



KANNALAND
MUNISIPALITEIT | MUNICIPALITY

Monthly Budget Report for September 2025/26



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

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GLOSSARY

Adjustment's budget - Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Allocations - Money received from Provincial or National Government or other municipalities.

Approved budget - means an annual budget—

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

Budget - The financial plan of the Municipality.

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

Capital expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

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

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

Equitable share - A general unconditional grant paid to municipalities. It is predominantly targeted to subsidise the delivery of free basic services.

Fruitless and wasteful expenditure - Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GFS - Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

GRAP - Generally Recognised Accounting Practice. The standard for municipal accounting.

IDP - Integrated Development Plan. The main strategic planning document of the Municipality.

MBRR - Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.

MFMA - Local Government: Municipal Finance Management Act (56/2003). The principal piece of legislation relating to municipal financial management. From here on to be referred to as the Act.

MTREF - Medium Term Revenue and Expenditure Framework. A medium-term financial plan, usually 3 years, based on a fixed first year and indicative further two outer year budget allocations. Also includes details of the previous and current year's financial position.

Operating expenditure - Spending on the day-to-day expenses of the Municipality such as salaries and wages. It provides a short-term benefit, normally less than a year.

Rates - Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

SDBIP - Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic objectives - The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorised expenditure - in relation to a municipality, means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3), and includes—

- a) overspending of the total amount appropriated in the municipality's approved budget;
 - b) overspending of the total amount appropriated for a vote in the approved budget;
- Unauthorised expenditure refers to expenditure that municipalities incurred without provision having been made for it in the budget approved by the council or which does not meet the conditions of a grant.

Virement - A transfer of budget.

Virement policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote - One of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality and which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

LEGISLATIVE FRAMEWORK

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

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

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

The MBRR highlights the format of the monthly budget statements.

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

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

Report of the Executive Mayor

In -Year Report – Monthly Budget Statement

The monthly budget statement for September 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 September 2025.

That the Council takes cognisance of the Eskom Debt Relief Report for September 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 254 396	R 63 599	R 17 097	R 67 953	R 4 354	7%
Operating Expenditure	R 262 857	R 65 537	R 19 865	R 50 803	R (14 734)	-22%
Capital	R 13 721	R 3 430	R2 801	R 5 614	R 2 183	64%

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

Operational Revenue

The municipality's total operational revenue budget amounts to R255 million and the year-to-date revenue on the budget accrued to R67.95 million. This represents 27% of the YTD variance for total revenue.

Operational Expenditure

The municipality's total operational expenditure budget amounts to R263 million, with a year-to-date performance of R50.80 million, or 19% of the YTD variance for total expenditure budget.

Capital Expenditure

The total capital budget for the municipality amounts to R14 million with a year-to-date performance of R 5.61 million, or 41% of the total capital budget.

Operating Surplus/Deficit

The variances for operating revenue amounted to R17.10 million exceeding budget, and expenditure amounting to R 19.87 million below budget, with an operating deficit of R 2.77 million 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 - M03 September									
Description	2024/25	Budget Year 2025/26							
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	28,504	29,723	29,723	2,482	7,455	7,431	25	0%	29,723
Service charges	131,751	155,248	155,248	11,702	37,604	38,812	(1,207)	-3%	155,248
Investment revenue	1,479	1,003	1,003	119	230	251	(21)	-8%	1,003
Transfers and subsidies - Operational	56,603	53,464	53,464	1,221	18,281	13,366	4,915	37%	53,464
Other own revenue	23,574	14,958	14,958	1,573	4,382	3,739	642	17%	14,958
Total Revenue (excluding capital transfers and	241,910	254,396	254,396	17,097	67,953	63,599	4,354	7%	254,396
Employee costs	114,550	97,832	97,832	8,388	24,967	24,281	685	3%	97,832
Remuneration of Councillors	4,264	3,526	3,526	304	910	882	28	3%	3,526
Depreciation and amortisation	40,078	13,179	13,179	1,098	3,295	3,295	0	0%	13,179
Interest	679	1,346	1,346	498	531	336	195	58%	1,346
Inventory consumed and bulk purchases	67,057	90,807	90,757	7,729	16,016	22,689	(6,673)	-29%	90,757
Transfers and subsidies	589	590	590	40	71	147	(77)	-52%	590
Other expenditure	11,551	55,577	55,627	1,808	5,014	13,907	(8,893)	-64%	55,627
Total Expenditure	238,767	262,857	262,857	19,865	50,803	65,537	(14,734)	-22%	262,857
Surplus/(Deficit)	3,144	(8,461)	(8,461)	(2,768)	17,150	(1,939)	19,088	-985%	(8,461)
Transfers and subsidies - capital (monetary allocations)	18,627	15,779	15,779	3,645	6,174	4,525	1,649	36%	15,779
Transfers and subsidies - capital (in-kind)	3	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	21,773	7,317	7,317	876	23,323	2,586	20,737	802%	7,317
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	21,773	7,317	7,317	876	23,323	2,586	20,737	802%	7,317
Capital expenditure & funds sources									
Capital expenditure	21,487	13,721	13,721	2,801	5,614	3,430	2,183	64%	13,721
Capital transfers recognised	21,027	13,721	13,721	2,801	5,614	3,430	2,183	64%	13,721
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	374	-	-	-	-	-	-	-	-
Total sources of capital funds	21,401	13,721	13,721	2,801	5,614	3,430	2,183	64%	13,721
Financial position									
Total current assets	104,649	43,973	44,023		124,779				44,023
Total non current assets	323,536	310,072	310,072		327,538				310,072
Total current liabilities	139,049	107,528	107,578		138,530				107,578
Total non current liabilities	57,420	48,640	48,640		57,420				48,640
Community wealth/Equity	233,399	197,877	197,877		226,431				197,877
Cash flows									
Net cash from (used) operating	123,591	24,534	24,534	10,297	60,296	6,713	(53,582)	-798%	253,435
Net cash from (used) investing	(18,861)	(15,779)	(15,779)	(2,302)	(5,537)	3,945	9,482	240%	15,779
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	144,570	18,462	18,462	-	126,770	20,365	(106,405)	-522%	341,226
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	5,296	4,280	3,466	2,824	2,619	2,497	15,727	135,768	172,479
Creditors Age Analysis									
Total Creditors	13,056	10,983	9,625	-	-	-	-	75,429	109,092

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

WC041 Kannaland - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September										
Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands										
Revenue - Functional									%	
<i>Governance and administration</i>		83,284	52,425	52,425	3,840	26,131	13,106	13,025	99%	52,425
Executive and council		37,587	8,106	8,106	-	16,234	2,026	14,208	701%	8,106
Finance and administration		45,697	44,319	44,319	3,840	9,897	11,080	(1,182)	-11%	44,319
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		24,877	21,833	21,833	4,037	7,176	5,458	1,718	31%	21,833
Community and social services		15,125	16,505	16,505	4,037	7,176	4,126	3,050	74%	16,505
Sport and recreation		58	60	60	-	-	15	(15)	-100%	60
Public safety		(6)	-	-	-	-	-	-	-	-
Housing		9,700	5,268	5,268	-	-	1,317	(1,317)	-100%	5,268
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		2,318	2,487	2,487	293	655	622	33	5%	2,487
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		2,318	2,487	2,487	293	655	622	33	5%	2,487
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		150,059	193,429	193,429	12,572	40,164	48,937	(8,774)	-18%	193,429
Energy sources		87,144	117,820	117,820	7,616	25,475	30,035	(4,560)	-15%	117,820
Water management		36,906	42,176	42,176	2,564	7,453	10,544	(3,091)	-29%	42,176
Waste water management		13,215	16,009	16,009	1,211	3,663	4,002	(340)	-8%	16,009
Waste management		12,795	17,425	17,425	1,181	3,574	4,356	(783)	-18%	17,425
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	260,539	270,174	270,174	20,742	74,126	68,124	6,003	9%	270,174
Expenditure - Functional										
<i>Governance and administration</i>		86,298	89,151	89,151	7,409	20,088	22,120	(2,031)	-9%	89,151
Executive and council		33,308	28,542	28,542	2,069	5,995	7,135	(1,140)	-16%	28,542
Finance and administration		52,990	60,609	60,609	5,340	14,093	14,984	(891)	-6%	60,609
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		19,076	18,398	18,398	1,035	3,079	4,591	(1,512)	-33%	18,398
Community and social services		10,817	9,366	9,366	715	2,135	2,333	(198)	-8%	9,366
Sport and recreation		1,557	1,702	1,702	101	325	425	(100)	-24%	1,702
Public safety		1,447	369	369	120	308	92	216	234%	369
Housing		5,254	6,962	6,962	100	311	1,741	(1,430)	-82%	6,962
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		15,046	20,583	20,583	1,152	3,546	5,146	(1,599)	-31%	20,583
Planning and development		281	380	380	8	29	95	(66)	-70%	380
Road transport		14,765	20,203	20,203	1,144	3,518	5,051	(1,533)	-30%	20,203
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		118,346	134,725	134,725	10,269	24,090	33,681	(9,591)	-28%	134,725
Energy sources		73,468	94,302	94,302	8,232	17,367	23,575	(6,209)	-26%	94,302
Water management		22,092	17,934	17,934	1,004	3,398	4,483	(1,086)	-24%	17,934
Waste water management		10,782	10,707	10,707	455	1,579	2,677	(1,098)	-41%	10,707
Waste management		12,005	11,782	11,782	578	1,747	2,945	(1,199)	-41%	11,782
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	238,767	262,857	262,857	19,865	50,803	65,537	(14,734)	-22%	262,857
Surplus/ (Deficit) for the year		21,773	7,317	7,317	876	23,323	2,586	20,737	802%	7,317

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) - M03 September										
Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - MUNICIPAL MANAGER		37,587	8,606	8,606	-	16,234	2,151	14,083	654.6%	8,606
Vote 2 - CORPORATE SERVICES		25,969	22,740	22,740	4,249	7,625	5,685	1,940	34.1%	22,740
Vote 3 - FINANCIAL SERVICES		45,108	43,444	43,444	3,754	9,723	10,861	(1,138)	-10.5%	43,444
Vote 4 - TECHNICAL SERVICES		151,875	195,384	195,384	12,739	40,545	49,426	(8,881)	-18.0%	195,384
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	260,539	270,174	270,174	20,742	74,126	68,124	6,003	8.8%	270,174
Expenditure by Vote	1									
Vote 1 - MUNICIPAL MANAGER		33,308	28,542	28,542	2,069	5,995	7,135	(1,140)	-16.0%	28,542
Vote 2 - CORPORATE SERVICES		61,566	45,318	45,318	3,726	11,259	11,153	106	1.0%	45,318
Vote 3 - FINANCIAL SERVICES		12,318	37,137	37,137	2,768	6,533	9,284	(2,751)	-29.6%	37,137
Vote 4 - TECHNICAL SERVICES		131,113	150,855	150,855	11,276	26,980	37,714	(10,734)	-28.5%	150,855
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	-		-
Vote 6 - CORPORATE SERVICES (Continued)		462	1,005	1,005	27	35	251	(216)	-85.9%	1,005
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	238,767	262,857	262,857	19,865	50,803	65,537	(14,734)	-22.5%	262,857
Surplus/ (Deficit) for the year	2	21,773	7,317	7,317	876	23,323	2,586	20,737	801.9%	7,317

