KANNALAND
MUNISIPALITEIT | MUNICIPALITY

Quarterly Budget Report – Section 52
3rd Quarter of 2024/25

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

Table of Contents

GLOSSARY

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

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

Approved budget - means an annual budget—

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

Budget - The financial plan of the Municipality.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Unauthorised expenditure - in relation to a municipality, means any expenditure

incurred by a municipality otherwise than in accordance with section 15 or 11(3), and includes—

a) overspending of the total amount appropriated in the municipality's approved budget;

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

Virement - A transfer of budget.

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

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

LEGISLATIVE FRAMEWORK

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

This report has been prepared in terms of the following legislative framework:
- The Municipal Finance Management Act – No. 56 of 2003, Sections 71 & 52,
- and The Municipal Budget and Reporting Regulations

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

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

Report of the Executive Mayor

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

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

Executive Mayor

Recommendations

That the council takes cognisance of the Quarterly budget statement of the **third quarter of the 2024/25 MTREF (Q3).**

SECTION 1 – EXECUTIVE SUMMARY

1.1 INTRODUCTION

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

1.2 CONSOLIDATED PERFORMANCE

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

It also compares the quarterly projections for service delivery targets and performance indicators contained in the SDBIP, against the actual; outcomes of the municipality's performance in service delivery for the 3rd quarter of 2024/25.

The performance against the budget can be summarized as follow:

Amount in thousands	Original Budget	YTD Budget	YTD Actual	YTD Budget vs YTD Actual Variance	YTD Budget vs YTD Actual Variance %
Operating Revenue	R 251 773	R 251 773	R 157 236	R (94 537)	-37,55%
Operating Expenditure	R 250 576	R 250 576	R 154 331	R (96 244)	- 38,41%
Capital	R 32 938	R 32 938	R 12 000	R (10 282)	-46,14%

Operational Revenue

The municipality's total operational revenue budget amounts to R251 million and the year-to-date revenue on the budget accrued to R 157 million. This represents -38% of total revenue to date.

Operational Expenditure

The municipality's total operational expenditure budget amounts to R251 million, with a year-to-date performance of R154 million, or -38% of the total expenditure budget.

Capital Expenditure

The total capital budget for the municipality amounts to R33 million with a year-to-date performance of R 12 million, or -46 % of the total capital budget.

1.3 MATERIAL DIFFERENCES TO THE SDBIP

Material differences to the SDBIP will be discussed under section 10 and in more detail within Appendix C.

1.4 REMEDIAL ACTIONS

(a) Directorates are to ensure that the budget is being implemented in accordance with the Service Delivery and Budget Implementation Plan of the Municipality;
(b) That, strategic decisions / resolutions to improve the capital expenditure, be implemented; communicating with the technical department on slow spending on capital budget;
(c) That monthly monitoring of the implementation of the Budget Funding Plan;
(d) That measures on debt collection are implemented and applied effectively;
(e) A procurement plan be developed and approved as a matter of urgency;
(f) That the funding plan addresses all issues and challenges on the financial performance of the municipality and adapt to an always changing environment.

