
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Medical Aid Contributions		–	614	–	–	–	–	–		–
Other benefits and allowances		1	–	–	0	1	–	1		–
Sub Total - Executive members Board	2	**1**	**614**	**–**	**0**	**1**	**–**	**1**		**–**
% increase	4		**74797.2%**							
Senior Managers of Entities										
Sub Total - Senior Managers of Entities		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
% increase	4									
Other Staff of Entities										
Sub Total - Other Staff of Entities		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
% increase	4									
Total Municipal Entities		**1**	**614**	**–**	**0**	**1**	**–**	**1**		**–**
TOTAL SALARY, ALLOWANCES & BENEFITS		**97,605**	**92,076**	**112,918**	**9,420**	**101,343**	**103,476**	**(2,133)**	**-2%**	**112,918**
% increase	4		**-5.7%**	**15.7%**						**15.7%**
TOTAL MANAGERS AND STAFF		**93,649**	**87,828**	**109,154**	**9,116**	**97,381**	**100,025**	**(2,644)**	**-3%**	**109,154**

SECTION 4 – IMPLEMENTATION OF THE BUDGET FUNDING PLAN

The municipal council approved the Budget Funding Plan on 10 November 2024. Progress on the funding plan will be reported on from the June reporting cycle.

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

National Treasury

Municipal Debt Relief

MFMA Circular No. 124

Municipal Finance Management Act No. 56 of 2003

Province				
WC				
Code		District		Code Description
WC041		Garden Route		Kannaland

Monthly Performance Report

Municipal Details			Part A: Eskom And Bulk water current account						Part B: Compliance with a funded MTREF					Part C: FRP/BFP & Tariff Assessment		
Month	Code Descr	Code	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14
1.July	Kannaland	WC041	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes
2.August	Kannaland	WC041	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes
3.September	Kannaland	WC041	No	No	No	No	No	No	No	Yes	Yes	Yes	Yes	No	Yes	Yes
4.October	Kannaland	WC041	No	No	No	No	No	No	Yes	Yes	Yes	Yes	No	N/A	Yes	Yes
5.November	Kannaland	WC041	No	No	No	No	No	No	Yes	Yes	Yes	Yes	No	N/A	Yes	Yes
6.December	Kannaland	WC041	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
7.January	Kannaland	WC041	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8.February	Kannaland	WC041	No	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9.March	Kannaland	WC041		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10.April	Kannaland	WC041	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
11.May	Kannaland	WC041	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

	Part D: Electricity and water as collection tools				Part C: Quarterly collection of property rates and services charges							Maximization of Revenue Base		
Month	C15	C16	C17	C18	C19	C20	C21	C22	C23	C24	C25	C26	C27	C28
1.July	Yes	Yes	No	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes
2.August	Yes	Yes	No	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes
3.September	Yes	Yes	No	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes
4.October	Yes	Yes	No	Yes	N/A	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes
5.November	Yes	Yes	No	Yes	N/A	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes
6.December	No	Yes	No	Yes	Yes	N/A	N/A	N/A	No	No	Yes	No	Yes	Yes
7.January	No	Yes	No	Yes	N/A	N/A	N/A	N/A	No	No	Yes	No	Yes	Yes
8.February	No	Yes	No	No	N/A	N/A	N/A	N/A	No	No	Yes	No	Yes	Yes
9.March	No	Yes	No	No	Yes	N/A	N/A	N/A	No	No	Yes	No	Yes	Yes
10.April	No	Yes	No	No	N/A	N/A	N/A	N/A	No	No	Yes	No	Yes	Yes
11.May	No	Yes	No	No	N/A	N/A	N/A	N/A	No	No	Yes	No	Yes	Yes

	Part E: Oversight													Part F: Compliance Status	
Month	C29	C30	C31	C32	C33	C34	C35	C36	C37	C38	C39	C40	C41	Score	
1.July	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	95%	Non Compliance
2.August	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	95%	Non Compliance
3.September	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	78%	Non Compliance
4.October	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	76%	Non Compliance
5.November	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	76%	Non Compliance
6.December	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	68%	Non Compliance
7.January	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	73%	Non Compliance
8.February	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	66%	Non Compliance
9.March	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	78%	Non Compliance
10.April	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	73%	Non Compliance
11.May	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	71%	Non Compliance

MFMA Circular 124 - Municipal Indigent Household Information

National Treasury
Municipal Debt Relief
MFMA Circular No. 124
Municipal Finance Management Act No. 56 of 2003

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)*

Description	Ref	As Per Debt Relief Application	Current Year - 2024/2025			2024/2025 - Monthly Monitoring											
		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																
Water *: (Include All Indigent households also in Eskom supplied areas)*																	
Indigent HH's with piped water inside dwelling						1,995	2,029	2,063	2,119	2,148	2,155	2,175	2,184	2,195	2,199	2,202	
Indigent HH's with piped water inside yard (but not in dwelling)																	
Indigent HH's using public tap (at least min.service level)	2																
Indigent HH's with other water supply (at least min.service level)	4																
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total		–	–	–	–	**1,995**	**2,029**	**2,063**	**2,119**	**2,148**	**2,155**	**2,175**	**2,184**	**2,195**	**2,199**	**2,202**	–
Indigent HH's using public tap (< min.service level)	3																
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		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total number of registered indigent households	5	–	–	–	–	**1,995**	**2,029**	**2,063**	**2,119**	**2,148**	**2,155**	**2,175**	**2,184**	**2,195**	**2,199**	**2,202**	–
Status of Water meters :																	
Number of Indigent HH's with prepaid Water						1,995	2,029	2,063	2,119	2,148	2,155	2,175	2,184	2,195	2,199	2,202	–
Number of Indigent HH's with conventional metered Water																	
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**	**2,119**	**2,148**	**2,155**	**2,175**	**2,184**	**2,195**	**2,199**	**2,202**	–
Status of unlimited supply of Water :																	
Number of Indigent HH's with conventional metered Water - where the municipality is *NOT physcally restricting Water to the national free basic limit of 6 kilolitres 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	2,119	2,148	2,155	2,175	2,184	2,195	2,199	2,202	–
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total		–	–	–	–	**1,995**	**2,029**	**2,063**	**2,119**	**2,148**	**2,155**	**2,175**	**2,184**	**2,195**	**2,199**	**2,202**	–
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**	**2,119**	**2,148**	**2,155**	**2,175**	**2,184**	**2,195**	**2,199**	**2,202**	–
Status of Electricity meters :																	
Number of Indigent HH's with prepaid Electricity						1,995	2,029	2,063	2,119	2,148	2,155	2,175	2,184	2,195	2,199	2,202	–
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	–	–	–	–	**1,995**	**2,029**	**2,063**	**2,119**	**2,148**	**2,155**	**2,175**	**2,184**	**2,195**	**2,199**	**2,202**	–
Status of unlimited supply of Electricity :																	
Number of Indigent HH's with conventional metered Electricity - where the municipality is *NOT physcally 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**	13																

Number of ALL Households receiving Free Basic Service *(including registered Indigent Households)*	7																
Water (6 kilolitres per household per month)						1,995	2,029	2,063	2,119	2,148	2,155	2,175	2,184	2,195	2,199	2,202	–
Electricity/other energy (50kwh per household per month)						1,995	2,029	2,063	2,119	2,148	2,155	2,175	2,184	2,195	2,199	2,202	–
Cost of Free Basic Services provided to ALLHouseholds 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 kilolitres 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**	**391,305**	**396,660**	**397,953**	**401,646**	**403,308**	**405,340**	**406,078**	**406,632**	–
Highest level of free service provided per household (ALL Households)																	
Property rates (R value threshold)																	
Water (kilolitres per household per month)																	
Sanitation (kilolitres per household per month)																	
Sanitation (Rand per household per month)																	
Electricity (kwh per household per month)																	
Refuse (average litres per week)																	
Revenue cost of subsidised services provided for ALL Households (R'000)	9																
Residential Category : Property rates **(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)**																	
Water **(in excess of 6 kilolitres per indigent household per month)**	15																
Sanitation **(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 Debt Relief - Monthly Revenue Collection Reporting (condition 6.7)

Province

Western Cape	WC041

Average collection rate (MFMA Circular 124 condition 6.7)

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

Collection Rate Assessment

Total Aggregate Collection		10.April - Reporting for March in April			
		Billing For March	Collection in April	R - Billing not collected	% Collection
1.Collection for whole demarcation	Summary	12 780 950	10 433 835	2 758 539	82%
2.Collection excl Eskom supplied areas		8 269 236	7 340 783	1 249 033	89%
3.Collection: **Property Rates**		2 370 098	1 678 870	691 228	71%
4.Total average collection: **Electricity** (Municipal supplied areas)		5 967 804	6 347 818	0	106%
5.Total average collection: **Water**		2 450 513	1 497 801	952 711	61%
6.Total average collection: **Wastewater**		971 375	416 070	555 305	43%
7.Total average collection: **Refuse**		942 430	383 136	559 295	41%
8. 7.Total average collection: **Interest**		78 731	110 140	0	140%

Total Aggregate Collection	11.May - Reporting for April in May				12.June - Reporting for May in June			
	Billing For April	Collection in August	R - Billing not collected	% Collection	Billing For May	Collection in June	R - Billing not collected	% Collection
1.Collection for whole demarcation	13 329 794	10 606 630	2 723 164	80%	-	-	-	#DIV/0!
2.Collection excl Eskom supplied areas	8 623 315	7 236 627	1 416 798	84%	-	-	-	#DIV/0!
3.Collection: **Property Rates**	2 370 934	2 181 312	189 622	92%	-	-	-	#DIV/0!
4.Total average collection: **Electricity** (Municipal supplied areas)	6 738 005	6 291 183	446 822	93%	-	-	-	#DIV/0!
5.Total average collection: **Water**	2 229 604	1 384 479	845 124	62%	-	-	-	#DIV/0!
6.Total average collection: **Wastewater**	969 626	465 801	503 825	48%	-	-	-	#DIV/0!
7.Total average collection: **Refuse**	940 188	396 243	543 945	42%	-	-	-	#DIV/0!
8. 7.Total average collection: **Interest**	81 438	(112 388)	193 825	-138%	-	-	-	#DIV/0!