2.4 TABLE C4 – MONTHLY FINANCIAL PERFORMANCE

WC041 Kannaland - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September										
Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Revenue									%	
Exchange Revenue										
Service charges - Electricity		86,289	107,694	107,694	7,579	25,374	26,923	(1,549)	-6%	107,694
Service charges - Water		25,346	30,912	30,912	2,245	6,512	7,728	(1,216)	-16%	30,912
Service charges - Waste Water Management		10,179	7,384	7,384	947	2,878	1,846	1,032	56%	7,384
Service charges - Waste management		9,937	9,258	9,258	932	2,840	2,315	525	23%	9,258
Sale of Goods and Rendering of Services		481	295	295	58	136	74	62	84%	295
Agency services		1,324	1,450	1,450	164	352	362	(11)	-3%	1,450
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		9,583	8,594	8,594	803	2,391	2,149	243	11%	8,594
Interest earned from Current and Non Current Assets		1,479	1,003	1,003	119	230	251	(21)	-8%	1,003
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		692	493	493	62	184	123	61	50%	493
Licence and permits		206	230	230	17	51	57	(7)	-11%	230
Special rating levies		-	-	-	-	-	-	-	-	-
Operational Revenue		314	200	200	43	82	50	32	65%	200
Non-Exchange Revenue										
Property rates		28,504	29,723	29,723	2,482	7,455	7,431	25	0%	29,723
Surcharges and Taxes		6,604	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		236	231	231	75	137	58	79	137%	231
Licence and permits		-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		56,603	53,464	53,464	1,221	18,281	13,366	4,915	37%	53,464
Interest		3,420	3,465	3,465	290	864	866	(2)	0%	3,465
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		714	-	-	61	184	-	184	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and		241,910	254,396	254,396	17,097	67,953	63,599	-		254,396
Expenditure By Type										
Employee related costs		114,550	97,832	97,832	8,388	24,967	24,281	685	3%	97,832
Remuneration of councillors		4,264	3,526	3,526	304	910	882	28	3%	3,526
Bulk purchases - electricity		63,298	82,476	82,476	7,365	15,158	20,619	(5,461)	-26%	82,476
Inventory consumed		3,759	8,331	8,281	364	858	2,070	(1,212)	-59%	8,281
Debt impairment		(40,672)	13,468	13,468	-	-	3,367	(3,367)	-100%	13,468
Depreciation and amortisation		40,078	13,179	13,179	1,098	3,295	3,295	0	0%	13,179
Interest		679	1,346	1,346	498	531	336	195	58%	1,346
Contracted services		20,514	20,447	20,447	1,235	2,557	5,112	(2,555)	-50%	20,447
Transfers and subsidies		589	590	590	40	71	147	(77)	-52%	590
Irrecoverable debts written off		13,534	-	-	30	30	-	30	-	-
Operational costs		16,845	21,662	21,712	544	2,427	5,428	(3,001)	-55%	21,712
Losses on Disposal of Assets		1,329	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		238,767	262,857	262,857	19,865	50,803	65,537	(14,734)	-22%	262,857
Surplus/(Deficit)		3,144	(8,461)	(8,461)	(2,768)	17,150	(1,939)	14,734	(0)	(8,461)
Transfers and subsidies - capital (monetary allocations)		18,627	15,779	15,779	3,645	6,174	4,525	1,649	0	15,779
Transfers and subsidies - capital (in-kind)		3	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		21,773	7,317	7,317	876	23,323	2,586			7,317
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		21,773	7,317	7,317	876	23,323	2,586			7,317
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		21,773	7,317	7,317	876	23,323	2,586			7,317
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		21,773	7,317	7,317	876	23,323	2,586			7,317

Due to the cyclical nature of the economy and the current straight-line approach to budgeting, all deviations in excess of 5% will be treated as material unless otherwise stated. Material deviations will be explained, and recommendations will be made if the extent and nature of the deviation may necessitate action.

It should be noted that the straight-line budget approach will be addressed and adjusted to reflect the cyclical nature of the economy as soon as possible. It should be noted that grants to be received, are accounted for correctly. A costly seamlessly integrated financial accounting system, as required in terms of mSCOA, will take time to implement due to financial constraints.

2.5 OPERATING REVENUE BY SOURCES:

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

- **Service Charges – Electricity** amounts to R 7.6 million for **September 2025** and R 25.4 million YTD which represents **-6%** variance to the budget.
- **Service Charges – Water** amounts to R 2.2 million for **September 2025** and R 6.5 million YTD which represents **-16%** variance to the budget.
- **Service Charges – Waste Water Management** amounts to R 947 thousand for **September 2025** and R 2.9 million YTD which represents **56%** variance to the budget.
- **Service Charges – Waste Management** amounts to R 932 thousand for **September 2025** and R 2.8 million YTD which represents **23%** variance to the budget.
- **Sale of Goods and Rendering of Services** – amounts to R58 thousand for **September 2025** and R 136 thousand YTD which represents **84%** variance to the budget.
- **Interest on outstanding debtors** – **11%** YTD variance from the budget. This variance is due to improved debt collection strategies.
- **Licence and permits**-**11%** YTD variance from the budget.
- **Rental from fixed Assets** – amounted to R 62 thousand and R 184 thousand YTD which represents a 50% variance to the budget.
- **Fines, Penalties & Forfeits** – Almost no activity, with a **137%** 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

- **Bulk Purchases- electricity-** amounted to R 7.4million in **September 2025** and 15.2 million YTD
- **Inventory Consumed** – represents a negative **59%** negative on the budget.
- **Contracted Services** – amounted to R 1.2 million in **September 2025** and R 2.6million YTD.
- **Other Expenditure** - amounted to R 544 thousand in **September 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) - M03 September										
Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		16,944	13,721	13,721	2,801	5,614	3,430	2,183	64%	13,721
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES (Continued)		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	16,944	13,721	13,721	2,801	5,614	3,430	2,183	64%	13,721
Single Year expenditure appropriation	2									
Vote 1 - MUNICIPAL MANAGER		140	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		293	-	-	-	-	-	-	-	-
Vote 3 - FINANCIAL SERVICES		4,110	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES (Continued)		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	4,543	-	-	-	-	-	-	-	-
Total Capital Expenditure	3	21,487	13,721	13,721	2,801	5,614	3,430	2,183	64%	13,721
Capital Expenditure - Functional Classification										
Governance and administration		348	-	-	-	-	-	-	-	-
Executive and council		140	-	-	-	-	-	-	-	-
Finance and administration		208	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		86	-	-	-	-	-	-	-	-
Community and social services		86	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		26	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		26	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		21,027	13,721	13,721	2,801	5,614	3,430	2,183	64%	13,721
Energy sources		4,110	2,967	2,967	-	-	742	(742)	-100%	2,967
Water management		779	1,217	1,217	-	514	304	210	69%	1,217
Waste water management		13,836	9,536	9,536	2,801	5,099	2,384	2,715	114%	9,536
Waste management		2,303	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	21,487	13,721	13,721	2,801	5,614	3,430	2,183	64%	13,721
Funded by:										
National Government		16,139	12,503	12,503	2,801	5,099	3,126	1,973	63%	12,503
Provincial Government		4,889	1,217	1,217	-	514	304	210	69%	1,217
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		21,027	13,721	13,721	2,801	5,614	3,430	2,183	64%	13,721
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		374	-	-	-	-	-	-	-	-
Total Capital Funding	7	21,401	13,721	13,721	2,801	5,614	3,430	2,183	64%	13,721

CAPITAL EXPENDITURE

- amounted to **R 2.8 million in September 2025** and **R 5.6 million YTD** which represents a 64% variance to the budget.

2.8 TABLE C6 – MONTHLY BUDGETED FINANCIAL POSITION

WC041 Kannaland - Table C6 Monthly Budget Statement - Financial Position - M03 September						
Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
R thousands						
ASSETS	1					
Current assets						
Cash and cash equivalents		23,018	18,162	18,162	28,480	18,162
Trade and other receivables from exchange transactions		81,115	54,173	54,173	91,769	54,173
Receivables from non-exchange transactions		9,159	458	458	10,531	458
Current portion of non-current receivables		—	—	—	—	—
Inventory		1,503	116	166	1,571	166
VAT		(9,850)	(27,873)	(27,873)	(7,237)	(27,873)
Other current assets		(295)	(1,062)	(1,062)	(336)	(1,062)
Total current assets		104,649	43,973	44,023	124,779	44,023
Non current assets						
Investments		—	—	—	—	—
Investment property		1,018	1,064	1,064	1,018	1,064
Property, plant and equipment		322,512	309,004	309,004	326,514	309,004
Biological assets		—	—	—	—	—
Living and non-living resources		—	—	—	—	—
Heritage assets		—	—	—	—	—
Intangible assets	7	4	4	4	6	4
Trade and other receivables from exchange transactions		—	—	—	—	—
Non-current receivables from non-exchange transactions		—	—	—	—	—
Other non-current assets		—	—	—	—	—
Total non current assets		323,536	310,072	310,072	327,538	310,072
TOTAL ASSETS		428,185	354,045	354,095	452,316	354,095
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Financial liabilities		—	—	—	—	—
Consumer deposits		1,584	1,446	1,446	1,611	1,446
Trade and other payables from exchange transactions		108,822	104,511	104,561	96,396	104,561
Trade and other payables from non-exchange transactions		20,091	15,581	15,581	26,394	15,581
Provision		12,368	4,735	4,735	12,368	4,735
VAT		(3,817)	(18,745)	(18,745)	1,761	(18,745)
Other current liabilities		—	—	—	—	—
Total current liabilities		139,049	107,528	107,578	138,530	107,578
Non current liabilities						
Financial liabilities		—	—	—	—	—
Provision		40,334	37,090	37,090	40,334	37,090
Long term portion of trade payables		—	—	—	—	—
Other non-current liabilities		17,086	11,550	11,550	17,086	11,550
Total non current liabilities		57,420	48,640	48,640	57,420	48,640
TOTAL LIABILITIES		196,468	156,168	156,218	195,950	156,218
NET ASSETS	2	231,717	197,877	197,877	256,367	197,877
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		232,937	197,416	197,416	225,969	197,416
Reserves and funds		462	462	462	462	462
Other		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	233,399	197,877	197,877	226,431	197,877

2.9 TABLE C7 – MONTHLY BUDGETED CASH FLOW

WC041 Kannaland - Table C7 Monthly Budget Statement - Cash Flow - M03 September										
Description	Ref	2024/25	Budget Year 2025/26							
		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		19,650	27,286	27,286	1,883	5,529	6,822	(1,293)	-19%	27,286
Service charges		100,836	151,165	151,165	10,532	29,390	37,791	(8,402)	-22%	151,165
Other revenue		17,289	24,122	24,122	661	5,286	6,030	(744)	-12%	24,122
Transfers and Subsidies - Operational		56,202	53,464	53,464	2,945	22,427	13,366	9,061	68%	53,464
Transfers and Subsidies - Capital		24,160	15,779	15,779	4,000	8,335	4,525	3,810	84%	15,779
Interest		-	3,775	3,775	-	-	944	(944)	-100%	3,775
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(94,546)	(249,711)	(249,711)	(9,724)	(10,671)	(62,428)	(51,757)	83%	(20,809)
Interest		-	(1,346)	(1,346)	-	-	(336)	(336)	100%	(1,346)
Transfers and Subsidies		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		123,591	24,534	24,534	10,297	60,296	6,713	(53,582)	-798%	253,435
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		(18,861)	(15,779)	(15,779)	(2,302)	(5,537)	3,945	9,482	240%	15,779
NET CASH FROM/(USED) INVESTING ACTIVITIES		(18,861)	(15,779)	(15,779)	(2,302)	(5,537)	3,945	9,482	240%	15,779
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		104,730	8,755	8,755	7,995	54,759	10,658			269,214
Cash/cash equivalents at beginning:		39,840	9,707	9,707		72,011	9,707			72,011
Cash/cash equivalents at month/year end:		144,570	18,462	18,462		126,770	20,365			341,226

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

- Standard Bank Main Account is **R 813 thousand**;
- The Traffic Account has **R 828 thousand**;
- Deposit Account has **R 7.1 million**;
- Call Account has **R 24.9 million**; and
- Eskom Bulk Account has **R 444 thousand**.

SECTION 3 SUPPORTING DOCUMENTATION

3.1 TABLE SC3 – DEBTORS AGE ANALYSIS

WC041 Kannaland - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September													
Description	NT Code	Budget Year 2025/26											
		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
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	2,865	1,167	1,033	803	688	689	4,441	25,538	37,225	32,159	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	2,181	712	426	170	147	71	439	1,535	5,683	2,363	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	2,730	766	680	576	521	474	2,904	26,839	35,489	31,313	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	976	470	398	396	392	390	2,317	15,975	21,315	19,470	-	-
Receivables from Exchange Transactions - Waste Management	1600	1,843	784	618	600	588	580	3,428	22,845	31,286	28,041	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	0	0	0	-	-
Interest on Arrear Debtor Accounts	1810	37	67	85	93	107	124	1,232	38,149	39,894	39,705	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	(5,337)	314	225	185	176	169	966	4,888	1,588	6,385	-	-
Total By Income Source	2000	5,296	4,280	3,466	2,824	2,619	2,497	15,727	135,768	172,479	159,436	-	-
2024/25 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	(2,510)	717	465	150	89	33	64	327	(664)	663	-	-
Commercial	2300	790	184	164	160	154	140	877	5,983	8,450	7,313	-	-
Households	2400	7,003	3,223	2,694	2,373	2,263	2,211	14,027	116,961	150,755	137,835	-	-
Other	2500	14	156	144	141	115	113	759	12,497	13,938	13,625	-	-
Total By Customer Group	2600	5,296	4,280	3,466	2,824	2,619	2,497	15,727	135,768	172,479	159,436	-	-

The total amount owed to Kannaland Municipality amounted to **R 172.5 million** at the end of **September 2025**.