SECTION 2 – IN-YEAR BUDGET STATEMENT TABLES

2.1 TABLE C1 – QUARTERLY BUDGET SUMMARY

WC041 Kannaland - Table C1 Monthly Budget Statement Summary - Q3 Third Quarter

Description	2023/24	Budget Year 2024/25							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Financial Performance								%	
Property rates	28,008	28,234	28,234	2,374	21,372	21,175	197	1%	28,234
Service charges	124,861	134,359	134,359	9,020	96,683	100,769	(4,086)	-4%	134,359
Investment revenue	1,762	1,500	1,500	142	1,095	1,125	(30)	-3%	1,500
Transfers and subsidies - Operational	72,746	65,516	64,134	9,809	48,472	48,101	372	1%	64,134
Other own revenue	22,552	22,164	15,559	1,442	19,056	11,669	7,387	63%	15,559
Total Revenue (excluding capital transfers and	**249,930**	**251,773**	**243,786**	**22,787**	**186,679**	**182,839**	**3,840**	**2%**	**243,786**
Employee costs	93,649	88,441	109,095	13,381	79,798	81,802	(2,004)	-2%	109,095
Remuneration of Councillors	3,956	3,635	3,764	323	3,335	2,823	511	18%	3,764
Depreciation and amortisation	17,799	12,314	12,314	1,026	9,249	9,236	13	0%	12,314
Interest	4,185	1,300	1,300	17	117	975	(858)	-88%	1,300
Inventory consumed and bulk purchases	65,420	70,475	83,764	5,955	44,045	62,823	(18,779)	-30%	83,764
Transfers and subsidies	396	400	602	–	355	451	(97)	-21%	602
Other expenditure	107,834	74,011	74,601	4,602	29,478	55,950	(26,472)	-47%	74,601
Total Expenditure	**293,240**	**250,576**	**285,441**	**25,303**	**166,376**	**214,060**	**(47,684)**	**-22%**	**285,441**
Surplus/(Deficit)	**(43,310)**	**1,197**	**(41,655)**	**(2,516)**	**20,303**	**(31,221)**	**51,525**	**-165%**	**(41,655)**
Transfers and subsidies - capital (monetary allocations)	16,611	22,282	25,786	2,373	12,000	19,339	(7,339)	-38%	25,786
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(26,699)**	**23,479**	**(15,869)**	**(143)**	**32,304**	**(11,882)**	**44,185**	**-372%**	**(15,869)**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(26,699)**	**23,479**	**(15,869)**	**(143)**	**32,304**	**(11,882)**	**44,185**	**-372%**	**(15,869)**
Capital expenditure & funds sources									
Capital expenditure	**33,026**	**32,938**	**25,946**	**2,508**	**11,052**	**19,459**	**(8,407)**	**-43%**	**25,946**
Capital transfers recognised	21,747	32,938	25,786	2,508	11,052	19,339	(8,287)	-43%	25,786
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	11,279	–	–	–	–	–	–		–
Total sources of capital funds	**33,026**	**32,938**	**25,786**	**2,508**	**11,052**	**19,339**	**(8,287)**	**-43%**	**25,786**
Financial position									
Total current assets	19,001	64,826	(66,698)		64,500				(66,698)
Total non current assets	309,530	320,603	313,611		311,347				313,611
Total current liabilities	90,830	64,732	(34,486)		116,672				(34,486)
Total non current liabilities	47,140	75,972	75,972		47,140				75,972
Community wealth/Equity	**190,560**	**244,725**	**244,725**		**212,034**				**244,725**
Cash flows									
Net cash from (used) operating	59,159	6,972	(117,647)	(5,257)	85,776	(87,848)	(173,623)	198%	231,199
Net cash from (used) investing	(14,217)	(22,282)	(25,786)	(2,447)	(12,330)	19,339	31,670	164%	25,786
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**81,587**	**74,878**	**(53,245)**	**–**	**113,286**	**21,679**	**(91,606)**	**-423%**	**296,825**

Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	6,155	4,032	3,218	3,216	3,034	3,181	17,676	127,242	167,754
Creditors Age Analysis									
Total Creditors	16,150	8,384	1,940	–	–	–	–	79,441	105,915

2.2 TABLE C2 – QUARTERLY BUDGETED FINANCIAL PERFORMANCE

(Functional Classification)

WC041 Kannaland - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q3 Third Quarter