Total Aggregate Collection		Summary - Quarter 4				Q1
		Billing	Collection	R - Billing not collected	% Collection	
1.Collection for whole demarcation	Click to view/close months	26 110 744	21 040 466	5 070 279	81%	81%
2.Collection excl Eskom supplied areas		16 892 551	14 577 410	2 315 141	86%	86%
3.Collection: **Property Rates**		4 741 032	3 860 182	880 850	81%	81%
4.Total average collection: **Electricity** (Municipal supplied areas)		12 705 809	12 639 001	66 808	99%	99%
5.Total average collection: **Water**		4 680 116	2 882 281	1 797 835	62%	62%
6.Total average collection: **Wastewater**		1 941 001	881 871	1 059 130	45%	45%
7.Total average collection: **Refuse**		1 882 618	779 379	1 103 239	41%	41%
8. 7.Total average collection: **Interest**		160 168	(2 247)	162 416	-1%	-1%

National Treasury
Municipal Debt Relief
MFMA Circular No. 124
Municipal Finance Management Act No. 56 of 2003

Municipal Details				
Western Cape				
Code	District	Municipality	Period Monitored	No.Of Wards
WC041		Kannaland	May	8

Collection Rate Assessment

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

Aggregate Collection	Summary - Quarter 2 Billing	Collection	R - Billing not collected	% Collection	Q2
1.Collection for whole demarcation	39 157 474	34 752 227	4 405 247	89%	89%
2.Collection excl Eskom supplied areas	23 344 566	22 193 757	1 150 809	95%	95%
3.Collection: **Property Rates**	7 108 975	7 187 103	(78 128)	101%	101%
4.Total average collection: **Electricity** (Municipal supplied areas)	18 686 946	19 194 173	(507 227)	103%	103%
5.Total average collection: **Water**	7 256 045	4 538 479	2 717 566	63%	63%
6.Total average collection: **Wastewater**	2 972 868	1 431 209	1 541 659	48%	48%
7.Total average collection: **Refuse**	2 906 328	1 292 181	1 614 146	44%	44%
8.Total average collection: **Interest**	226 313	1 109 082	(882 769)	490%	490%

Aggregate Collection	Summary - Quarter 3 Billing	Collection	R - Billing not collected	% Collection	Q1
1.Collection for whole demarcation	40 062 005	35 344 516	4 717 489	88%	88%
2.Collection excl Eskom supplied areas	24 759 656	24 708 161	51 495	100%	100%
3.Collection: **Property Rates**	7 107 691	7 142 221	(34 530)	100%	100%
4.Total average collection: **Electricity** (Municipal supplied areas)	18 252 504	19 777 169	(1 524 665)	108%	108%
5.Total average collection: **Water**	8 692 838	5 358 833	3 334 005	62%	62%
6.Total average collection: **Wastewater**	2 930 268	1 744 946	1 185 322	60%	60%
7.Total average collection: **Refuse**	2 846 687	1 416 683	1 430 004	50%	50%
8.Total average collection: **Interest**	232 017	(95 336)	327 352	-41%	-41%

Aggregate Collection	Summary - Quarter 4 Billing	Collection	R - Billing not collected	% Collection	Q1
1.Collection for whole demarcation	26 110 744	21 040 466	5 070 279	81%	81%
2.Collection excl Eskom supplied areas	16 892 551	14 577 410	2 315 141	86%	86%
3.Collection: **Property Rates**	4 741 032	3 860 182	880 850	81%	81%
4.Total average collection: **Electricity** (Municipal supplied areas)	12 705 809	12 639 001	66 808	99%	99%
5.Total average collection: **Water**	4 680 116	2 882 281	1 797 835	62%	62%
6.Total average collection: **Wastewater**	1 941 001	881 871	1 059 130	45%	45%
7.Total average collection: **Refuse**	1 882 618	779 379	1 103 239	41%	41%
8.Total average collection: **Interest**	160 168	(2 247)	162 416	-1%	-1%