- **R135.8 million or 77%** of the total outstanding debtors are older than one year.
- **R159 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 - M03 September											
Description	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	10,435	10,134	9,317	-	-	-	-	43,372	73,258	-
Bulk Water	0200	43	-	-	-	-	-	-	-	43	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	434	58	49	-	-	-	-	1,238	1,779	-
Auditor General	0800	1,363	240	170	-	-	-	-	18,617	20,391	-
Other	0900	781	550	88	-	-	-	-	12,202	13,621	-
Medical Aid deductions	0950	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	13,056	10,983	9,625	-	-	-	-	75,429	109,092	-

- The total outstanding creditors as at the end of **September 2025** amounts to **R 109.1 million**.

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

- ESKOM = R73.3 million, of which the entire amount is conditionally written off. The other R35.8 million is mainly made up of Creditors with payment arrangements, being AG, SALGA, SAMRAS, Collaborator consist of R34 million and further Municipal debt owed by Kannaland municipality to neighbouring municipalities amount to R1.8 million.
- All other creditors 0-90 days are managed and paid on a month-to-month payment plan, for finalisation in the 2025-2026 FY.

3.4 INVESTMENT PORTFOLIO ANALYSIS

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

9/30/2025				
	Original Budget	Total Received	Total Spent	Unspent
Grant Name	Amount			
Provincial Government	R10,947,000.00	R 1,722,000.00	R 760,571.43	R 961,428.57
Housing				
Human Settlement Grant	R 3,842,000.00			
Financial Assistance to Municipalities for Maintenance and Construction of Transport Infrastructure	R -			R -
Title Deeds Restoration Grant	R 1,426,000.00			
Financial Capability (Performance Man System)	R 500,000.00	R 500,000.00		R 500,000.00
Lib Replacement: Vulnerable Mun	R 3,666,000.00	R 1,222,000.00	R 733,431.43	R 488,568.57
Municipal Water Resilience Grant	R 1,400,000.00			
Comm Dev Workers	R 113,000.00		R 27,140.00	R 85,860.00
National Government Grants	R60,035,000.00	R27,814,000.00	R23,721,685.51	R 4,092,314.49
Equitable Share	R 38,962,000.00	R 16,234,000.00	R 16,234,000.00	
FMG (Audit)	R 2,900,000.00	R 2,900,000.00	R 932,507.63	R 1,967,492.37
Mun Infrastructure Grant	R 577,200.00	R 577,200.00	R 123,373.44	R 453,826.56
Mun Infrastructure Grant	R 10,966,800.00	R 6,222,800.00	R 6,173,870.94	R 48,929.06
EPWP	R 1,378,000.00	R 345,000.00	R 257,933.50	R 87,066.50
INEP	R 3,412,000.00	R 1,535,000.00		R 1,535,000.00
INEP (Eskom)	R 1,839,000.00			R -
WSIG	R -	R -	R -	R -

3.5 GRANT RECEIPTS AND EXPENDITURE

Received

National Treasury

- Municipal Infrastructure Grant amounted to **R4 million**.

Provincial Treasury

- Performance Management System Grant to **R 500 thousand**.

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

National Treasury

Expenditure:

- Financial Management Grant amounts to **R 793 thousand**.
- Municipal Infrastructure Grant PMU amounts to **R41 thousand**.
- Municipal Infrastructure Grant amounts to **R 3.6 million**.
- Expanded Public Works Programme amounts to **R 126 thousand**.

Provincial Treasury

Expenditure:

- Libraries Grant amounts to **R261 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 - M03 September									
Summary of Employee and Councillor remuneration	Ref	2024/25	Budget Year 2025/26						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %
R thousands		A	B	C					D
Councillors (Political Office Bearers plus Other)	1								
Basic Salaries and Wages		3,448	3,197	3,197	229	685	799	(114)	-14%
Pension and UIF Contributions		187	–	–	17	51	–	51	–
Medical Aid Contributions		123	–	–	11	33	–	33	–
Motor Vehicle Allowance		207	–	–	22	66	–	66	–
Cellphone Allowance		300	329	329	25	75	82	(7)	-9%
Sub Total - Councillors		4,264	3,526	3,526	304	910	882	28	3%
% increase	4		-17.3%	-17.3%					-17.3%
Senior Managers of the Municipality	3								
Basic Salaries and Wages		3,410	5,175	5,175	270	836	1,294	(457)	-35%
Pension and UIF Contributions		5	6	6	0	1	2	(0)	-16%
Motor Vehicle Allowance		367	676	676	32	108	169	(61)	-36%
Cellphone Allowance		35	150	150	2	6	37	(31)	-84%
Other benefits and allowances		53	84	84	4	13	21	(8)	-36%
Sub Total - Senior Managers of Municipality		3,870	6,091	6,091	309	965	1,523	(557)	-37%
% increase	4		57.4%	57.4%					57.4%
Other Municipal Staff									
Basic Salaries and Wages		71,907	67,870	67,870	5,838	17,404	16,967	437	3%
Pension and UIF Contributions		7,364	7,439	7,439	620	1,871	1,860	11	1%
Medical Aid Contributions		2,424	2,336	2,336	212	649	584	65	11%
Overtime		10,321	4,020	4,020	823	2,361	1,005	1,356	135%
Performance Bonus		1,849	632	632	–	–	158	(158)	-100%
Motor Vehicle Allowance		4,164	4,516	4,516	325	996	1,129	(133)	-12%
Cellphone Allowance		138	146	146	10	32	36	(4)	-12%
Housing Allowances		418	481	481	19	58	120	(63)	-52%
Other benefits and allowances		6,560	4,152	4,152	202	484	862	(377)	-44%
Payments in lieu of leave		5,464	150	150	31	145	38	108	287%
Long service awards		70	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff		110,679	91,741	91,741	8,079	24,001	22,759	1,242	5%
% increase	4		-17.1%	-17.1%					-17.1%
Total Parent Municipality		118,813	101,358	101,358	8,691	25,876	25,163	713	3%
Unpaid salary, allowances & benefits in arrears:									
Board Members of Entities									
Other benefits and allowances		1	–	–	0	0	–	0	–
Sub Total - Executive members Board	2	1	–	–	0	0	–	0	–
% increase	4								
Senior Managers of Entities									
Sub Total - Senior Managers of Entities	4	–	–	–	–	–	–	–	–
% increase									
Other Staff of Entities									
Sub Total - Other Staff of Entities	4	–	–	–	–	–	–	–	–
% increase									
Total Municipal Entities		1	–	–	0	0	–	0	–
TOTAL SALARY, ALLOWANCES & BENEFITS		118,814	101,358	101,358	8,691	25,876	25,163	713	3%
% increase	4		-14.7%	-14.7%					-14.7%
TOTAL MANAGERS AND STAFF		114,549	97,832	97,832	8,388	24,966	24,281	685	3%

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 September reporting cycle.

SECTION 5 – 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.

5.1 MFMA Circular 124 – Municipality Compliance Self-Assessment



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

Annexure A2 - Monthly

Municipality Self-Assessment

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Period

Sept'25

National Financial Year

2025/26

Demarcation Code of Municipality being assessed

WC041

District

Garden Route

Demarcation Description

Kannaland

I, Ms Gugu Mashiteng, hereby certify that the provincial treasury monitored the compliance against the conditions of Municipal Debt Relief as set-out in **MFMA Circular No. 124** and that the Provincial Treasury is satisfied and certifies that the said municipality fully complies with the conditions as set-out in the table below:

Municipal Debt Relief Conditions (Monthly reporting)

Choose from drop down list

6.3+ Maintaining the Eskom and bulk water current account –

Condition 6.12 (current account for the purpose of this exercise means the account for a single month's consumption):

1	6.12.2	- Has the municipality paid its bulk water current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? <i>Note - refer condition 6.12.2</i>	No	
2	6.12.2	- Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za ?	No	
3	6.12.2	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/ or Water Trading Entity?	No	
4	6.3.1	- Has the municipality paid its Eskom bulk current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? <i>Note - current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New arrears" (March 2023 and / or subsequent current account(s) up to the date of NT approval of the application.</i>	Yes	It was paid however not for the month under review
5	6.3.2 6.3.3	- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za ?	Yes	
6	6.3.4	- Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	Yes	
6.4 Compliance with a funded MTREF – (choose from drop down list the MTREF assessed)			Select	
7	6.4.1	- Is the municipality's MTREF funded and aligning to the National Treasury's Budget Funding Guidelines - http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx ?	Yes	
8	6.4.1	- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes	
9	6.4.1	- Has the municipality made adequate provision for debt impairment (considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget) on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes	

Notes/Comments

		<i>Note - For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (also property rates), the provision for debt impairment aligning with the historic collection trend should align to 40 per cent of the 2023/24 MTREF revenue projections (also property rates). If the municipality merely used the debt impairment to 'balance' the budget and there is no real alignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as: "No".</i>	
10	6.4.1	- Has the municipality made adequate provision for depreciation and asset impairment (considering its asset register and physical state of assets) on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes
		<i>Note - If the municipality merely used the depreciation and asset impairment to 'balance' the budget and there is no real alignment between the provision for such with the state of assets/asset register, the Provincial Treasury must respond to this item as: "No".</i>	
11	6.4.2	- If the municipality's MTREF is not funded , has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?	There is an FRP
		<i>Note - If the municipality has an FRP, a separate budget funding plan is not necessary. However, the PT / NT must assesses whether the existing FRP incorporates / will give effect to a funded MTREF. If not, the FRP requires strengthening.</i>	
12	6.4.2	- If the municipality's MTREF is not funded and it has an FRP per the legislative framework , does the existing FRP incorporate a credible Budget Funding Plan (will the FRP give effect to a funded MTREF over the period of the FRP) - aligning with the principles of a budget funding plan as envisaged in item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)? <i>Note - only if the municipality does not have an FRP may "N/A" be selected from the dropdown list.</i>	Yes
13	6.4.2	- Does the municipality's annual and monthly cashflow projections included on the A1 Schedule (Table A7 - Budgeted Cash Flows and Supporting Table SA 30 – Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations aligns with and gives effect to the municipality's Budget Funding Plan strategy (or the FRP strategy) and related seasonal trends (For example higher winter Eskom tariffs, lower January collection rates, etc.?)	Yes
14	6.5	Cost reflective tariffs – (excluding metros) has the municipality included its completed tariff tool (refer MFMA Circular no. 98 and item 5.2 of MFMA Budget Circular no. 122) as part of the municipality's annual tabled and adopted MTREF submissions with effect the tabling of the 2023/24 MTREF?	Yes

	6.6	Electricity and water as collection tools – has the municipality, with effect from the tabling of the 2023/24 MTREF, demonstrated, through its by-laws and budget related policies that:		
15	6.6.1	- the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, thereafter to water, wastewater, refuse removal and lastly to electricity?	No	Since the closing down of the Postal Office we've been struggling with the sending of Municipal Accounts
16	6.6.2	- the municipality disconnects electricity services and/or block the purchasing of pre-paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?	Yes	
17	6.6.3	- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/ property owner unless the defaulter already registered as an indigent consumer with the municipality? <i>Note: In terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.</i>	No	The municipality does not currently have the infrastructure i.e restriction valves to install on defaulting customer networks. The municipality through its technical department is exploring how this can be done and to determine the costs implication for such equipment. The Municipality will report on the progress hereof in future reports. The municipality awaits the projected funding from PT to implement a meter replacement process.
18	6.6.4	- If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively? <i>Note – the municipality's monthly MFMA s.71 statement must include as part of the narratives the Indigent Information in the required NT format.</i>	No	
	6.6	Supporting evidence : The National Treasury and/ or provincial treasury's related budget assessment confirms the municipality's relevant MTREF's related budget policies and by-laws demonstrate compliance with paragraph 6.6.		
	6.7	Maintain a minimum average quarterly collection of property rates and services charges –		
19	6.7.1	- Has the municipality achieved a minimum of 80 per cent average quarterly collection of property rates and service charges with effect from 01 April 2023 and 85 per cent average quarterly collection with effect from 01 April 2024 during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and mSCOA data strings uploaded via the GoMuni Upload Portal?	No	
		<i>Note - although the norm and standard for collection (MFMA Circular No. 71) is a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm.</i>		
	6.7.2	- If the response in 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 :		
20	6.7.2.1	* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool and that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1;	Yes	
21	6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)?	Yes	
22	6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed and the reason(s) for the failure?	Yes	
23	6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection and only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	No	
24	6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	No	The municipality is exploring the financial implication of installing smart meters. This is a priority but the municipality restricted to its financial position. The municipality will use the proposed funding from PT to fund the installation of smart-meters. The delay in PT transferring the funds has a negative impact on the implementation of this project.
25	6.7.5	- Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	Yes	

	6.8	Municipality's Completeness of the revenue base –	
26	6.8.1	- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer?	No
27	6.8.1	- If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? <i>Note - monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting in the MFMA s.71 statement.</i>	Yes
28	6.8.2	- For the latest ending Quarter - Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on https://guploadportal.treasury.gov.za ?	Yes
	6.9	Monitor and report on implementation –	
29	6.9.1	- MFMA section 71 reporting – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	Yes
30	6.9.2	- If progress is slow in terms of paragraph 6.9.1, is the active intervention evident from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string? <i>Note - condition 6.9.2 has a typing error and must refer to 6.9.1.</i>	Yes
31	6.9.3	- Municipalities with financial recovery plans (FRP) – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive?	Yes
32	6.9.4	- If the municipality has an FRP, with effect from 01 April 2023, parallel to submitting its monthly FRP progress report to the Provincial Executive, has the municipality also submitted the FRP progress report to the National Treasury: Municipal Financial Recovery Service (MFRS) timeously via the GoMuni Upload Portal https://guploadportal.treasury.gov.za ?	Yes
		<i>Note - a municipality with a FRP may only benefit from the Municipal Debt Support programme if the FRP progress report was submitted to both the Provincial Executive and MFRS.</i>	
	6.10	Provincial Treasury Note - Provincial Treasury certification of municipal compliance – in terms of section 5 and 74 of the MFMA, with effect from 01 April 2023, a delegated municipality may not benefit from Municipal Debt Relief, unless:	
33	6.10.1	- has the relevant Provincial Treasury (delegated) / National Treasury (non-delegated) monthly monitored the municipality's compliance in terms of these conditions?	Yes
34	6.10.2	- has the Head of the relevant Provincial Treasury (delegated) monthly certified the municipality's compliance to these conditions, to the National Treasury's satisfaction as envisaged in the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.5 of MFMA Circular no. 124) and timeously uploaded the compliance certificate via the GoMuni Upload Portal https://guploadportal.treasury.gov.za ? <i>Note - in the case of a non-delegated municipality the National Treasury to issue the compliance certificate.</i>	Yes
35	6.10.3	- has the Provincial Treasury failed to rectify any provincial treasury non-compliance with any of the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.6 of MFMA Circular no. 124) within one month of the non-compliance occurring?	No
		<i>Note - if the PT failed to address its failure such non-compliance will be considered as non-compliance by the municipality in terms of paragraph 6.1.1.</i>	
36	6.11	Limitation on municipality borrowing powers - has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?	No
		<i>Note - there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme. MF confirms that MFMA Circular No. 124 condition 6.11 (Limitation on municipality borrowing powers) will only be enforced in relation to new long term loans (entered into after the effective date of debt relief approval) as envisaged in MFMA section 46. Short term borrowing, including making use of an overdraft for in-year bridging purposes are not considered within the ambit of this condition.</i>	
	6.12	For the duration of the Municipal Debt Relief (to ensure proper management of resources):	
37	6.12.1	- has the municipality apportioned and ring-fenced in a sub-account to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?	Yes
38	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
		<i>Note: Only if relevant in the specific circumstances, will a request be made to the Minister of Finance upon the municipality's request to exempt the municipality from MFMA s.8(3).</i>	
39		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 collected revenue.	Yes
40	6.13	Accounting Treatment - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrears debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General for Municipal Debt Relief to date? <i>Note - to include accounting for any related benefit (e.g. interest suppression, etc.) and alignment with mSCOA.</i>	Yes
41	6.14	NERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?	Yes
		<i>Note: In applying for Municipal Debt Relief as set out in paragraph 3.1 of MFMA Circular no. 124, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to revoke the municipality's license in terms of section 27 of the Electricity Regulation Act, 2006 (Act no. 4 of 2006). Any such application must be preceded by the relevant processes for appointing an external mechanism as envisaged in Chapter 6 of the Municipal Systems Act, 2000, including the necessary service delivery agreement aligning with the Municipal Systems Act, 2000 and Electricity Regulation Act, 2006. In terms of the conditions of government's wider support to Eskom, Eskom will once again have to enforce its credit control and debt collection policies also in relation to the municipality's arrears that are the subject of municipal debt relief, etc.</i>	

5.2 Municipal Debt Relief Performance across the period of debt relief participation

[illegible]

5.3 The Provincial Treasury Municipal (Eskom) Debt Relief Compliance Assessment



**Western Cape
Government**

Provincial Treasury
Victor Senna
Deputy Director-General: Fiscal and Economic
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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 AUGUST 2025

The National Treasury approved the debt relief application of Kannaland Municipality with effect 1 August 2023. August 2025 constitutes the 1st month of the Municipality's third 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 September 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

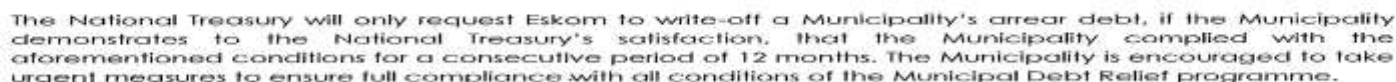
In terms of the National Treasury (NT) approval, the municipality must comply with conditions 6.1 - 6.14 of MFMA Circular No. 124 read together with the additional conditions specific to the Municipality set-out in its National Treasury debt relief approval letter. From the Provincial Treasury's assessment, the Municipality's average compliance with the MFMA Circular No. 124 conditions during August 2025 remained at 59 per cent, as compared to the previous month of July 2025. The scores from entire the previous second cycle and 1st month of this cycle are lower than the 85 per cent achieved in the first cycle. Refer the performance



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1

WC041 Kannaland Municipality overall performance from July 2025 up to August 2025:



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.

Kannaland Municipality is non-compliant with MFMA section 65(2)(e) and MFMA Circular No. 124, The August 2025 Eskom invoices were not reported in the Section 71/FMR submission, suggesting that they were not paid within 30 days, resulting in further arrears. Payments reported and proof submitted in September 2025 related to arrears from earlier invoices (May and June 2025), not the August current account. An arrears balance of R27.38 million was reported in August 2025, relating to the July 2025 position, which marked the last reporting of the second compliance cycle.

Provincial Treasury (PT) facilitated a meeting between the Municipality and Eskom on 25 March 2025 following Eskom's breach notice of 12 March 2025. At 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 fulfilled as of the end of August 2025. PT has repeatedly requested the Municipality to provide a reconciliation of its Eskom accounts with Section 71 submissions, as the Municipality's reporting continues not to align with Eskom's records.

PT assessed the municipality's 2025/26 adopted budget and found it to be unfunded. While Kannaland had adopted a Budget Funding Plan (BFP) as an interim measure, this could not fully address the financial challenges. With the completion and approval of the Financial Recovery Plan (FRP) in August 2025, the BFP has been replaced. The FRP was formally submitted by National Treasury's Municipal Financial Recovery Service (MFRS) on 11 August 2025 to the provincial Minister of Finance and was approved on 22 August 2025. The plan is now binding on the Council and administration of Kannaland Municipality, as it provides the framework to address immediate and long-term financial challenges and ensure a funded MTRF.

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Implementation of the FRP commenced on 1 September 2025. PT and other stakeholders continue to engage with the Municipality on a weekly basis through cash flow committee meetings.

5. Condition 6.5 - Cost reflective tariffs

The municipality has not uploaded the completed 2025/26 Cost of Supply (COS) studies to the GOMUNI portal. Therefore, the municipality is requested to upload the document as soon as possible. In terms of MFMA Circulars No. 129 and 130, the Cost of Supply was supposed to be submitted together with the tabled and approved budget as adopted by Council. Additionally, the municipality is encouraged to align cost-reflective tariffs across all four main trading services for the remaining period of its debt relief participation.

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

The municipality reported an overall collection rate of 79 per cent, which is below the norm of 95 per cent. When excluding Eskom-supplied areas, the rate improves to 85 per cent, achieving the level required in cycle 2 of the debt relief programme. The shortfall is therefore mainly due to collection challenges in Eskom-supplied areas, where the municipality cannot use electricity as a credit-control tool. To address this, the municipality has undertaken measures such as updating consumer data for accuracy and appointing two debt collection service providers (NFD Consulting and Thipa Attorneys) in March 2025. However, no progress reports on these activities have been submitted to Provincial Treasury.

8. Condition 6.8 - Completeness of the Revenue Base

The Municipality has not aligned its billing system with the Council-approved General Valuation Roll (GVR) or any supplementary GVRs, as highlighted by the National Treasury's property rates reconciliation tool. This misalignment has led to misclassifications, incorrect property transfers, and omissions, affecting the completeness of the revenue base. 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.

The Municipality is urged to prioritise full reconciliation between the valuation roll and billing system and to comply with MFMA Circular No. 124 to support accurate revenue reporting and the success of the debt relief programme.

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

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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.	No
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. While earlier submissions included blurred invoices in the Financial Management Report (FMR), this

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was corrected during the Section 71 reporting for August 2025, following a meeting with Provincial Treasury on 14 August 2025. Clear invoices have now been submitted within the FMR.

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 arrears 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.

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15. Provincial Treasury Compliance Certification

The Provincial Treasury certifies that it monitored and assessed WCO41 Kannaland Municipality's compliance against the MFMA Circular No. 124 conditions and NI debt relief approval letter as set-out below in the PT's compliance certificate for the Municipality in relation to the period 1 – 31 August 2025:

Annexure A2 - Monthly		Notes/Comments
 National Treasury Municipal Debt Relief MFMA Circular No. 124 Municipal Finance Management Act No. 19 of 2003 Western Cape Provincial Treasury Certificate of Compliance: Municipal Debt Relief Conditions for Application Period: August 2025 National Financial Year Denominative Code of Municipality being assessed: N004 District: Kannaland Denominative Description: Kannaland		
(We, Western Treasury, hereby certify that the provincial Treasury monitored the compliance against the conditions of Municipal Debt Relief as per the MFMA Circular No. 124 and that the Provincial Treasury is satisfied and certifies that the said municipality fully complies with the conditions as set-out in the table below:		
Municipal Debt Relief Conditions (Monthly reporting)		
Section 6(2) - Monitoring the status of the municipality's current account – Section 6(2) - Current account for the purposes of the provisions of the account for 2025-26 is as follows:		
6.1.1	Has the municipality paid its bulk water current account within 30 days of receiving the invoice from the bulk water supplier, including interest?	No
6.1.2	Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/or Water Trading Entity within 3 days of making any such payment (in PDF format) via the eSOLMS Upload Portal (https://ecobaseportal.mun.gov.za)?	No
6.1.3	Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the eSOLMS data entry and the section 4(2) MFMA statement of the Water Board and/or Water Trading Entity?	No
6.1.4	Has the municipality paid its bulk water current account within 30 days of receiving the relevant invoice from the bulk water supplier, including interest?	No
6.1.5	Have current account balances of municipal debt relief approval records been charged for the billing period (in PDF format) plus any component that may be due in terms of a payment arrangement of "New Street" (Western 2025 and 1) or subsequent current account to the date of payment to the National Treasury and State within 1 day of making any such payment (in PDF format) via the eSOLMS Upload Portal (https://ecobaseportal.mun.gov.za)?	No
6.1.6	Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the eSOLMS data entry and the section 4(2) MFMA statement of the Water Board and/or Water Trading Entity?	No
The August 2025 bulk water invoice has not been reported in the Municipality's eSOLMS. The next report payable relates to the July 2025 invoice. The reported invoice reflects no errors - however, compliance and Condition 6.1.2 cannot be confirmed until the August 2025 account is entered within the stipulated 30-day period.		
August 2025 invoice not reported or paid, payments made only for May and June 2025.		