MFMA Circular 124 – Monthly Revenue Collection Reporting

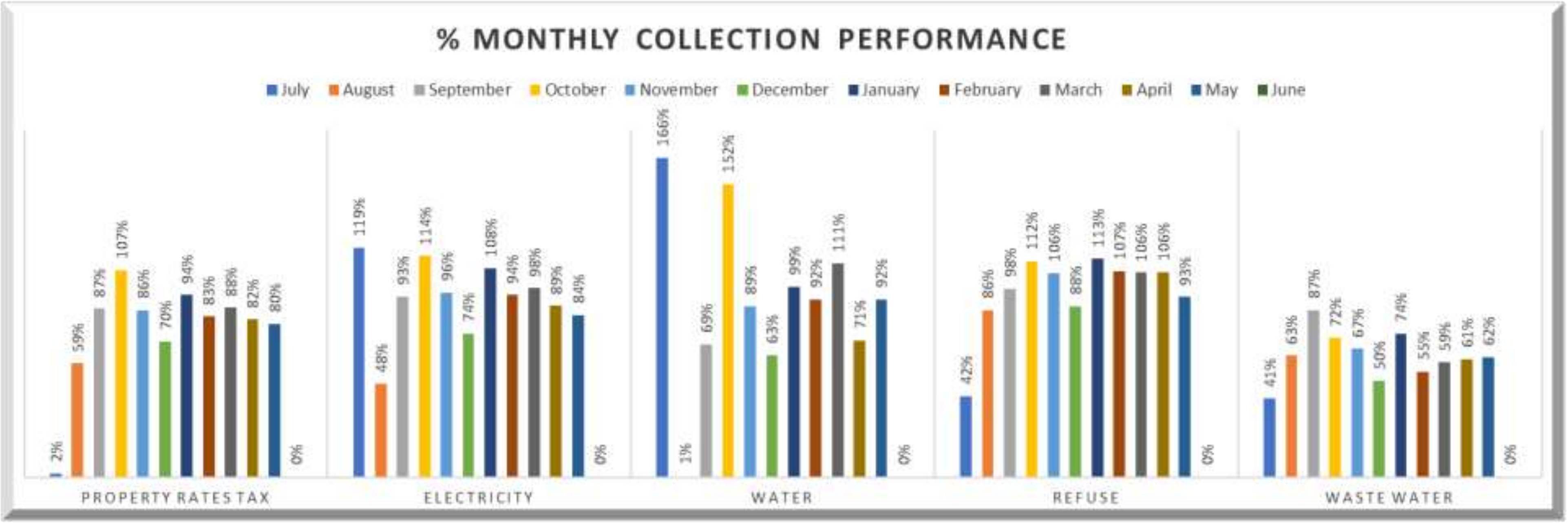
Complete This Section

Quarter 4 Performance Per Ward

Services	Electricity Supplier	Ward Name & Number	10.April Billing For June	10.April Collection for June in July	10.April Rand Value of Billing not collected	10.April % Collection	11.May Billing For July	11.May Collection for July in August	11.May Rand Value of Billing not collected	11.May % Collection	12.June Billing For August	12.June Collection for August in September	12.June Rand Value of Billing not collected	12.June % Collection
Property Rates Tax	Mun Supplied	Nissenville - Ward 1	154 154	112 007	42 147	73%	154 154	125 841	28 312	82%			-	#DIV/0!
Electricity			97 358	297 208	0	305%	117 762	68 557	49 205	58%			-	#DIV/0!
Water			190 480	142 340	48 140	75%	187 345	66 731	120 614	36%			-	#DIV/0!
Refuse			152 221	49 655	102 565	33%	151 557	52 033	99 524	34%			-	#DIV/0!
Waste Water			193 885	105 237	88 647	54%	193 566	94 638	98 928	49%			-	#DIV/0!
Interest			1 299	9 878	0	760%	1 478	(248)	1 726	-17%			-	#DIV/0!
Property Rates Tax	Eskom supplied	Zoar - Ward 2	71 797	16 074	55 723	22%	71 797	18 061	53 736	25%			-	#DIV/0!
Electricity			-	-	-	#DIV/0!	-	-	-	#DIV/0!			-	#DIV/0!
Water			468 356	80 046	388 310	17%	443 489	34 957	408 532	8%			-	#DIV/0!
Refuse			335 298	50 573	284 724	15%	334 303	26 576	307 727	8%			-	#DIV/0!
Waste Water			325 076	26 470	298 606	8%	324 119	31 406	292 712	10%			-	#DIV/0!
Interest			4 338	73 532	0	1695%	4 338	(2 494)	6 833	-57%			-	#DIV/0!
Property Rates Tax	Eskom supplied	Calitzdorp Farms - Ward 3	180 058	74 824	105 234	42%	180 058	197 293	0	110%			-	#DIV/0!
Electricity			-	-	-	#DIV/0!	-	-	-	#DIV/0!			-	#DIV/0!
Water			59 319	11 819	47 500	20%	80 000	24 281	55 720	30%			-	#DIV/0!
Refuse			-	-	-	#DIV/0!	-	-	-	#DIV/0!			-	#DIV/0!
Waste Water			-	-	-	#DIV/0!	-	-	-	#DIV/0!			-	#DIV/0!
Interest			-	-	-	#DIV/0!	-	(237)	237	#DIV/0!			-	#DIV/0!
Property Rates Tax	Mun Supplied	Bergsig Calitzdorp - Ward 3	21 909	12 431	9 477	57%	21 909	10 654	11 255	49%			-	#DIV/0!
Electricity			12 496	6 568	5 928	53%	12 854	22 893	0	178%			-	#DIV/0!
Water			311 281	31 145	280 136	10%	234 393	38 488	195 905	16%			-	#DIV/0!
Refuse			111 315	16 537	94 779	15%	109 988	20 545	89 443	19%			-	#DIV/0!
Waste Water			98 663	9 045	89 618	9%	97 155	12 079	85 076	12%			-	#DIV/0!
Interest			1 633	1 840	0	113%	1 811	(190)	2 001	-10%			-	#DIV/0!
Property Rates Tax	Mun Supplied	Calitzdorp Town - Ward 3	449 416	355 694	93 722	79%	449 416	404 793	44 623	90%			-	#DIV/0!
Electricity			984 501	960 174	24 327	98%	1 100 578	1 007 216	93 362	92%			-	#DIV/0!
Water			265 548	199 488	66 060	75%	227 366	200 800	26 567	88%			-	#DIV/0!
Refuse			94 581	90 631	3 950	96%	94 581	82 816	11 765	88%			-	#DIV/0!
Waste Water			21 682	16 987	4 696	78%	21 682	21 260	422	98%			-	#DIV/0!
Interest			6 615	5 736	879	87%	6 761	(18 402)	25 163	-272%			-	#DIV/0!
Property Rates Tax	Mun Supplied	Ladismith Town - Ward 4	947 662	831 935	115 726	88%	948 742	946 655	2 087	100%			-	#DIV/0!
Electricity			2 932 176	3 044 120	0	104%	3 324 004	3 048 273	275 732	92%			-	#DIV/0!
Water			676 707	612 957	63 751	91%	618 578	635 611	0	103%			-	#DIV/0!
Refuse			188 706	159 339	29 366	84%	189 448	184 513	4 936	97%			-	#DIV/0!
Waste Water			295 040	250 869	44 171	85%	296 076	299 113	0	101%			-	#DIV/0!
Interest			59 907	18 961	40 946	32%	62 112	(88 040)	150 152	-142%			-	#DIV/0!
Property Rates Tax	Eskom supplied	Ladismith Farms - Ward 4	490 586	244 454	246 131	50%	490 341	411 986	78 356	84%			-	#DIV/0!
Electricity			1 941 273	2 039 748	0	105%	2 182 807	2 144 245	38 562	98%			-	#DIV/0!
Water			430 110	408 832	21 278	95%	375 557	357 089	18 468	95%			-	#DIV/0!
Refuse			20 176	11 692	8 484	58%	20 176	12 695	7 481	63%			-	#DIV/0!
Waste Water			11 815	7 326	4 489	62%	11 815	7 104	4 712	60%			-	#DIV/0!
Interest			4 875	193	4 682	4%	4 875	(108)	4 983	-2%			-	#DIV/0!
Property Rates Tax	Eskom supplied	Van Wyksdorp - Ward 4	54 517	31 450	23 067	58%	54 517	66 030	0	121%			-	#DIV/0!
Electricity			-	-	-	#DIV/0!	-	-	-	#DIV/0!			-	#DIV/0!
Water			48 710	11 174	37 536	23%	62 875	26 522	36 352	42%			-	#DIV/0!
Refuse			40 134	4 708	35 426	12%	40 134	17 065	23 070	43%			-	#DIV/0!
Waste Water			25 214	136	25 077	1%	25 214	201	25 013	1%			-	#DIV/0!
Interest			63	-	63	0%	63	(2 669)	2 732	-4219%			-	#DIV/0!

Services	Ward Name & Number	Billing	Collection	R - Billing not collected	% Collection	Q4
Property Rates Tax	Nissenville - Ward 1	308 308	237 848	70 460	77%	77%
Electricity		215 120	365 765	(150 645)	170%	170%
Water		377 825	209 071	168 754	55%	55%
Refuse		303 778	101 689	202 089	33%	33%
Waste Water		387 450	199 875	187 575	52%	52%
Interest		2 777	9 630	(6 853)	347%	347%
Property Rates Tax	Zoar - Ward 2	143 594	34 135	109 459	24%	24%
Electricity		-	-	-	#DIV/0!	#DIV/0!
Water		911 846	115 003	796 842	13%	13%
Refuse		669 601	77 150	592 451	12%	12%
Waste Water		649 195	57 876	591 318	9%	9%
Interest		8 677	71 037	(62 361)	819%	819%
Property Rates Tax	Calitzdorp Farms - Ward 3	360 116	272 117	87 999	76%	76%
Electricity		-	-	-	#DIV/0!	#DIV/0!
Water		139 320	36 100	103 220	26%	26%
Refuse		-	-	-	#DIV/0!	#DIV/0!
Waste Water		-	-	-	#DIV/0!	#DIV/0!
Interest		-	(237)	237	#DIV/0!	#DIV/0!
Property Rates Tax	Bergsig Calitzdorp - Ward 3	43 817	23 085	20 732	53%	53%
Electricity		25 350	29 462	(4 111)	116%	116%
Water		545 674	69 633	476 041	13%	13%
Refuse		221 304	37 082	184 222	17%	17%
Waste Water		195 818	21 124	174 694	11%	11%
Interest		3 444	1 651	1 794	48%	48%
Property Rates Tax	Calitzdorp Town - Ward 3	898 832	760 487	138 345	85%	85%
Electricity		2 085 079	1 967 389	117 690	94%	94%
Water		492 915	400 288	92 627	81%	81%
Refuse		189 162	173 446	15 715	92%	92%
Waste Water		43 365	38 247	5 118	88%	88%
Interest		13 376	(12 666)	26 042	-95%	-95%
Property Rates Tax	Ladismith Town - Ward 4	1 896 404	1 778 590	117 814	94%	94%
Electricity		6 256 180	6 092 392	163 788	97%	97%
Water		1 295 286	1 248 568	46 718	96%	96%
Refuse		378 154	343 852	34 302	91%	91%
Waste Water		591 116	549 982	41 134	93%	93%
Interest		122 019	(69 079)	191 098	-57%	-57%
Property Rates Tax	Ladismith Farms - Ward 4	980 927	656 440	324 487	67%	67%
Electricity		4 124 080	4 183 993	(59 913)	101%	101%
Water		805 667	765 921	39 745	95%	95%
Refuse		40 351	24 387	15 964	60%	60%
Waste Water		23 630	14 430	9 200	61%	61%
Interest		9 750	85	9 665	1%	1%
Property Rates Tax	Van Wyksdorp - Ward 4	109 034	97 480	11 554	89%	89%
Electricity		-	-	-	#DIV/0!	#DIV/0!
Water		111 585	37 697	73 888	34%	34%
Refuse		80 269	21 773	58 496	27%	27%
Waste Water		50 427	337	50 090	1%	1%
Interest		127	(2 669)	2 795	-2110%	-2110%

MFMA Circular 124 - Electricity and Water as Collection Tools



Provincial Treasury Debt Relief Compliance Assessment – April 2025

Provincial Treasury
Julinda Gantana
Head Official

Western Cape Government

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Reference number: PTR 16/1/20/1
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AND

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Dear Ms Gaarekwe and Mr Sereo

MFMA CIRCULAR NO. 124 - MUNICIPAL DEBT RELIEF PROVINCIAL TREASURY CERTIFICATION OF MUNICIPAL COMPLIANCE OF WC041 KANNALAND MUNICIPALITY DURING APRIL 2025

The National Treasury approved the debt relief application of Kannaland Municipality with effect 1 August 2023. April 2025 constitutes the 9th month of the Municipality's second 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 the May 2025 reporting. This letter provides an overview of the Provincial Treasury's assessment of the Municipality's compliance with the programme's conditions.

1. 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 No. 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 No. 124 conditions during April 2025 has increased to 63 per cent from the 61 per cent which was reported the previous month of March 2025. The scores for all ten months of this financial year are much lower than the 85 per cent achieved in the previous cycle - refer to the performance sheet in the table below that shows the Municipality's overall relief compliance performance across the recent months of its debt relief cycle. The Provincial Treasury assessment reveals that the Municipality is not on track with its debt relief compliance.

WC041 Kannaland Municipality overall performance from July 2024 up to and including April 2025:

[illegible]

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 conditions 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.

2. 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.

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

Kannaland Municipality remains non-compliant with MFMA section 65(2)(e) and Circular No. 124. A partial payment was made relating to the outstanding invoices for February, March and April 2025 on 12 May 2025. This was 30 days after the Eskom invoice issue date of the 7th of April 2025. The payment of R3.00 million does not even cover one month's bulk usage. The total invoice from Eskom for both accounts for February was R6.59 million, for March was R6.06 million and for April was R6.84 million. The municipality is strongly urged to **note the seriousness of failing to maintain the Eskom current account, which contravenes MFMA section 65(2)(e) and Circular No. 124.** In terms of MFMA Circular No. 124, Municipalities are required to pay and maintain their Eskom bulk current account within 30 days of receiving the relevant invoice each month.