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6.6	Municipality's Compliance of its policies:-		
6.6.1	- Has the municipality demonstrated through the financial Treasury report that it has not allocated the municipality's full budget perfectly aligns to Council approved demand? (Section 6.6.1 of the MPR) and/or has the municipality's full budget perfectly aligns to Council approved demand? (Section 6.6.1 of the MPR) and/or has the municipality's full budget perfectly aligns to Council approved demand? (Section 6.6.1 of the MPR)	No	The 6.6.1 recommendation identified municipalities, missed property valuations and transfers. Corrective actions were initiated, including setting the value, adjusting the billing system and conducting supplementary valuations. An action plan with due dates was set, but no progress reports have been submitted in the PMR. Despite repeated requests, regular updates remain pending.
6.6.2	- If the response to 6.6.1 is "No", has the municipality demonstrated the steps taken to correct the relevant demand?	No	The required monthly progress report of the action plan is missing from the Section 71 report. While the municipality reported a property revaluation resolution, this did not provide updates on the action plan's implementation. Despite previous advice, only a summary reconciliation appears in the PMR, with no detailed progress.
6.6.3	- For the third ending Quarter After the municipality submitted its completed billing system, did any/section 6.6.1 recommendations required in terms of paragraph 6.6.1 to the National Treasury quarterly letter (MRA Circular no. 63, 64, 65 and 66) to the updated points on https://governance.treasury.gov.za/	No	
6.7	Municipal Budgetary Management:-		
6.7.1	- MPR section 71 reporting - Has the municipal council and senior management team established processes to monitor and ensure accountability for the implementation of the municipality's financial budget and budget funding when relevant?	No	Section 71 reports were submitted. The condition is now addressed through the PPR, which replaced the report in August 2025. Future Section 71 reports must reflect PPR progress.
6.7.2	- If progress is slow in terms of paragraph 6.6.1, is the action information evident from the submitted reporting the municipality's monthly MPRM section 71 reporting and reconciles on the financial system as per the eGDS data entry?	No	The Section 71 reports and PMR do not provide evidence of action information in relation to the Budget Funding Plan.
6.7.3	- Municipality's annual financial report (AFR) - The municipality has a PPR as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly, is progress in implementation to PPR to the Provincial Executive?		PPR number ended 1 September 2025. No monthly PPR progress report yet, but weekly preparations are used for meetings and billing phase.
6.7.4	- If the municipality has an AFR with effect from 1st April 2023, provided to submitting to monthly PPR progress report to the Provincial Executive, has the municipality also submitted the PPR progress report to the National Treasury, Municipal Financial Services (MFS) directly via the eGDS and updated PPRM (https://governance.treasury.gov.za/)	No	The PPR of the municipality was implemented on 1 September 2025, and the monthly progress report has yet been submitted to the Provincial Executive or uploaded to National Treasury via the eGDS Portal. Monthly meetings are currently being held with PPR and stakeholders to establish the terms of reference, strategies, and structures, together with 2025 flow meetings.
6.8	Municipal Debt Management:-		
6.8.1	- Has the relevant Provincial Treasury (Integrated / National Treasury) been designated, monthly monitored the municipality's compliance in terms of these conditions?	No	
6.8.2	- Has the head of the relevant Provincial Treasury (designated) monthly verified the municipality's compliance to these conditions to the National Treasury's satisfaction is envisaged in the conditions for provincial treasurer (refer paragraph 4.1.1 to 4.1.5 of MPRM Circular no. 124) and financially uploaded the compliance certificate via the eGDS portal (https://governance.treasury.gov.za/)	No	
6.8.3	- Has the Provincial Treasury failed to verify any provincial treasury non-compliance with any of the conditions for provincial treasurer (refer paragraph 4.1.1 to 4.1.5 of MPRM Circular no. 124) within one month of the non-compliance occurring?	No	
6.9	Municipal Debt Management:-		
6.9.1	- Has the Provincial Treasury failed to verify any provincial treasury non-compliance with any of the conditions for provincial treasurer (refer paragraph 4.1.1 to 4.1.5 of MPRM Circular no. 124) within one month of the non-compliance occurring?	No	
6.9.2	- Has the Provincial Treasury failed to verify any provincial treasury non-compliance with any of the conditions for provincial treasurer (refer paragraph 4.1.1 to 4.1.5 of MPRM Circular no. 124) within one month of the non-compliance occurring?	No	

MUNICIPAL DEBT RELIEF PROVINCIAL TREASURY CERTIFICATION OF MUNICIPAL COMPLIANCE KANNALAND MUNICIPALITY JULY 2025

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[illegible]

The Western Cape Provincial Treasury's assessment and compliance certificate confirm that Kannaland Municipality did not fully comply with all the conditions of MFMA Circular No. 124, as elaborated above. It is also noted that the Municipality's average compliance remained at the same level of 59 per cent in August 2025, compared to the previous month's reporting. The primary reason for this is the Municipality's failure to pay its bulk water and electricity accounts within the required 30-day period. Additionally, the assessment of the 2025/26 adopted budget found that Condition 6.5 was not complied with.

The Municipality must address non-compliance matters urgently. Priority should be given to the payment of bulk accounts, particularly those from previous months that remain in arrears, as well as reporting on the progress of the action plan from the General Valuation reconciliation. Thereafter, the Municipality should focus on addressing the other outstanding compliance matters as outlined above. Strengthening the implementation of the debt relief conditions is essential for the Municipality to secure 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

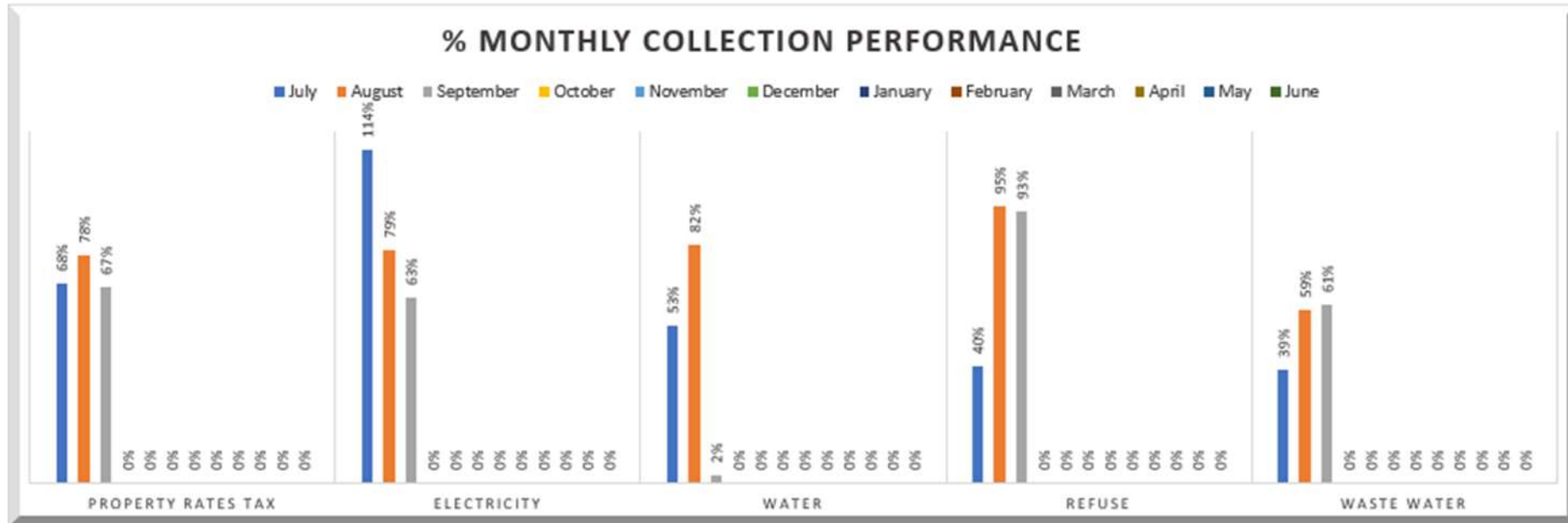


VICTOR SENNA
DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES

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5.4 MFMA Circular 124- Condition 6.6 (Electricity and Water as Collection Tools) & Condition 6.7 (Maintain a minimum average quarterly collection of property rates and services charges)

5.4.1 Monthly/Quarterly collection per ward



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

Municipal Details		
Western Cape		
Code	Period Monitored	No. Of Wards
WC041	September	8

Collection Rate Assessment													
Aggregate Collection	Summary - Quarter 1				Q1	Summary - Quarter 2		Q1	Summary - Quarter 4				Q1
	Billing	Collection	R - Billing not collected	% Collection		% Collection	Billing		Collection	R - Billing not collected	% Collection		
1.Collection for whole demarcation	41,820,405	31,073,817	10,746,588	74%	74%	#DIV/0!			-	-	-	#DIV/0!	
2.Collection <u>excl Eskom supplied areas</u>	26,949,730	20,525,187	6,424,543	76%	76%	#DIV/0!			-	-	-	#DIV/0!	
3.Collection: Property Rates	7,491,274	3,712,343	3,778,930	50%	50%	#DIV/0!			-	-	-	#DIV/0!	
4.Total average collection: Electricity (Municipal supplied areas)	20,793,880	20,496,712	297,168	99%	99%	#DIV/0!			-	-	-	#DIV/0!	
5.Total average collection: Water	7,162,806	4,145,065	3,017,721	58%	58%	#DIV/0!			-	-	-	#DIV/0!	
6.Total average collection: Wastewater	2,961,046	1,239,405	1,721,641	42%	42%	#DIV/0!			-	-	-	#DIV/0!	
7.Total average collection: Refuse	3,166,027	1,311,721	1,854,307	41%	41%	#DIV/0!			-	-	-	#DIV/0!	
8.Total average collection: Interest	245,372	168,552	76,820	69%	69%	#DIV/0!			-	-	-	#DIV/0!	

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

Province

Western Cape

Demarcation Code

WC041

Municipality

Kannaland

Average collection rate (MFMA Circular 124 condition 6.7)

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

Collection Rate Assessment

Total Aggregate Collection		1 July - Reporting for June in July				2 August - Reporting for July in August				3 September - Reporting for August in September			
		Billing For June	Collection in July	R - Billing not collected	% Collection	Billing For July	Collection in August	R - Billing not collected	% Collection	Billing For August	Collection for September	R - Billing not collected	% Collection
1. Collection for whole demarcation		1037,427	6,39,580	5,85,043	89%	8,496,351	11,95,839	3,225,474	15%	8,376,810	8,376,341	3,225,351	67%
2. Collection and <u>from</u> supplied areas		1,444,310	6,753,858	1,581,962	98%	5,065,891	7,040,544	1,073,546	13%	10,642,226	6,525,706	3,986,817	55%
3. Collection: Property Rates		2,004,764	5,86,470	758,094	69%	2,487,245	2,354,300	499,561	69%	2,829,350	85,659	2,255,371	2%
4. Total average collection: Electricity (Municipal supplied areas)	Summary	5,002,899	5,002,895	0	100%	1,224,327	5,553,956	358,252	85%	6,381,744	1,964,341	605,401	30%
5. Total average collection: Water		2,253,576	1,25,267	1,860,314	5%	2,576,389	1,603,572	1,972,816	33%	2,732,660	1,591,244	944,285	45%
6. Total average collection: Wastewater		866,336	383,953	384,219	43%	1,033,531	483,555	645,640	43%	663,422	31,359	430,726	65%
7. Total average collection: Refuse		936,861	384,349	313,993	59%	1,853,339	439,234	535,506	37%	1,718,237	138,543	388,660	8%
8. Total average collection: Interest		88,891	45,657	38,344	52%	89,364	82,974	68,693	85%	94,207	74,928	0	100%

Complete This Section			Quarter 1 Performance Per Ward											
Location	Electricity Sup.	Ward Name & Ward	1 July				2 August				3 September			
			Billing For June	Collection in June	Read Value of Billing & estimate	% Collection	Billing For July	Collection in July	Read Value of Billing & estimate	% Collection	Billing For August	Collection for August	Read Value of Billing & estimate	% Collection
Property Rates Tax			153,877	106,240	47,637	69%	160,639	105,823	51,815	63%	156,554	65,630	50,664	42%
Electricity	Not supplied	Municipal - Ward 1	116,050	54,707	61,046	47%	164,226	125,942	36,204	77%	251,564	114,714	136,050	46%
Water			170,053	44,777	125,276	26%	242,435	63,014	180,421	26%	201,674	31,302	110,372	15%
Refuse			151,326	40,305	110,305	27%	211,015	51,755	151,255	25%	241,174	195,757	45,416	8%
Waste Water			152,606	55,871	106,737	29%	245,436	114,059	135,337	46%	1,295	-	1,295	0%
Interest			1,239	-	1,239	0%	1,239	260	1,059	20%	-	-	-	BDIV/VOI
Property Rates Tax			71,335	38,648	33,192	54%	74,385	16,824	58,361	23%	-	-	-	BDIV/VOI
Electricity	State supplied	Zone - Ward 2	-	-	-	BDIV/VOI	-	-	-	BDIV/VOI	-	-	-	BDIV/VOI
Water			476,656	26,052	450,606	5%	461,793	34,062	426,331	0%	479,575	27,170	452,405	6%
Refuse			334,303	23,356	310,947	7%	363,939	30,327	353,611	0%	378,057	23,290	354,769	6%
Waste Water			324,119	30,333	293,786	3%	371,373	36,044	335,330	10%	365,381	25,878	340,103	7%
Interest			4,772	5,054	0	106%	4,772	122	4,650	3%	4,772	3,544	0	200%
Property Rates Tax			179,372	-	116,376	0%	191,165	56,375	94,610	50%	-	-	-	BDIV/VOI
Electricity	Electricity supplied	Calabash Farm - Ward 3	-	-	-	BDIV/VOI	-	-	46	0%	-	-	-	BDIV/VOI
Water			67,647	15,641	52,006	23%	51,565	41,029	10,536	80%	64,625	37,052	27,573	57%
Refuse			-	-	-	BDIV/VOI	-	-	-	BDIV/VOI	-	-	-	BDIV/VOI
Waste Water			-	-	-	BDIV/VOI	-	-	-	BDIV/VOI	-	-	-	BDIV/VOI
Interest			-	1,126	0	BDIV/VOI	-	(4,134)	4,134	BDIV/VOI	-	-	-	BDIV/VOI
Property Rates Tax			21,755	11,563	10,192	52%	22,708	9,864	12,841	43%	-	-	-	BDIV/VOI
Electricity	Not supplied	Simpson's - Ward 3	16,450	12,432	4,017	76%	16,365	15,400	2,365	64%	15,215	13,133	2,063	66%
Water			266,056	31,630	206,717	12%	343,741	30,072	305,670	11%	303,204	36,746	266,535	12%
Refuse			103,325	21,839	87,486	20%	124,730	16,187	116,602	12%	133,060	24,389	109,671	18%
Waste Water			36,517	13,655	82,868	14%	124,175	16,237	107,397	13%	128,474	16,242	106,232	13%
Interest			1,633	150	1,483	9%	1,633	(14,061)	15,694	-661%	1,633	150	1,483	9%
Property Rates Tax			451,504	362,720	66,664	60%	471,590	401,095	70,495	65%	-	-	-	BDIV/VOI
Electricity	Not supplied	Calabash Farm - Ward 3	603,328	478,548	125,379	79%	660,743	461,148	199,595	70%	732,529	774,689	0	106%
Water			227,039	170,340	56,700	75%	209,087	206,311	2,577	93%	225,265	197,367	27,377	88%
Refuse			24,501	19,700	14,800	64%	102,203	32,636	102,203	30%	95,261	35,261	7,466	33%
Waste Water			22,002	15,639	6,163	72%	25,529	16,400	7,129	70%	20,035	25,673	0	111%
Interest			6,735	(3,336)	10,730	-58%	6,870	(2,273)	3,143	-33%	6,777	3,336	3,381	50%
Property Rates Tax			352,044	706,886	245,158	74%	391,160	860,576	130,584	87%	2,472,806	-	2,472,806	0%
Electricity	Not supplied	Calabash Farm - Ward 3	2,637,220	3,527,932	0	104%	3,525,374	3,376,325	149,045	36%	4,419,056	3,312,236	506,821	63%
Water			604,551	542,777	61,774	90%	640,590	574,735	35,055	94%	640,932	597,673	51,260	92%
Refuse			183,117	181,222	7,835	36%	207,634	183,306	17,728	31%	205,735	178,183	27,552	87%
Waste Water			235,519	253,819	35,306	88%	317,802	284,370	33,431	83%	313,347	283,543	29,798	30%
Interest			50,744	36,143	22,600	63%	61,471	31,620	29,852	51%	66,067	100,930	0	153%
Property Rates Tax			4,30,411	3,09,167	1,61,245	63%	518,230	477,150	41,083	92%	-	-	-	BDIV/VOI
Electricity	Electricity supplied	Calabash Farm - Ward 4	1,628,356	1,624,886	3,470	100%	2,855,352	2,855,050	0	100%	3,143,373	3,143,370	0	100%
Water			335,211	373,427	21,754	34%	337,154	409,643	0	103%	529,798	531,332	0	100%
Refuse			20,176	9,557	10,219	49%	21,706	15,054	6,362	71%	21,706	15,103	6,627	70%
Waste Water			11,615	6,736	5,079	57%	12,323	16,534	0	134%	12,323	19,417	0	166%
Interest			4,875	1,939	3,185	67%	4,875	1,231	3,584	27%	4,875	-	4,875	0%
Property Rates Tax			53,430	19,657	33,633	59%	56,652	59,669	0	105%	-	-	-	BDIV/VOI
Electricity	State supplied	Van Wykesig - Ward 4	-	-	-	BDIV/VOI	-	-	-	BDIV/VOI	-	-	-	BDIV/VOI
Water			64,064	0,615	55,449	13%	60,020	26,707	23,316	61%	59,689	0,901	50,708	15%
Refuse			40,134	7,839	32,336	20%	46,014	8,053	37,361	18%	4,962	34,187	12%	4%
Waste Water			25,214	1,440	23,774	9%	30,233	2,67	30,026	1%	24,367	342	24,025	1%
Interest			63	-	63	0%	63	41	23	64%	63	-	63	0%

5.4.2 – Restriction of Free Basic Services to Indigent Households



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		2024/2025 - Monthly Monitoring													
		Current Year - 2024/2025															
		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						1,872	1,929	2,009									
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		-	-	-	-	1,872	1,929	2,009	-	-	-	-	-	-	-	-	-
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					1,872	1,929	2,009									
Status of Water meters :																	
Number of Indigent HH's with prepaid Water						1,872	1,929	2,009	-	-	-	-	-	-	-	-	-
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					1,872	1,929	2,009									
Status of unlimited supply of Water:																	
Number of Indigent HH's with conventional metered Water - where the municipality is NOT physically restricting Water to the national free basic limit of 6 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)						1,872	1,929	2,009	-	-	-	-	-	-	-	-	-
Total no. of Indigent HH's receiving Minimum Service Level and Above sub-total		-	-	-	-	1,872	1,929	2,009	-	-	-	-	-	-	-	-	-
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					1,872	1,929	2,009									
Status of Electricity meters :																	
Number of Indigent HH's with prepaid Electricity						1,872	1,929	2,009	-	-	-	-	-	-	-	-	-
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					1,872	1,929	2,009									
Status of unlimited supply of Electricity :																	
Number of Indigent HH's with conventional metered Electricity - where the municipality is NOT physically restricting Electricity to the national free basic limit of 50kwh per household per month																	
Number of Indigent HH's NOT metered currently receiving unlimited supply - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total number of registered indigent households receiving unlimited supply - Electricity						-	-	-	-	-	-	-	-	-	-	-	-
Of the Total Number of registered indigent households receiving unlimited supply of Electricity - State the Number of HH's billed for consumption above the 50 kwh	13																

Number of ALL Households receiving Free Basic Service (including registered Indigent Households)	7																
Water (6 kilolitres per household per month)					1,872	1,929	2,009	-	-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)					1,872	1,929	2,009	-	-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided to ALL Households in - Formal Settlements (R'000)																	
Water (6 kilolitres per household per month)					91,203.84	93,980.88	97,878.48	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	345,693	356,219	370,992	-	-	-	-	-	-	-	-	-
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) (impermissible values per section 17 of MPRA)	14(a)																
PSI Category : Property rates (tariff adjustment) (impermissible 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		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Property Data Reconciliation									
Project		V01							
OS&S		Candler River District							
Type		IM							
Municipal Jurisdiction		Kennesaw							
OS Parcel		8/10/2021 - 3/31/2025							
Fiscal Year		2022/2025							
Fiscal Year Period		Quarter 1							
Reconciliation Summary									
High Level Reconciliations									
Property Categories		# of Properties			Market Values				
Property Categories		Q1	Q2	Variance	Q1 Market Values	Q2 Market Values	Variance		
Residential		235	4814	-3999	735,170,000.00	779,144,000.00	-43,829,000.00	53,574,000.00	-
Industrial		31	22	-1	53,467,000.00	54,365,000.00	-898,000.00	877,000.00	-
Business and Commercial		265	267	-2	360,870,000.00	146,242,197.00	214,627,803.00	14,627,803.00	-
Highway		3360	3073	287	1,751,320,266.00	1,710,181,464.00	41,138,802.00	26,138,802.00	-
Total		3	3	0	-	-	-	-	-
State Government Public Purpose		30	51	-21	191,947,000.00	132,610,000.00	59,337,000.00	37,453,000.00	-
FED		133	169	-36	2,611,000.00	3,958,000.00	-1,347,000.00	1,347,000.00	-
MIL		3	7	-4	1,563,000.00	18,362,000.00	-16,799,000.00	8,799,000.00	-
Total		2	2	0	-	-	-	-	-
Highway		613	377	236	38,688,000.00	8,908,000.00	29,780,000.00	11,872,000.00	-
MIL		58	59	-1	40,451,000.00	47,860,000.00	-7,409,000.00	3,229,000.00	-
Municipal		1191	1039	152	110,479,000.00	137,504,000.00	-27,025,000.00	8,108,500.00	-
Other		65	85	-20	18,722,000.00	75,632,000.00	-56,910,000.00	1,240,500.00	-
Total		202	202	0	1,092,313,000.00	1,085,914,000.00	6,399,000.00	2,767,000.00	-
Detailed Reconciliations									
Property Categories		Monthly Billing			Quarterly				
Property Categories		Q1	Q2	Variance	Q1	Q2	Variance		
Residential		371,886	892,653	-52,766	2,495,302.71	2,547,399.59	-152,387.88		
Industrial		198,227	193,259	3,000	570,381.36	579,148.98	-8,767.62		
Business and Commercial		344,443	463,434	-118,991	1,885,326.48	1,380,398.71	504,927.77		
Highway		463,186	458,000	5,187	1,368,236.34	1,314,000.63	54,235.71		
Total		2	2	0	-	-	-		
State Government Public Purpose		359,660	471,871	-112,209	1,078,988.00	1,415,612.43	-336,624.43		
FED		558	573	-15	1,682.34	11,128.34	-8,446.00		
MIL		65,993	12,321	53,672	258,758.11	36,862.16	221,895.95		
Total		2	2	0	-	-	-		
Highway		-	-	-	-	-	-		
MIL		-	-	-	-	-	-		
Other		-	-	-	-	-	-		
Total		22,476,638.48	32,441,203.85	-9,964,565.36	7,439,660.72	9,405,781.82	-1,966,121.10		

Prepared By

1. GRISPE

Grady Grady

Signature

Date

14-10-2025

Reviewed By

R NEL

Grady Grady

Signature

Date

14-10-2025

SECTION 7 – QUALITY CERTIFICATION



KANNALAND
MUNISIPALITEIT | MUNICIPALITY

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

Kerkstr. 32 Church St.
LADISMITH
6655

QUALITY CERTIFICATE

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

(mark as appropriate)

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

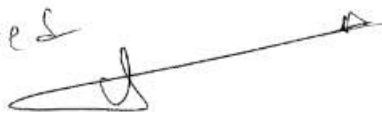
For the month **September 2025** has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: Dillo Sereo

Municipal Manager of **Kannaland Municipality WC041**

Signature 

Date :10 October 2025

Reviewed 

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

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

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

WESTERN REGION
PO BOX 377 Bellville 7535

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

YOUR ACCOUNT NO	7052108005
SECURITY HELD	0.01
BILLING DATE	2025-07-11
TAX INVOICE NO	705759585063
ACCOUNT MONTH	JULY 2025
CURRENT DUE DATE	2025-08-11
VAT REG NO	4540197268