Provincial Treasury (PT) facilitated a meeting between the Municipality and Eskom on 25 March 2025, following the breach notice issued by Eskom on 12 March 2025. During this meeting, Kannaland committed to submitting a letter of intent, developing a payment plan, and settling the Eskom current account. However, none of these commitments were honoured as of the end of April 2025. It was further noted that not all proofs of payment were included in the FMR. To assist PT with aligning its reporting, the municipality was requested to ensure that the FMR includes all proofs of payment and invoices and to provide a reconciliation of the Eskom accounts to PT. This is necessary because PT's reporting is not aligned with Eskom's records due to missing proofs of payment from the Section 71 reporting.

4. Condition 6.4 - A funded MTREF

PT assessed the municipality's 2025/26 tabled budget and found it to be **unfunded**. As reported in previous correspondence, Kannaland currently has a Budget Funding Plan (BFP) that outlines key activities and progress has been made on some targets, although a lot of work still needs to be done to achieve others. PT has advised the municipality to treat this interim plan with utmost seriousness to address immediate financial challenges until the formal Financial Recovery Plan (FRP) has been implemented.

MUNICIPAL CIRCULAR NO. 124 - MUNICIPAL DEBT RELIEF PROVINCIAL TREASURY CERTIFICATION OF MUNICIPAL COMPLIANCE OF WC041 KANNALAND MUNICIPALITY APRIL 2025

A series of FRP Consultation Workshops have been scheduled for 28 to 29 May 2025 with various stakeholders, including Council, administration, creditors, and organised labour. The agenda includes focused discussions on financial management, creditor engagement, and governance challenges, all of which are aligned to ensuring a credible, funded MTREF and the successful implementation of the FRP.

5. **Condition 6.5 - Cost reflective tariffs**

The municipality has not uploaded the completed draft 2025/26 MTREF Cost Reflective Tariff Tool and the Cost of Supply (COS) studies to the GOMUNI portal. In terms of MFMA Circulars No. 129 and 130, these documents were supposed to be submitted with the tabled budget and approved by Council. This non-submission means the municipality is not complying with the prescribed budget requirements.

6. **Condition 6.6 - Electricity and water as collection tools**

The Municipality issues a consolidated monthly bill to consumers, prioritising payment allocations first to property rates, then water, wastewater, refuse removal, and lastly, electricity. Account holders automatically receive a breakdown of these charges, with the option for property owners to authorise tenants to open separate service accounts which is not consistent with the conditions in Circular No. 124.

In cases of non-payment, electricity services are disconnected, and prepaid electricity purchases are blocked, 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 s71 statement, which includes indigent information as specified by the National Treasury.

7. **Conditions 6.7 - Maintain a minimum average quarterly collection of property rates and services charges**

As per the collection rate assessment tool, the Municipality reported a collection rate of 82 per cent for the month under review. Kannaland Municipality continues to face challenges in collecting service charges for water, refuse, and sewerage in areas without municipal electricity supply. To improve this, the Municipality has updated consumer data for accuracy in financial records through meetings with the revenue section. Furthermore, two service providers namely, NFD Consulting and Thipa Attorneys from RT27 have been appointed for debt collection, starting in March 2025, but no progress report on their activities has been submitted to Provincial Treasury, despite this being a reporting requirement under the Budget Funding Plan (BFP). The Municipality has also not been reporting on overall BFP progress as expected.

8. **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 transfers, and omissions. Corrective actions such as notifying the valuer, adjusting classifications, conducting supplementary valuations, and rectifying property categorisations are underway. Despite these efforts, the Municipality is continuously not including the required monthly progress report on the action plan in their Section 71 report though the Municipality was advised to do so.

9. **Condition 6.9 - Monitor and Report on compliance**

The Western Cape Provincial Treasury's assessment confirmed that the MFMA s71 narrative statement was uploaded to GoMuni. However, the narrative 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 S71 Statement component		Compliance (Yes/No)
1.	***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 S71 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 S71 statement included the following debt relief reporting components***	
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
3.6.2	The Municipality's progress during the month against its planned corrective action to address any variances evident from the property rates reconciliation.	**No**
3.7.1	Any Eskom and Water (if the Municipality has the Water function) Bulk current account invoice(s) due and payable during the month of reporting	Yes
3.7.2	The Municipality's proof of payment of any such Eskom and/or Water Bulk current account invoice(s) during the month of reporting.	Yes
3.7.3	The Municipality's reconciliation statement for electricity and water (if it has the function) aligning to the MFMA S71 mSCOA data strings upload.	**No**
3.8	Recommendations noting explicitly the aforementioned debt relief reporting to the Mayor and/or Mayoral Committee meeting	Yes

The Municipality has integrated its monthly debt compliance reports into the MFMA Section 71 narratives as required. However, some of the submitted documents are blurred specifically the invoices and proof of payments, which has complicated the Provincial Treasury's assessment process. Additionally, the Municipality has not demonstrated a strong commitment to continuous improvement or adherence to established conditions. The blurriness of the documents still continues, and it prevents the Provincial Treasury from verifying the non-compliance issues identified in the Municipality's self-assessment as per MFMA Circular No. 124.

10. 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 fulfilment of the PT's role in certifying compliance of the Municipality.

11. 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 authorised limits and program guidelines. These measures, while promoting sustainable debt management, also stabilise 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 safeguarding 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.

12. Condition 6.12 - Proper management of resources

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-fencing for debt relief through their monthly mSCOA data string submissions.

The Municipality has not conducted transactions through the previously established ring-fenced sub-account, 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 the primary account's monthly bank reconciliations to GoMuni, 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.

13. Condition 6.13 - Accounting Treatment

The Municipality's unaudited AFS for 2023/24 were not sufficiently detailed for Provincial Treasury to determine if the Municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) in terms of the written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date. As a result, the Municipality is considered to not have complied with this condition.

14. Condition 6.14 - NERSA Licence

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.

15. 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 - 30 April 2025:

Annexure A2 - Monthly

[illegible]

Western Cape Provincial Treasury

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Period	[illegible]
National Financial Year	[illegible]
Demarcation Code of Municipality being assessed	[illegible]
District	Garden Route
Demarcation Description	Kannaland

[illegible]

Municipal Debt Relief Conditions (Monthly reporting)

			Notes/Comments
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]	

MUNICIPAL CIRCULAR NO. 124 – MUNICIPAL DEBT RELIEF PROVINCIAL TREASURY CERTIFICATION OF MUNICIPAL COMPLIANCE OF WC041 KANNALAND MUNICIPALITY MARCH 2025

	[illegible]	[illegible]	
	[illegible]	No	
	[illegible]	Yes	
	[illegible]	Yes	
	[illegible]		
	[illegible]	Yes	
	[illegible]		
	[illegible]	Yes	
	[illegible]		
	[illegible]	No	
	[illegible]	Yes	
	[illegible]	No	

MUNICIPAL CIRCULAR NO. 124 - MUNICIPAL DEBT RELIEF PROVINCIAL TREASURY CERTIFICATION OF MUNICIPAL COMPLIANCE OF WC041 KANNALAND MUNICIPALITY APRIL 2025

6.6	[illegible]		
6.6.1	[illegible]	Yes	[illegible]
6.6.2	[illegible]	Yes	
6.6.3	[illegible]	No	[illegible]
6.6.4	[illegible]	No	
6.7	[illegible]		
6.7.1	[illegible]	Not yet end of quarter	[illegible]
	[illegible]		
6.7.2	- If the response to 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality demonstrated to the satisfaction of National Treasury the following:		
6.7.2.1	[illegible]	not yet the end of a quarter	
6.7.2.2	[illegible]	not yet the end of a quarter	
6.7.2.3	[illegible]	not yet the end of a quarter	
6.7.3	[illegible]	No	[illegible]
6.7.4	[illegible]	No	[illegible]
6.7.5	[illegible]	No	

MUNICIPAL CIRCULAR NO. 124 - MUNICIPAL DEBT RELIEF PROVINCIAL TREASURY CERTIFICATION OF MUNICIPAL COMPLIANCE OF WC041 KANNALAND MUNICIPALITY APRIL 2025

	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	No	[illegible]
[illegible]	[illegible]	[illegible]	No	[illegible]
[illegible]	[illegible]	[illegible]	No	
	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	Yes	
[illegible]	[illegible]	[illegible]	Yes	
[illegible]	[illegible]	[illegible]	No FRP	
[illegible]	[illegible]	[illegible]	No FRP	
	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	Yes	
[illegible]	[illegible]	[illegible]	Yes	
[illegible]	[illegible]	[illegible]	No	
		[illegible]		

MUNICIPAL CIRCULAR NO. 124 - MUNICIPAL DEBT RELIEF PROVINCIAL TREASURY CERTIFICATION OF MUNICIPAL COMPLIANCE OF WC041 KANNALAND MUNICIPALITY APRIL 2025