DIRECT DEPOSIT DETAIL

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

TAX INVOICE

E-MAIL: zoe@kannaland.gov.za

ACCOUNT TRANSACTION SUMMARY

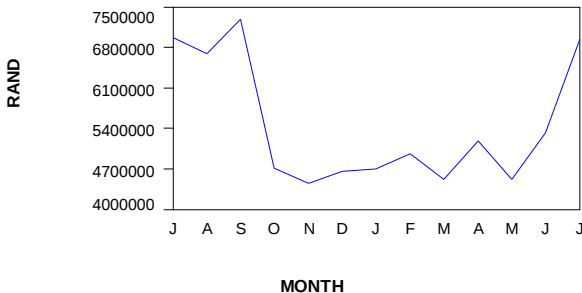
FIXED CHARGE		R	25,465.00
ADMINISTRATION CHARGE		R	590.10
TRANSMISSION NETWORK CAPACITY		R	97,900.00
DIST. NETWORK CAPACITY CHARGE		R	162,400.00
NETWORK DEMAND CHARGE		R	46,315.49
URBAN LOW VOLTAGE SUBSIDY		R	22,300.00
ANCILLARY SERVICE (ALL)		R	15,810.03
ENERGY CHARGE (PEAK)	399,477.00	R	2,506,044.78
ENERGY CHARGE (OFF)	1,101,481.00	R	1,136,389.78
ENERGY CHARGE (STD)	856,311.00	R	1,570,849.73
ELECTRIFICATION AND RURAL SUBS (ALL)		R	328,025.58
REACTIVE ENERGY	139,344.00	R	44,868.77
GENERATOR CAPACITY CHARGE		R	10,766.67
LEGACY CHARGE (ALL)		R	81,279.77
SERVICE CHARGE		R	1,008.10
SERVICE CHARGE		R	5,040.50

TOTAL CHARGES FOR BILLING PERIOD R **6,055,054.30**

ACCOUNT SUMMARY FOR JULY 2025

BALANCE BROUGHT FORWARD	(Due Date 2025-07-12)	R	52,312,201.36
PAYMENT(S) RECEIVED	Cash - 2025-06-25	R	-800,000.00
PAYMENT(S) RECEIVED	Cash - 2025-07-08	R	-10,036,791.82
TOTAL CHARGES FOR BILLING PERIOD		R	6,055,054.30
ADJUSTMENT	Interest on overdue account	R	1,526.17
ADJUSTMENT	Interest on overdue account	R	225,488.55
VAT RAISED ON ITEMS AT 15%		R	908,258.15

CURRENT		TOTAL DUE	R	48,665,736.71
7,190,327.17				
ARREARS				
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS	
30,999,081.00	4,806,743.55	0.00	5,669,584.99	
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

 7100 10 0010

27215700170521080058



>>>>>>> 9207 2705 2108 0051



TOTAL AMOUNT DUE

48,665,736.71

PAYMENT ARRANGEMENT

INSTALMENT

0.00

ARREARS (Due Immediately)

41,475,409.54

DUE DATE (For Current Amount)

2025-08-11

AMOUNT PAID

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT



WESTERN REGION
PO BOX 377 Bellville 7535

CONTACT CENTRE: (0860) 037566Shareca

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

YOUR ACCOUNT NO	7052108005
BILLING DATE	2025-07-11
TAX INVOICE NO	705759585063
ACCOUNT MONTH	JULY 2025
CURRENT DUE DATE	2025-08-11
VAT REG NO	4540197268
NOTIFIED MAX DEMAND	10,000.00
UTILISED CAPACITY	10,000.00

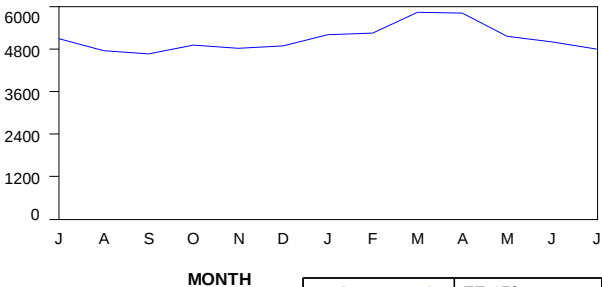
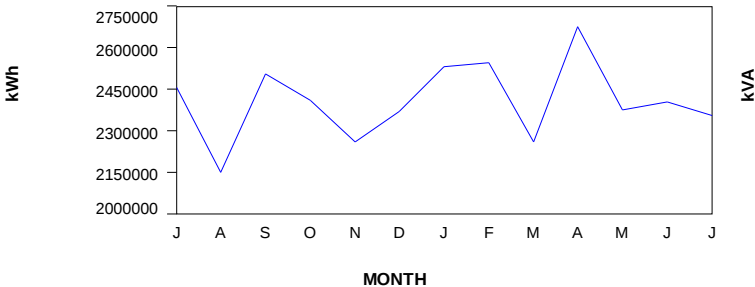
CONSUMPTION DETAILS (2025-06-06 - 2025-07-05)

ENERGY CONSUMPTION OFF PEAK kWH	1,248,599.25
ENERGY CONSUMPTION STD kWH	1,022,720.00
ENERGY CONSUMPTION PEAK kWH	474,290.00
ENERGY CONSUMPTION ALL kWH	2,357,268.25
DEMAND CONSUMPTION - OFF PEAK	4,610.20
DEMAND CONSUMPTION - STD	4,813.64
DEMAND CONSUMPTION - PEAK	4,824.53
DEMAND READING - KW/KVA	4,824.53
REACTIVE ENERGY - OFF PEAK	522,195.25
REACTIVE ENERGY - STD	400,673.25
REACTIVE ENERGY - PEAK	148,679.50
LOAD FACTOR	71.00

PREMISE ID NUMBER 7052108105 TARIFF NAME: Megaflex

LADISMITH MUNISPALITEIT 1/3225 REMOTE

Administration Charge @ R19.67 per day for 25 days	R	491.75
TX Network Capacity Charge 10,000 kVa @ R9.79 : (for 25 of 30 days) = R8.1583333	R	81,583.33
Network Capacity Charge 10,000 kVa @ R16.24 : (for 25 of 30 days) = R13.5333333/	R	135,333.33
Network Demand Charge 4,824.53 kVa @ R9.60 : (for 25 of 30 days) = R8.00 /kVa	R	38,596.24
Urban Low Voltage Subsidy 10,000 kVa @ R2.23 : (for 25 of 30 days) = R1.8583333/	R	18,583.33
Ancillary Service Charge 1,968,927 kWh @ R0.0073 /kWh	R	14,373.17
High Season Peak Energy Charge 324,663 kWh @ R6.227 /kWh	R	2,021,676.50
High Season Off Peak Energy Charge 954,363 kWh @ R1.0244 /kWh	R	977,649.46
High Season Standard Energy Charge 689,902 kWh @ R1.8865 /kWh	R	1,301,500.12
Electrification and Rural Subsidy 1,968,927 kWh @ R0.1567 /kWh	R	308,530.86
High Season Reactive energy Charge 139,344 kvarh @ R0.322 /kvarh	R	44,868.77
Administration Charge @ R19.67 per day for 5 days	R	98.35
TX Network Capacity Charge 10,000 kVa @ R9.79 : (for 5 of 30 days) = R1.6316667/	R	16,316.67
Network Capacity Charge 10,000 kVa @ R16.24 : (for 5 of 30 days) = R2.7066667/kV	R	27,066.67
Network Demand Charge 4,824.53 kVa @ R9.60 : (for 5 of 30 days) = R1.60 /kVa	R	7,719.25
Urban Low Voltage Subsidy 10,000 kVa @ R2.23 : (for 5 of 30 days) = R0.3716667/k	R	3,716.67
Ancillary Service Charge 388,341 kWh @ R0.0037 /kWh	R	1,436.86
Generator Capacity Charge 10,000 kVa @ R6.46 : (for 5 of 30 days) = R1.0766667/k	R	10,766.67
Legacy Charge 388,341 kWh @ R0.2093 /kWh	R	81,279.77
High Season Off Peak Energy Charge 147,118 kWh @ R1.079 /kWh	R	158,740.32
High Season Peak Energy Charge 74,814 kWh @ R6.4743 /kWh	R	484,368.28
High Season Standard Energy Charge 166,409 kWh @ R1.6186 /kWh	R	269,349.61
Service Charge @ R201.62 per day for 5 days	R	1,008.10



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KANNALAND LOCAL MUNICIPALITY
ATT CHIEF FINANCIAL OFFICER
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WESTERN REGION
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CONTACT CENTRE: (0860) 037566Shareca

FAX NO: 0862 437 566

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YOUR ACCOUNT NO	7052108005
BILLING DATE	2025-07-11
TAX INVOICE NO	705759585063
ACCOUNT MONTH	JULY 2025
CURRENT DUE DATE	2025-08-11
VAT REG NO	4540197268
NOTIFIED MAX DEMAND	10,000.00
UTILISED CAPACITY	10,000.00

PREMISE ID NUMBER		7052108105	TARIFF NAME: Megaflex	
LADISMITH MUNISIPALITEIT 1/3225 REMOTE				
Electrification and Rural Subsidy 388,341 kWh @ R0.0502 /kWh			R	19,494.72
Fixed Charge @ R25,465.00			R	25,465.00
SERVICE CHARGE			R	5,040.50
TOTAL CHARGES				R 6,055,054.30

000063\000001\



WESTERN REGION
PO BOX 377 Bellville 7535

CONTACT CENTRE: (0860) 037566Shareca

FAX NO: 0862 437 566

E-MAIL: NorthernCape@eskom.co.za

WEB: WWW.ESKOM.CO.ZA

YOUR ACCOUNT NO	6940893537
BILLING DATE	2025-07-08
TAX INVOICE NO	694941379845
ACCOUNT MONTH	JULY 2025
CURRENT DUE DATE	2025-08-07
VAT REG NO	4540197268
NOTIFIED MAX DEMAND	1,600.00
UTILISED CAPACITY	1,683.62

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

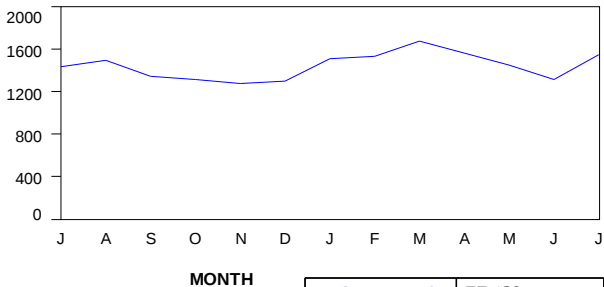
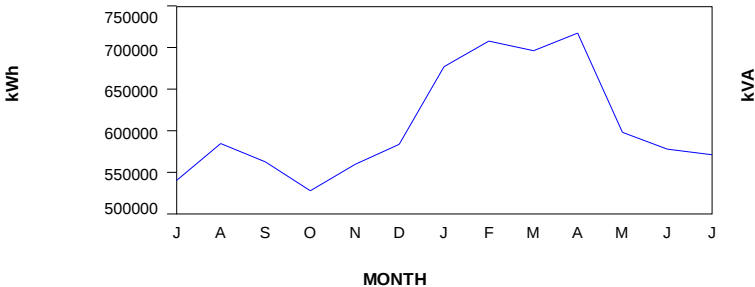
CONSUMPTION DETAILS (2025-06-06 - 2025-07-05)

ENERGY CONSUMPTION OFF PEAK kWH	255,361.20
ENERGY CONSUMPTION STD kWH	292,088.19
ENERGY CONSUMPTION PEAK kWH	118,897.52
ENERGY CONSUMPTION ALL kWH	571,592.39
DEMAND CONSUMPTION - OFF PEAK	1,075.01
DEMAND CONSUMPTION - STD	1,198.33
DEMAND CONSUMPTION - PEAK	1,234.34
DEMAND READING - KW/KVA	1,554.37
REACTIVE ENERGY - OFF PEAK	112,885.55
REACTIVE ENERGY - STD	87,267.55
REACTIVE ENERGY - PEAK	30,211.87
REACTIVE ENERGY - ALL	192,224.31
EXCESS REACTIVE ENERGY	49,172.94
LOAD FACTOR	8.00