	6.11	Restrictions on municipality borrowing powers - has the municipality borrowed more than [illegible] or any subsequent benefit in terms of this municipal debt support programme?	No	
		Note - [illegible]		
	6.12	Has the [illegible] of the Municipal Debt Relief [illegible] proper management of [illegible]		
	6.12.1	- has the municipality [illegible] a sub-account [illegible] primary bank account - [illegible] electricity, water and sanitation [illegible] the Local Government Equitable Share (LGES) the municipality [illegible] free basic electricity, water and sanitation?	Yes	
	6.12.2	- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?	Yes	
		Note: [illegible]		
		Supporting evidence: Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement submitted process.	Yes	The municipality has not [illegible] ring-fenced sub-account, [illegible] Eskom [illegible]
	6.13	Accounting Treatment - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as at 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General for Municipal Debt Relief to date? Note - [illegible]	No	The Municipality submitted AFS for 2023/24 [illegible] Provincial Treasury [illegible] National Treasury: Office of the Accountant General [illegible] Eskom [illegible]
	6.14	NERSA Licence - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?	No	
		Note: [illegible]		

MUNICIPAL CIRCULAR NO. 124 - MUNICIPAL DEBT RELIEF PROVINCIAL TREASURY CERTIFICATION OF MUNICIPAL COMPLIANCE OF WC041 KANNALAND MUNICIPALITY APRIL 2025 11

The Western Cape Provincial Treasury's assessment and compliance certificate confirms that Kannaland Municipality did not fully comply with all the MFMA Circular No. 124 conditions, as elaborated on above. It is also noted that the Municipality's April 2025 average compliance increased to 63 per cent, compared to the 61 per cent reported for March 2025. The primary reason for the improvement is due condition 6.3.3 being fully complied with and also the quarterly conditions are not applicable. Additionally, the 2025/26 tabled budget was also assessed for the April 2025 period, this assessment found that condition 6.5 was not complied with.

The Municipality must address non-compliance matters urgently. The Municipality should prioritise payment of its bulk accounts, especially those from previous months that remain in arrears, report on the progress of the action plan from the GV recon and then 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

Digitally signed by Julinda Gantana
Date: 2025.05.28 19:01:52 +02'00'

MS J GANTANA
HEAD OFFICIAL: PROVINCIAL TREASURY

Cc: The Executive Mayor: Mr J Donson, mayor@kannaland.gov.za
CFO, Kannaland Municipality: Mr L Steenkamp cfo@kannaland.gov.za
Senior Manager Revenue Management: Rehaz Abramia -AbramiR@eskom.co.za
Senior Manager Finance Cape Coastal Cluster: Atika Brey -BreyA@eskom.co.za
Middle Manager Finance Cape Coastal Cluster: Unathi Yaso -YasoUN@eskom.co.za
MFMA Coordinator: Steven Kenyon - Steven.Kenyon@westerncape.gov.za
Director-General: Department of Cooperative Governance: Mr Mbulelo Tshangana - Zandilez@cogta.gov.za
CEO: SALGA: Sithole Mbanga - hmazibuko@salga.org.za

MFMA Circular 124 – Property Rates Reconciliation

Property Rates Reconciliation

Province	WC
District	Garden Route District
Type	LM
Municipal Name	Kannaland Municipality
GV Period	[illegible]
Financial Year	[illegible]
Reconciliation Period	Quarter 4

Reconciliation Overview

High Level Reconciliation

Propety Categories	# of Properties			Market Values		
	GV	MFS	Variance	GV Market Values	MFS Market Values	Variance
Residential	4435	4435	0	786,614,000.00	786,387,000.00	227,000.00
Industrial	21	21	0	54,309,000.00	54,309,000.00	-
Business and Commercial	188	190	-2	136,987,000.00	137,637,000.00	- 650,000.00
Agricultural	3006	3008	-2	1,699,368,000.00	1,700,233,956.00	- 865,956.00
Mining	0	0	0	-	-	-
State Owned for Public Purpose	55	55	0	132,924,000.00	132,924,000.00	-
PSI	158	159	-1	3,838,000.00	3,858,000.00	- 20,000.00
PBO	7	6	1	11,377,000.00	10,510,000.00	867,000.00
Multi Use	0	0	0	-	-	-
Vacant	302	299	3	8,513,000.00	7,737,000.00	776,000.00
POW	56	56	0	48,060,000.00	47,860,000.00	200,000.00
Municipal	1211	1213	-2	104,776,000.00	107,078,000.00	- 2,302,000.00
Other	63	63	0	75,522,000.00	75,522,000.00	-
	9502	9505	-3	3,062,288,000.00	3,064,005,956.00	- 1,717,956.00

Detailed Reconciliation

Property Categories	Monthly Billing			Quarterly		
Property Categories	GV	MFS	Variance	GV	MFS	Variance
Residential	945,711	849,175	96,536	945,711.02	849,174.63	96,536.38
Industrial	178,504	178,504	-	178,504.25	178,504.25	-
Business and Commercial	445,208	447,320	- 2,113	445,207.75	447,320.25	- 2,112.50
Agricultural	410,681	411,280	- 600	410,680.60	411,280.50	- 599.90
Mining	-	-	-	-	-	-
State Owned for Public Purpose	432,003	432,003	-	432,003.00	432,003.00	-
PSI	-	-	-	-	-	-
PBO	3,698	3,416	282	3,697.53	3,415.75	281.78
Multi Use	-	-	-	-	-	-
Vacant	13,834	12,573	1,261	13,833.63	12,572.63	1,261.00
POW	-	-	-	-	-	-
Municipal	-	-	-	-	-	-
Other					-	
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Prepared By	CRAIG OPPERMAN	Date	12/06/2025
	Contact Details		
Signature			
Reviewed By	IVOR GRISPE	Date	12-06-2025
	Contact Details		
Signature			

Calitzdorp Besproeiïngsraad

Posbus/P O Box 197, Calitzdorp, 6660
Tel: 0440040172/ 0764738011 Email: calitzdorpwater@mdwireless
BTW/VAT Reg: 4260157971

BELASTINGFAKTUUR

Faktuur Nr: 14
Datum: 05 May 2025

Munisipale Bestuurder
Kannaland Munisipaliteit
Posbus 30
LADISMITH
6655

BTW Nr 4540197268

MUNISIPALE WATERVERBRUIK – CALITZDORP: April 2025

Sub Oorverbruik

Maand			May-25	
Meterlesing einde	Apr-25		8331370	
Meterlesing begin	Apr-25		8257620	
Ontrek	kl		73690	
Dae @ 455 kl per dag toelaag	30		13650	
60040-19633=40407	kl		60040	60040-19633=40407
Min beurt teruggegee	kl		0	
Oorverbruik	kl		40407	
0-26000 kl tarief @ 1.15kl	26000	R	29 900.00	
26000-36000kl @ 2.32kl	10000	R	23 200.00	
36000-46000 @3.87/5kl	4407	R	17 055.09	
56 000 en meer tarief		R	-	
Sub Oorverbruik		R	70 155.09	
Plus 15% BTW		R	10 523.26	
Totaal verskuldig		R	80 678.35	

Glyskaal met ingang 2025		
Dae		30
Toegelaat per dag - kl		455
0 - 26000 kl tarief	R	1.15
26000 - 36000 kl tarief	R	2.32
36000 - 46000 kl tarief	R	3.87
46000 - 56000 kl tarief	R	7.73
56 000 kl en meer tarief	R	15.47

Beurt teruggegee formule		
1 cusec = 101.96 m3		101.96
Stroomsterkte cusek/uur		6.15
Ure teruggegee		0
Kl = Ure teruggegee x 101.96m3 x stroomsterkte	kl	0

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

Terme:

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

C:\Users\Jose\Documents\CIB\Invoices Kanna New\2024\2025\Kanna 04-2025 014 05-05-2025

Calitzdorp Besproeiïngsraad

Posbus/P O Box 197, Calitzdorp, 6660
Tel: 0440040172/ 0764738011 Email: calitzdorpwater@mdwireless
BTW/VAT Reg: 4260157971

BELASTINGFAKTUUR

Faktuur Nr: 15
Datum: 30 May 2025

Munisipale Bestuurder
Kannaland Munisipaliteit
Posbus 30
LADISMITH
6655

BTW Nr 4540197268

MUNISIPALE WATERVERBRUIK – CALITZDORP: Mei 2025

Sub Dorverbruik

Maand			May-25	
Meterlesing einde	May-25		8397880	
Materlesing begin	May-25		8331310	
Ontrek	kl		66570	
Dae @ 455 kl per dag toelaag	31		14105	
52465-17299=35166	kl		52465	52465-17299=35166
Min beurt teruggegee	kl		0	
Dorverbruik	kl		35166	
0-26000 kl tarief @ 1.15kl	26000	R	29 900.00	
26000-36000kl @ 2.32kl	9166	R	21 265.12	
36000-46000 @3.87/5kl	0	R	-	
56 000 en meer tarief		R	-	
Sub Dorverbruik		R	51 165.12	
Plus 15% BTW		R	7 674.77	
Totaal verskuldig		R	**58 839.89**	

Glyskaal met ingang 2025		
Dae		31
Toegelaat per dag - kl		455
0 - 26000 kl tarief	R	1.15
26000 - 36000 kl tarief	R	2.32
36000 - 46000 kl tarief	R	3.87
46000 - 56000 kl tarief	R	7.73
56 000 kl en meer tarief	R	15.47

Beurt teruggegee formule		
1 cusec = 101.96 m3		101.96
Stroomsterkte cusek/uur		6.18
Ure teruggegee		0
Kl = Ure teruggegee x 101.98m3 x stroomsterkte	kl	0

Bankbesonderhede:
Naam: Calitzdorp Besproeiïngsraad
Bank: Standard Bank
Tak: Calitzdorp 050014
Rek Nr: 280110022

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

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Eskom

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

WESTERN REGION
PO BOX 377 BELVILLE 7535

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 037 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

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

YOUR ACCOUNT NO	7052108005
SECURITY HELD	0.01
BILLING DATE	2025-02-07
TAX INVOICE NO	705870478248
ACCOUNT MONTH	FEBRUARY 2025
CURRENT DUE DATE	2025-03-10
VAT REG NO	4540197268

Eskom

CUSTOMER SELF SERVICE WEBSITE
Provincial email listed below

WESTERN REGION
PO BOX 377 BELVILLE 7535

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334118
BANK ACC NO:	340167430

TAX INVOICE

E-MAIL: krediteure@kannaland.gov.za

ACCOUNT TRANSACTION SUMMARY

FIXED CHARGE		R	25,465.00
ADMINISTRATION CHARGE		R	5,621.54
TRANSMISSION NETWORK CAPACITY		R	160,500.00
DIST. NETWORK CAPACITY CHARGE		R	115,500.00
NETWORK DEMAND CHARGE		R	108,329.23
URBAN LOW VOLTAGE SUBSIDY		R	202,900.00
ANCILLARY SERVICE (ALL)		R	16,595.94
ENERGY CHARGE (STD)	877,868.00	R	1,226,996.10
ENERGY CHARGE (PEAK)	436,888.00	R	887,406.91
ENERGY CHARGE (OFF)	1,232,833.00	R	1,092,975.68
ELECTRIFICATION AND RURAL SUBS (ALL)		R	398,175.86
SERVICE CHARGE		R	12,471.92
TOTAL CHARGES FOR BILLING PERIOD		R	4,335,938.18

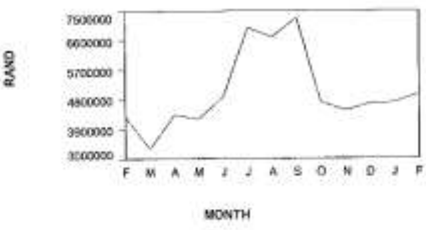
ACCOUNT SUMMARY FOR FEBRUARY 2025

BALANCE BROUGHT FORWARD	(Due Date 2025-02-06)	R	49,297,675.19
TOTAL CHARGES FOR BILLING PERIOD		R	4,335,938.18
ADJUSTMENT	Interest on overdue account	R	717.12
ADJUSTMENT	Interest on overdue account	R	264.13
ADJUSTMENT	Interest on overdue account	R	40,803.24
ADJUSTMENT	Interest on overdue account	R	110,726.42
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	650,390.73

CURRENT	TOTAL DUE	R	54,436,575.01
5,138,899.82			

ARREARS			
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS
35,257,986.01	9,268,242.80	4,771,446.38	0.00

Total outstanding debt must be settled immediately, subject to disconnection without further notice



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ACCOUNT NO / REFERENCE NO
7052108005
NAME
KANNALAND LOCAL MUNICIPALITY
FAX NUMBER
0866160914

easypay 7100 1705 2108 0056

27215700170521080058

>>>>>>>> 9207 2705 2108 0051

PayIT

easypay

TOTAL AMOUNT DUE

54,436,575.01

PAYMENT ARRANGEMENT

INSTALMENT
0.00

ARREARS (Due Immediately)
49,297,675.19

DUE DATE (For Current Amount)
2025-03-10

AMOUNT PAID

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT

Eskom

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

WESTERN REGION
PO BOX 377 BELVILLE 7535

CONTACT CENTRE:	(0850) 037566
FAX NO:	0862 437 566
E-MAIL:	customerservices@eskom.co.za
WEB:	WWW.ESKOM.CO.ZA

Eskom

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

YOUR ACCOUNT NO	6940893537
SECURITY HELD	0.01
BILLING DATE	2025-02-07
TAX INVOICE NO	694820279404
ACCOUNT MONTH	FEBRUARY 2025
CURRENT DUE DATE	2025-03-10
VAT REG NO	4540197268

CUSTOMER SELF SERVICE WEBSITE
Provincial email listed below

WESTERN REGION
PO BOX 377 BELVILLE 7535

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	331110
BANK ACC NO:	340167430

TAX INVOICE

E-MAIL: krediteure@kannaland.gov.za

ACCOUNT TRANSACTION SUMMARY

ADMINISTRATION CHARGE		R	5,621.54
DIST. NETWORK CAPACITY CHARGE		R	84,875.38
NETWORK DEMAND CHARGE (C/KWH)		R	58,628.98
ANCILLARY SERVICE (ALL)		R	5,671.69
ENERGY CHARGE (PEAK)	123,066.00	R	258,110.52
ENERGY CHARGE (STD)	303,636.00	R	438,298.57
ENERGY CHARGE (OFF)	282,257.00	R	258,378.08
ELECTRIFICATION AND RURAL SUBS (ALL)		R	111,094.19
SERVICE CHARGE		R	12,471.92
TOTAL CHARGES FOR BILLING PERIOD		R	**1,233,150.86**

ACCOUNT SUMMARY FOR FEBRUARY 2025

BALANCE BROUGHT FORWARD	(Due Date 2025-02-06)	R	12,679,413.73
TOTAL CHARGES FOR BILLING PERIOD		R	1,233,150.86
ADJUSTMENT	Interest on overdue account	R	10,615.82
ADJUSTMENT	Interest on overdue account	R	28,842.70
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	164,972.63

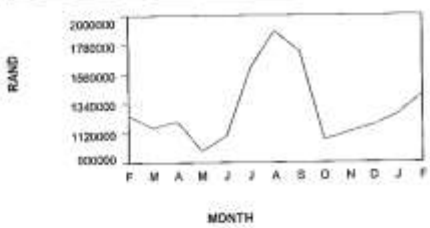
COPY ONLY

CURRENT	TOTAL DUE	R	14,136,795.74
1,457,382.01			

ARREARS

>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS
10,177,028.37	1,205,385.82	1,296,999.54	0.00

Total outstanding debt must be settled immediately, subject to disconnection without further notice



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ACCOUNT NO / REFERENCE NO
6940893537

NAME
KANNALAND LOCAL MUNICIPALITY

FAX NUMBER

easypay 7100 1694 0893 5374

27215700169408935376

>>>>>>> 9207 2694 0893 5379

PayIT

easypay

TOTAL AMOUNT DUE

14,136,795.74

PAYMENT ARRANGEMENT

INSTALMENT
0.00

ARREARS (Due Immediately)
12,679,413.73

DUE DATE (For Current Amount)
2025-03-10

AMOUNT PAID

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT

Eskom

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

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

WESTERN REGION
PO BOX 377 Bellville 7535

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

YOUR ACCOUNT NO	7052108005
SECURITY HELD	0.01
BILLING DATE	2025-03-07
TAX INVOICE NO	705011619075
ACCOUNT MONTH	MARCH 2025
CURRENT DUE DATE	2025-04-07
VAT REG NO	4540197268

Eskom

CUSTOMER SELF SERVICE WEBSITE
https://eskonline.co.za

WESTERN REGION
PO BOX 377 Bellville 7535

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334110
BANK ACC NO:	340187430

TAX INVOICE

E-MAIL: krediteure@kannaland.gov.za

ACCOUNT TRANSACTION SUMMARY

FIXED CHARGE		R	25,465.00
ADMINISTRATION CHARGE		R	5,077.52
TRANSMISSION NETWORK CAPACITY		R	180,500.00
DIST. NETWORK CAPACITY CHARGE		R	115,500.00
NETWORK DEMAND CHARGE		R	124,882.23
URBAN LOW VOLTAGE SUBSIDY		R	282,900.00
ANCILLARY SERVICE (ALL)		R	16,515.59
ENERGY CHARGE (STD)	813,317.00	R	1,136,773.17
ENERGY CHARGE (PEAK)	382,113.00	R	778,147.93
ENERGY CHARGE (OFF)	1,066,981.00	R	946,092.05
ELECTRIFICATION AND RURAL SUBS (ALL)		R	354,519.65
SERVICE CHARGE		R	11,294.96
TOTAL CHARGES FOR BILLING PERIOD		R	**3,955,738.10**

ACCOUNT SUMMARY FOR MARCH 2025

BALANCE BROUGHT FORWARD	(Due Date 2025-03-10)	R	54,436,575.01
PAYMENT(S) RECEIVED	Cash - 2025-02-10	R	-4,530,456.80
TOTAL CHARGES FOR BILLING PERIOD		R	3,955,738.10
ADJUSTMENT	Interest on overdue account	R	648.74
ADJUSTMENT	Interest on overdue account	R	101,322.64
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	583,360.71

COPY ONLY

CURRENT	TOTAL DUE	R	54,548,188.40
4,651,070.19			

ARREARS

>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS
39,986,772.01	0.00	4,771,446.38	5,138,899.82

Total outstanding debt must be settled immediately, subject to disconnection without further notice

ACCOUNT NO / REFERENCE NO
7052108005

NAME
KANNALAND LOCAL MUNICIPALITY

FAX NUMBER
0866160914

easypay 7100 10 0010

27215700170521080058

>>>>>>> 9207 2705 2108 0051

PayIT

easypay

TOTAL AMOUNT DUE
54,548,188.40

PAYMENT ARRANGEMENT

INSTALMENT
0.00

ARREARS (Due Immediately)
49,897,118.21

DUE DATE (For Current Amount)
2025-04-07

AMOUNT PAID

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BILL GROUP	
BILL PAGE	1 OF 2