PREMISE ID NUMBER 6940893530 TARIFF NAME: Miniflex

MUNICIPALITY CALITZDORP 1/3214 INTERVAL

Administration Charge @ R181.34 per day for 25 days	R	4,533.50
Network Capacity Charge 1,683.63 kVA @ R48.95 : (for 25 of 30 days) = R40.791666	R	68,678.07
Network Demand Charge (Peak & Standard) 277,243 kWh @ R0.1374 /kWh	R	38,093.19
Ancillary Service Charge 476,838 kWh @ R0.008 /kWh	R	3,814.70
High Season Peak Energy Charge 80,211 kWh @ R6.0372 /kWh	R	484,249.85
High Season Standard Energy Charge 197,032 kWh @ R1.7468 /kWh	R	344,175.50
High Season Off-peak Energy Charge 199,595 kWh @ R1.1647 /kWh	R	232,468.30
Electrification and Rural Network subsidy 476,838 kWh @ R0.1567 /kWh	R	74,720.51
High Season Reactive energy Charge 49,173 kvarh @ R0.322 /kvarh	R	15,833.71
Administration Charge @ R19.67 per day for 5 days	R	98.35
TX Network Capacity Charge 1,683.63 kVA @ R10.75 : (for 5 of 30 days) = R1.79166	R	3,016.50
Network Capacity Charge 1,683.63 kVA @ R36.97 : (for 5 of 30 days) = R6.1616667/	R	10,373.97
Network Demand Charge 1,234.35 kVA @ R24.67 : (for 5 of 30 days) = R4.1116667 /k	R	5,075.24
Ancillary Service Charge 94,755 kWh @ R0.004 /kWh	R	379.02
Generator Capacity Charge 1,683.63 kVA @ R7.71 : (for 5 of 30 days) = R1.285/kVA	R	2,163.46
Legacy Charge 94,754.52 kWh @ R0.2259 /kWh	R	21,405.05
High Season Off Peak Energy Charge 27,883 kWh @ R1.1647 /kWh	R	32,475.33
High Season Peak Energy Charge 19,343 kWh @ R6.9876 /kWh	R	135,161.15
High Season Standard Energy Charge 47,528 kWh @ R1.7468 /kWh	R	83,021.91
Service Charge @ R201.62 per day for 5 days	R	1,008.10
Electrification and Rural Subsidy 94,755 kWh @ R0.0502 /kWh	R	4,756.70





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

WESTERN REGION	
PO BOX 377 Bellville 7535	
CONTACT CENTRE:	(0860) 037566Shareca
FAX NO:	0862 437 566
E-MAIL:	NorthernCape@eskom.co.za
WEB:	WWW.ESKOM.CO.ZA
YOUR ACCOUNT NO	6940893537
BILLING DATE	2025-07-08
TAX INVOICE NO	694941379845
ACCOUNT MONTH	JULY 2025
CURRENT DUE DATE	2025-08-07
VAT REG NO	4540197268
NOTIFIED MAX DEMAND	1,600.00
UTILISED CAPACITY	1,683.62

PREMISE ID NUMBER		6940893530	TARIFF NAME: Miniflex
MUNICIPALITY CALITZDORP 1/3214 INTERVAL			
SERVICE CHARGE		R	10,058.00
TOTAL CHARGES			R 1,575,560.11

PAGE RUN NO	EE 140
BILL GROUP	
BILL PAGE	3 OF 3

REPRINT CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420543546	User Name	KANNALAND MUNICIPALITY
User ID	OCK31	Reference	2025275008
Sub Module	SSVS	Action date	20251002
Description	LJT64 20251002 11:01:31.7		
Finalreleasingoperators	GAV53 M SCHEFFERS		RVX68 CM CLAASEN (A)
Sub-batch	001	From Account no	0000420543546
		From Account Name	KANNALAND MUNICIPALITY (MAIN)
Trans No	1		
Acc No / CDI	55161636814		
Branch No	200910		
Statement Ref	6940893537		
Account Name	ESKOM HOLDINGS WC REGION		
Creditor Code	ESKOM NEW		
Amount	3,203,620.84		
StatusDescription	FINAL AUDIT TO BE DOWNLOADED		
RTGS/RTC			
ISN/Bus Ref	0		
Pay Alert	N		

REPRINT CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Customer No	420543546	User Name	KANNALAND MUNICIPALITY
User ID	OCK31	Reference	2025275008
Sub Module	SSVS	Action date	20251002
Description	LJT64 20251002 11:01:31.7		
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	7052108005		
Account Name	ESKOM HOLDINGS WC REGION		
Creditor Code	ESKOM NEW		
Amount	3,796,379.16		
StatusDescription	FINAL AUDIT TO BE DOWNLOADED		
RTGS/RTC			
ISN/Bus Ref	0		
Pay Alert	N		

REPRINT CUSTOMER ALL PAYMENTS FINAL AUDIT REPORT

Totals for Sub Batch	001		
Total amount processed	7,000,000.00		
Total amount rejected	0.00		
Total Sub Batch amount	7,000,000.00		
Total RTGS Processed	0	Amount	0.00
Total RTC Processed	0	Amount	0.00
Total RTGS Rejected	0	Amount	0.00
Total RTC Rejected	0	Amount	0.00
Hash Total	38613145769800000000		
Total Batch amount processed	7,000,000.00		
Total Batch amount rejected	0.00		
Total Batch amount	7,000,000.00		
Total RTGS Processed	0	Amount:	0.00
Total RTC Processed	0	Amount:	0.00
Total RTGS Rejected	0	Amount:	0.00
Total RTC Rejected	0	Amount:	0.00

*** DISCLAIMER ***

Make sure that you have entered the correct account number as we will pay to, or collect from, the account number you entered. Banks do not check that the specified account number and account name match. Accordingly, Standard Bank cannot be held responsible for payments going to, or collections being taken from, an incorrect account number should incorrect or fraudulent account details be entered. If you would like more information, speak to your Standard Bank representative about our account verification services.

** END OF REPORT **

CURRENT ACCOUNT - STATEMENT DETAILS

Account	0000420543546	KANNALAND MUNICIPAL	Statement For	20251002	VAT Registration	4540197268
Branch	000113	LADISMITH CAPE	Statement No	802		

Page	Details	Service Fee	Debit	Credit	Date	Balance
1	BALANCE BROUGHT FORWARD	0.00	0.00	0.00	20251001	276,970.00
1	CREDIT CARD EFTPOS SETTLEMENT	0.00	0.00	1,810.00	20251001	278,780.00
	CR EFTPOS R3G 5 0002583109682					
1	CREDIT CARD EFTPOS SETTLEMENT	0.00	0.00	2,939.60	20251001	281,719.60
	CR EFTPOS PLC 9 0006233109577					
1	CREDIT CARD EFTPOS SETTLEMENT	0.00	0.00	6,129.10	20251001	287,848.70
	DR EFTPOS PLC 9 0006233109577					
1	CREDIT CARD EFTPOS SETTLEMENT	0.00	0.00	16,644.80	20251001	304,493.50
	DR EFTPOS R3G 5 0002583109682					
1	CREDIT CARD EFTPOS SETTLEMENT	0.00	0.00	39,662.71	20251001	344,156.21
	DR EFTPOS EY4 U 0003573109453					
1	FEE: CASH DEPOSIT - COINS ##	0.00	-0.04	0.00	20251001	344,156.17
	420543546 R8977,50 01/10					
1	FEE: CASH DEPOSIT - COINS ##	0.00	-0.08	0.00	20251001	344,156.09
	420543546 R15915,00 01/10					
1	FEE: CASH DEPOSIT - NOTES ##	0.00	-48.26	0.00	20251001	344,107.83
	420543546 R8977,50 01/10					
1	FEE: CASH DEPOSIT - NOTES ##	0.00	-85.54	0.00	20251001	344,022.29
	420543546 R15915,00 01/10					
1	MAGTAPE CREDIT	0.00	0.00	10,224.45	20251002	354,246.74
	ROSENHOF 1014360005					
1	CREDIT TRANSFER	0.00	0.00	51,438.00	20251002	405,684.74
	ABSA BANK DLK Vervoer 1049A06S					
1	MAGTAPE CREDIT	0.00	0.00	1,627.12	20251002	407,311.86
	ROSENHOF 1003620013					
1	MAGTAPE CREDIT	0.00	0.00	833.61	20251002	408,145.47
	ROSENHOF 1013910009					
1	MAGTAPE CREDIT	0.00	0.00	45,782.79	20251002	453,928.26
	BASD19 NAT: JUST000041654					
1	CREDIT TRANSFER	0.00	0.00	10,699.50	20251002	464,627.76
	ABSA BANK KANNA1007390024					
1	MAGTAPE CREDIT	0.00	0.00	548.10	20251002	465,175.86
	1001760089					
1	IB PAYMENT FROM	0.00	0.00	1,689.80	20251002	466,865.66
	KANNA 1013680025					
1	IB PAYMENT FROM	0.00	0.00	2,369.26	20251002	469,234.92
	WITHOEK BOERDERY					
1	CASH DEPOSIT: NOTES	0.00	0.00	340.00	20251002	469,574.92
	CO MOTORS					
2	BALANCE BROUGHT FORWARD	0.00	0.00	0.00	20251002	469,574.92
2	CASH DEPOSIT NOTES/COINS	0.00	0.00	4,313.00	20251002	473,887.92
	CALITZDORP KAS					
2	CASH DEPOSIT NOTES/COINS	0.00	0.00	5,403.60	20251002	479,291.52
	CALITZDORP KASE					
2	CASH DEPOSIT NOTES/COINS	0.00	0.00	12,308.40	20251002	491,599.92
	LADISMITH					
2	ELECTRONIC BANKING TRANSFER FR	0.00	0.00	309,776.62	20251002	801,376.54
	TRF DEP TRANSPPOORT PAYMENTS					
2	ELECTRONIC BANKING TRANSFER FR	0.00	0.00	2,302,033.53	20251002	3,103,410.07
	TRF MIG PAYMENTS					
2	ELECTRONIC BANKING TRANSFER FR	0.00	0.00	7,000,000.00	20251002	10,103,410.07
	DEP TO MAIN					
2	ELECTRONIC BANKING PAYMENT TO	0.00	-2,304.10	0.00	20251002	10,101,105.97
	AYSLI AYSLIE LEANDR GAV5311:26					
2	ELECTRONIC BANKING PAYMENT TO	0.00	-4,032.00	0.00	20251002	10,097,073.97
	D64 DEPARTEMENT V GAV5311:25					
2	ELECTRONIC BANKING PAYMENT TO	0.00	-7,464.48	0.00	20251002	10,089,609.49
	JACOB JACOBS ANDRIE GAV5311:31					
2	ELECTRONIC BANKING PAYMENT TO	0.00	-7,464.48	0.00	20251002	10,082,145.01
	BLAAU BLAAUW PEDRO GAV5311:31					
2	ELECTRONIC BANKING PAYMENT TO	0.00	-10,109.87	0.00	20251002	10,072,035.14
	DANIE DANIELS BRAND GAV5311:26					
2	ELECTRONIC BANKING PAYMENT TO	0.00	-15,264.00	0.00	20251002	10,056,771.14
	D64 DEPARTEMENT V GAV5311:25					
2	ELECTRONIC BANKING PAYMENT TO	0.00	-36,995.98	0.00	20251002	10,019,775.16
	D64 DEPARTEMENT V GAV5311:25					
2	ELECTRONIC BANKING PAYMENT TO	0.00	-253,484.65	0.00	20251002	9,766,290.51

CURRENT ACCOUNT - STATEMENT DETAILS

Page	Details	Service Fee	Debit	Credit	Date	Balance
	D64 DEPARTEMENT V GAV5311:25					
2	ELECTRONIC BANKING PAYMENT TO FUNDI FUNDISANI CON GAV5311:24	0.00	-423,876.52	0.00	20251002	9,342,413.99
2	ELECTRONIC BANKING PAYMENT TO KGOAN KGOANO CONSUL GAV5311:24	0.00	-1,878,157.01	0.00	20251002	7,464,256.98
2	ELECTRONIC BANKING PAYMENT TO ESKOM ESKOM HOLDING GAV5311:24	0.00	-3,203,620.84	0.00	20251002	4,260,636.14
2	ELECTRONIC BANKING PAYMENT TO ESKOM ESKOM HOLDING GAV5311:24	0.00	-3,796,379.16	0.00	20251002	464,256.98
2	ELECTRONIC BANKING TRANSFER TO DEP TRANSPORT REC	0.00	-237,261.60	0.00	20251002	226,995.38

** END OF REPORT **