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT

Eskom

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

WESTERN REGION
PO BOX 377 Bellville 7535

CONTACT CENTRE:	(0860) 037566Eskom
FAX NO:	0862 437 560
E-MAIL:	customerservices@eskom.co.za
WEB:	WWW.ESKOM.CO.ZA

Eskom

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

YOUR ACCOUNT NO	6940893537
SECURITY HELD	0.01
BILLING DATE	2025-03-07
TAX INVOICE NO	694809000123
ACCOUNT MONTH	MARCH 2025
CURRENT DUE DATE	2023-04-07
VAT REG NO	4540197258

CUSTOMER SELF SERVICE WEBSITE
https://csonline.co.za

WESTERN REGION
PO BOX 377 Bellville 7535

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334510
BANK ACC NO:	540167630

TAX INVOICE

E-MAIL: krediteure@kannaland.gov.za

ACCOUNT TRANSACTION SUMMARY

ADMINISTRATION CHARGE		R	5,077.52
DIST. NETWORK CAPACITY CHARGE		R	82,512.57
DX EXCESS NETWORK CAPACITY CHA		R	8,187.38
NETWORK DEMAND CHARGE (C/KWH)		R	56,103.31
ANCILLARY SERVICE (ALL)		R	5,576.54
ENERGY CHARGE (PEAK)	115,543.00	R	242,328.33
ENERGY CHARGE (STD)	285,500.00	R	412,119.25
ENERGY CHARGE (OFF)	296,025.00	R	270,981.29
ELECTRIFICATION AND RURAL SUBS (ALL)		R	109,230.56
SERVICE CHARGE		R	11,264.96
TOTAL CHARGES FOR BILLING PERIOD		R	**1,202,381.71**

ACCOUNT SUMMARY FOR MARCH 2025

BALANCE BROUGHT FORWARD	(Due Date 2025-03-10)	R	14,136,795.74
PAYMENT(S) RECEIVED	Cash - 2025-02-10	R	-1,141,450.05
TOTAL CHARGES FOR BILLING PERIOD		R	1,202,381.71
ADJUSTMENT	Interest on overdue account	R	26,800.88
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	180,357.25

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CURRENT	TOTAL DUE	R	14,404,685.51
1,409,339.82			

ARREARS

>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS
10,240,964.14	0.00	1,296,999.54	1,457,382.01

Total outstanding debt must be settled immediately, subject to disconnection without further notice

ACCOUNT NO / REFERENCE NO: 6940893537

NAME: KANNALAND LOCAL MUNICIPALITY

FAX NUMBER:

EasyPay 7100 10 0010

27215700169408935376

>>>>>>> 9207 2694 0893 5379

PayIT

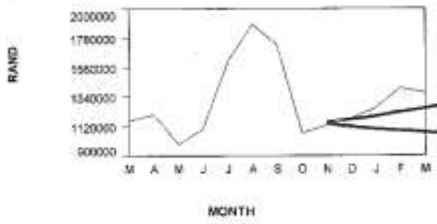
easypay

TOTAL AMOUNT DUE

14,404,685.51

PAYMENT ARRANGEMENT	
INSTALMENT	0.00
ARREARS (Due immediately)	12,995,345.69
DUE DATE (For Current Amount)	2025-04-07
AMOUNT PAID	

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT



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Eskom

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

WESTERN REGION
PO BOX 377 Bellville 7535

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

Eskom

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

YOUR ACCOUNT NO	7052108005
SECURITY HELD	0.01
BILLING DATE	2025-04-07
TAX INVOICE NO	705180496313
ACCOUNT MONTH	APRIL 2025
CURRENT DUE DATE	2025-05-07
VAT REG NO	4540197268

CUSTOMER SELF SERVICE WEBSITE
https://csonline.co.za

WESTERN REGION
PO BOX 377 Bellville 7535

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334110
BANK ACC NO:	340167430

TAX INVOICE

E-MAIL: krediteure@kannaland.gov.za

ACCOUNT TRANSACTION SUMMARY

FIXED CHARGE		R	25,465.00
ADMINISTRATION CHARGE		R	5,621.54
TRANSMISSION NETWORK CAPACITY		R	160,500.00
DIST. NETWORK CAPACITY CHARGE		R	115,500.00
NETWORK DEMAND CHARGE		R	124,671.73
URBAN LOW VOLTAGE SUBSIDY		R	282,900.00
ANCILLARY SERVICE (ALL)		R	19,565.46
ENERGY CHARGE (STD)	966,987.00	R	1,350,160.03
ENERGY CHARGE (PEAK)	433,322.00	R	880,163.65
ENERGY CHARGE (OFF)	1,279,521.00	R	1,134,561.27
ELECTRIFICATION AND RURAL SUBS (ALL)		R	419,772.68
SERVICE CHARGE		R	12,471.92
TOTAL CHARGES FOR BILLING PERIOD		R	**4,531,333.26**

ACCOUNT SUMMARY FOR APRIL 2025

BALANCE BROUGHT FORWARD	(Due Date 2025-04-07)	R	54,548,188.40
PAYMENT(S) RECEIVED	Cash - 2025-03-18	R	-4,767,880.00
TOTAL CHARGES FOR BILLING PERIOD		R	4,531,333.26
ADJUSTMENT	Interest on overdue account	R	1,057.47
ADJUSTMENT	Interest on overdue account	R	173,620.91
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	679,699.99

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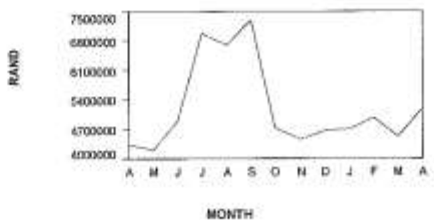
CURRENT	TOTAL DUE	R	55,166,050.03
5,385,721.63			

ARREARS

>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS
39,990,358.39	0.00	9,789,970.01	0.00

Total outstanding debt must be settled immediately, subject to disconnection without further notice



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ACCOUNT NO / REFERENCE NO
7052108005

NAME
KANNALAND LOCAL MUNICIPALITY

FAX NUMBER
0866160914

pay 7100 10 0010

2721570017052108005 8

>>>>>>> 9207 2705 2108 0051

PayIT

easypay

TOTAL AMOUNT DUE

55,166,050.03

PAYMENT ARRANGEMENT

INSTALMENT
0.00

ARREARS (Due Immediately)
49,780,328.40

DUE DATE (For Current Amount)
2025-05-07

AMOUNT PAID

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT

Eskom

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

WESTERN REGION
PO BOX 377 Bellville 7535

CONTACT CENTRE:	08600 37566
FAX NO:	0862 437 566
E-MAIL:	[illegible]
WEB:	WWW.ESKOM.CO.ZA

Eskom

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

YOUR ACCOUNT NO	6940893537
SECURITY HELD	0.01
BILLING DATE	2025-04-07
TAX INVOICE NO	694622290327
ACCOUNT MONTH	APRIL 2025
CURRENT DUE DATE	2025-05-07
VAT REG NO	4540197268

CUSTOMER SELF SERVICE WEBSITE
https://cssonline.co.za

WESTERN REGION
PO BOX 377 Bellville 7535

DIRECT DEPOSIT DETAIL	
BANK:	ABSA
BRANCH CODE:	334138
BANK ACC NO:	540167436

TAX INVOICE

E-MAIL: krediteure@kannaland.gov.za

ACCOUNT TRANSACTION SUMMARY

ADMINISTRATION CHARGE		R	5,621.54
DIST. NETWORK CAPACITY CHARGE		R	82,413.60
NETWORK DEMAND CHARGE (C/KWH)		R	55,080.80
ANCILLARY SERVICE (ALL)		R	5,750.62
ENERGY CHARGE (PEAK)	114,006.00	R	239,104.78
ENERGY CHARGE (STD)	291,240.00	R	420,404.94
ENERGY CHARGE (OFF)	313,581.00	R	287,052.05
ELECTRIFICATION AND RURAL SUBS (ALL)		R	112,840.19
SERVICE CHARGE		R	12,471.92
TOTAL CHARGES FOR BILLING PERIOD		R	**1,221,140.53**

ACCOUNT SUMMARY FOR APRIL 2025

BALANCE BROUGHT FORWARD	(Due Date 2025-04-07)	R	14,404,885.51
PAYMENT(S) RECEIVED	Cash - 2025-03-18	R	-1,206,385.82
TOTAL CHARGES FOR BILLING PERIOD		R	1,221,140.53
ADJUSTMENT	Interest on overdue account	R	48,239.87
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	183,171.08

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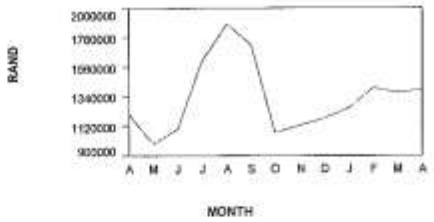
CURRENT	TOTAL DUE	R	14,651,851.17
1,452,551.48			

ARREARS

>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS
10,332,577.86	0.00	2,866,721.83	0.00

Total outstanding debt must be settled immediately, subject to disconnection without further notice



ACCOUNT NO / REFERENCE NO
6940893537
NAME
KANNALAND LOCAL MUNICIPALITY
FAX NUMBER

pay 7100 10 0010

27215700169408935376

>>>>>>> 9207 2694 0893 5379

PayIT

easypay

TOTAL AMOUNT DUE
14,651,851.17

PAYMENT ARRANGEMENT

INSTALMENT
0.00

ARREARS (Due Immediately)
13,199,299.69

DUE DATE (For Current Amount)
2025-05-07

AMOUNT PAID

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT

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REPRINT CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420543546		
User ID	OCK31	User Name	KANNALAND MUNICIPALITY
Sub Module	SSVS	Reference	2025129002
Description	GUH48 20250509 10:12:51.2	Action date	20250509
Finalreleasingoperators	GAV53 M SCHEFFERS		RVX68 CM CLAASEN (A)

Sub-batch 001 From Account no 0000420543546 From Account Name KANNALAND MUNICIPALITY (MAIN)

Trans No	4
Acc No / CDI	280110022
Branch No	50014
Statement Ref	KANNALAND MUN
Account Name	CALITZDORP BESPROEINGSRAAD
Creditor Code	CALITZDORP BESPR
Amount	40,465.00
StatusDescription	FINAL AUDIT TO BE DOWNLOADED
RTGS/RTC	
ISN/Bus Ref	0
Pay Alert	N

DATE : 2025-05-15 12:53:57 Page : 4

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

WESTERN REGION
PO BOX 377 Bellville 7535

CONTACT CENTRE: 08600 037566
FAX NO: 0862 437 566
E-MAIL: NorthernCape@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

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

YOUR ACCOUNT NO	7052108005
SECURITY HELD	0.01
BILLING DATE	2025-05-12
TAX INVOICE NO	7051961776.56
ACCOUNT MONTH	MAY 2025
CURRENT DUE DATE	2025-06-11
VAT REG NO	4540197264

CUSTOMER SELF SERVICE WEBSITE
https://csonline.co.za

WESTERN REGION
PO BOX 377 Bellville 7535

DIRECT DEPOSIT DETAIL

BANK:	ABSA
BRANCH CODE:	33-1110
BANK ACC NO:	340167630

TAX INVOICE

E-MAIL: krediteure@kannaland.gov.za

ACCOUNT TRANSACTION SUMMARY

FIXED CHARGE		R	25,465.00
ADMINISTRATION CHARGE		R	5,440.20
TRANSMISSION NETWORK CAPACITY		R	160,500.00
DIST. NETWORK CAPACITY CHARGE		R	115,500.00
NETWORK DEMAND CHARGE		R	110,656.42
URBAN LOW VOLTAGE SUBSIDY		R	282,900.00
ANCILLARY SERVICE (ALL)		R	17,352.44
ENERGY CHARGE (STD)	727,438.00	R	1,016,740.09
ENERGY CHARGE (PEAK)	323,184.00	R	656,451.34
ENERGY CHARGE (OFF)	1,326,425.00	R	1,176,141.05
ELECTRIFICATION AND RURAL SUBS (ALL)		R	372,483.26
SERVICE CHARGE		R	12,089.60
REBILLED ADJUSTMENTS	(Summary - See attachment for details)	R	-1,313.25
TOTAL CHARGES FOR BILLING PERIOD		R	**3,950,386.15**

ACCOUNT SUMMARY FOR MAY 2025

BALANCE BROUGHT FORWARD	(Due Date 2025-05-07)	R	55,166,050.03
TOTAL CHARGES FOR BILLING PERIOD		R	3,950,386.15
ADJUSTMENT	Interest on overdue account	R	1,465.95
ADJUSTMENT	Interest on overdue account	R	231,538.54
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	582,557.02

CURRENT	TOTAL DUE		
4,806,743.55		R	59,941,998.59

ARREARS

>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS
45,129,258.21	4,651,070.19	5,354,926.64	0.00

Total outstanding debt must be settled immediately, subject to disconnection without further notice

ACCOUNT NO / REFERENCE NO
7052108005
NAME
KANNALAND LOCAL MUNICIPALITY
FAX NUMBER
0866160914

unipay 7100 10 0010

27215700170521080058

>>>>>>> 9207 2705 2108 0051

TOTAL AMOUNT DUE
59,941,998.59

PAYMENT ARRANGEMENT

INSTALMENT
0.00

ARREARS (Due Immediately)
55,135,255.04

DUE DATE (For Current Amount)
2025-06-11

AMOUNT PAID

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT

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CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420643546		
User ID	OCK31	User Name	KANNALAND MUNICIPALITY
Sub Module	SSVS	Reference	2025132004
Description	LJT64 20250512 12:14:39.9	Action date	20250512
Finalreleasingoperators	GAV53 M SCHEFFERS		RVX88 CM CLAASEN (A)

Sub-batch 001 From Account no 0000420543548 From Account Name KANNALAND MUNICIPALITY (MAIN)

Trans No	1
Acc No / CDI	55161636814
Branch No	200910
Statement Ref	7052108005
Account Name	ESKOM HOLDINGS WC REGION
Creditor Code	ESKOM NEW
Amount	1,500,000.00
StatusDescription	FINAL AUDIT TO BE DOWNLOADED
RTGS/RTC	
ISN/Bus Ref	0
Pay Alert	N

DATE : 2025-05-12 13:51:23 Page : 1

Standard Bank of South Africa

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CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420543546		
User ID	OCK31	User Name	KANNALAND MUNICIPALITY
Sub Module	SSVS	Reference	2025132004
Description	LJT64 20250512 12:14:39.9	Action date	20250512
Finalreleasingoperators	GAV53 M SCHEFFERS		RVX68 CM CLAASEN (A)

Sub-batch 001 From Account no 0000420543546 From Account Name KANNALAND MUNICIPALITY (MAIN)

Trans No	2
Acc No / CDI	55161636814
Branch No	200910
Statement Ref	8940893537
Account Name	ESKOM HOLDINGS WC REGION
Creditor Code	ESKOM NEW
Amount	1,500,000.00
StatusDescription	FINAL AUDIT TO BE DOWNLOADED
RTGS/RTC	
ISN/Bus Ref	0
Pay Alert	N

DATE : 2025-05-12 13:51:23 Page : 2

Standard Bank of South Africa

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CURRENT ACCOUNT - STATEMENT DETAILS

Account	0000420543546	KANNALAND MUNICIPALI	Statement For	20250512	VAT Registration	4540197288
Branch	000113	LADISMITH CAPE	Statement No	082		

Page	Details	Service Fee	Debit	Credit	Date	Balance
1	BALANCE BROUGHT FORWARD	0.00	0.00	0.00	20250512	483,720.48
1	CREDIT TRANSFER CAPITEC A PRINS	0.00	0.00	400.00	20250512	484,120.48
1	IB PAYMENT FROM CY88093	0.00	0.00	339.30	20250512	484,459.78
1	IB PAYMENT FROM WATERKLOOF RIOOL TREK	0.00	0.00	467.77	20250512	484,927.55
1	CASH DEPOSIT NOTES/COINS LADISMITH	0.00	0.00	16,441.40	20250512	501,368.95
1	INTERBANK CREDIT TRANSFER Property Management Trading En	0.00	0.00	72,024.42	20250512	573,393.37
1	ELECTRONIC BANKING TRANSFER FR FROM DEPOSIT	0.00	0.00	3,000,000.00	20250512	3,573,393.37
1	ELECTRONIC BANKING PAYMENT TO ADONI ADONIS JUDORE GAV5315:02	0.00	-683.00	0.00	20250512	3,572,710.37
1	ELECTRONIC BANKING PAYMENT TO PARSO PARSON CHARLT GAV5315:02	0.00	-683.00	0.00	20250512	3,572,027.37
1	ELECTRONIC BANKING PAYMENT TO PLATJ PLATJIES ISAK GAV5312:50	0.00	-898.00	0.00	20250512	3,571,129.37
1	ELECTRONIC BANKING PAYMENT TO JANUA JANUARIE DONO GAV5315:02	0.00	-4,071.24	0.00	20250512	3,567,058.13
1	ELECTRONIC BANKING PAYMENT TO DIAZ DIAZ OCEAN VI RVX6813:31	0.00	-5,140.00	0.00	20250512	3,561,918.13
1	ELECTRONIC BANKING PAYMENT TO ADAMS ADAMS WENDEL GAV5315:02	0.00	-10,109.80	0.00	20250512	3,551,808.33
1	ELECTRONIC BANKING PAYMENT TO JANSE JANSEN & SAMS RVX6816:04	0.00	-136,686.66	0.00	20250512	3,415,121.67
1	ELECTRONIC BANKING PAYMENT TO ESKOM ESKOM HOLDING GAV5313:00	0.00	-1,500,000.00	0.00	20250512	1,915,121.67
1	ELECTRONIC BANKING PAYMENT TO ESKOM ESKOM HOLDING GAV5313:00	0.00	-1,500,000.00	0.00	20250512	415,121.67
1	ELECTRONIC BANKING TRANSFER TO TRANSPORT REC *	0.00	-125,933.10	0.00	20250512	289,188.57

** END OF REPORT **

DATE 20250515 13:07:00

Page : 1

SECTION 7 – QUALITY CERTIFICATION

KANNALAND
MUNISIPALITEIT | MUNICIPALITY

Posbus 30 P.O. Box
LADISMITH
6655

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

Kerkstr. 32 Church St.
LADISMITH
6655

QUALITY CERTIFICATE

I, 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 **May 2025** 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 :12 June 2025