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Revenue - Functional									%	
Governance and administration		**81,154**	**54,667**	**53,226**	**12,303**	**71,123**	**39,920**	31,203	78%	**53,226**
Executive and council		35,452	13,603	13,612	9,370	37,043	10,209	26,834	263%	13,612
Finance and administration		45,703	41,064	39,614	2,933	34,080	29,711	4,369	15%	39,614
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**43,432**	**35,632**	**31,686**	**682**	**15,089**	**23,764**	(8,675)	-37%	**31,686**
Community and social services		15,932	15,691	15,691	679	9,208	11,768	(2,560)	-22%	15,691
Sport and recreation		46	66	66	4	58	49	8	17%	66
Public safety		(1)	5	–	(0)	1	–	1		–
Housing		27,456	19,870	15,929	–	5,823	11,947	(6,124)	-51%	15,929
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**2,898**	**6,316**	**3,716**	**255**	**1,863**	**2,787**	(924)	-33%	**3,716**
Planning and development		–	–	–	–	–	–	–		–
Road transport		2,898	6,316	3,716	255	1,863	2,787	(924)	-33%	3,716
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**139,055**	**177,440**	**180,944**	**11,919**	**110,605**	**135,708**	(25,103)	-18%	**180,944**
Energy sources		73,635	95,625	95,625	5,302	62,820	71,719	(8,899)	-12%	95,625
Water management		41,889	46,676	50,180	4,454	28,280	37,635	(9,355)	-25%	50,180
Waste water management		11,946	18,386	18,386	1,098	9,906	13,790	(3,883)	-28%	18,386
Waste management		11,586	16,753	16,753	1,065	9,599	12,564	(2,966)	-24%	16,753
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**266,540**	**274,055**	**269,572**	**25,160**	**198,680**	**202,179**	**(3,499)**	**-2%**	**269,572**
Expenditure - Functional										
Governance and administration		**96,208**	**86,057**	**103,208**	**11,278**	**68,104**	**77,386**	(9,282)	-12%	**103,208**
Executive and council		25,078	24,977	31,407	3,333	23,282	23,555	(273)	-1%	31,407
Finance and administration		71,130	61,081	71,801	7,946	44,822	53,831	(9,009)	-17%	71,801
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**39,663**	**35,964**	**31,497**	**2,829**	**18,803**	**23,622**	(4,820)	-20%	**31,497**
Community and social services		9,204	12,529	11,632	1,255	8,186	8,723	(537)	-6%	11,632
Sport and recreation		931	1,922	2,302	128	1,195	1,726	(532)	-31%	2,302
Public safety		1,479	405	369	256	1,269	276	993	359%	369
Housing		28,049	21,107	17,195	1,190	8,153	12,896	(4,743)	-37%	17,195
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**15,122**	**17,994**	**20,717**	**1,973**	**10,752**	**15,538**	(4,786)	-31%	**20,717**
Planning and development		–	620	590	51	103	442	(340)	-77%	590
Road transport		15,122	17,374	20,127	1,922	10,650	15,095	(4,446)	-29%	20,127
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**142,246**	**110,560**	**130,019**	**9,222**	**68,717**	**97,514**	(28,797)	-30%	**130,019**
Energy sources		70,153	71,137	88,894	6,408	47,953	66,671	(18,718)	-28%	88,894
Water management		38,087	16,925	18,143	1,224	9,599	13,607	(4,008)	-29%	18,143
Waste water management		17,002	12,079	11,493	650	5,320	8,620	(3,300)	-38%	11,493
Waste management		17,004	10,419	11,489	940	5,845	8,616	(2,771)	-32%	11,489
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	**293,240**	**250,576**	**285,441**	**25,303**	**166,376**	**214,060**	**(47,684)**	**-22%**	**285,441**
Surplus/ (Deficit) for the year		**(26,699)**	**23,479**	**(15,869)**	**(143)**	**32,304**	**(11,882)**	**44,185**	**-372%**	**(15,869)**

2.3 TABLE C3 – QUARTERLY BUDGETED FINANCIAL PERFORMANCE

(Revenue & Expenditure by Municipal Vote)

WC041 Kannaland - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q3 Third Quarter										
Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - MUNICIPAL MANAGER		35,452	13,603	13,612	9,370	37,043	10,209	26,834	262.8%	13,612
Vote 2 - CORPORATE SERVICES		45,258	44,530	33,984	778	15,404	25,488	(10,084)	-39.6%	33,984
Vote 3 - FINANCIAL SERVICES		44,987	36,666	39,216	2,909	33,720	29,412	4,308	14.6%	39,216
Vote 4 - TECHNICAL SERVICES		140,844	179,256	182,760	12,103	112,513	137,070	(24,557)	-17.9%	182,760
Vote 5 - CALITZDORP SPA		–	–	–	–	–	–	–		–
Vote 6 - CORPORATE SERVICES (Continued)		–	–	–	–	–	–	–		–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**266,540**	**274,055**	**269,572**	**25,160**	**198,680**	**202,179**	**(3,499)**	**-1.7%**	**269,572**
Expenditure by Vote	1									
Vote 1 - MUNICIPAL MANAGER		25,078	24,977	31,407	3,333	23,282	23,555	(273)	-1.2%	31,407
Vote 2 - CORPORATE SERVICES		67,531	61,804	67,920	7,029	45,199	50,921	(5,722)	-11.2%	67,920
Vote 3 - FINANCIAL SERVICES		44,257	38,553	38,715	4,234	19,836	29,036	(9,201)	-31.7%	38,715
Vote 4 - TECHNICAL SERVICES		154,980	123,029	145,785	10,705	77,682	109,338	(31,656)	-29.0%	145,785
Vote 5 - CALITZDORP SPA		–	–	–	–	–	–	–		–
Vote 6 - CORPORATE SERVICES (Continued)		1,393	2,214	1,614	2	377	1,210	(833)	-68.9%	1,614
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**293,240**	**250,576**	**285,441**	**25,303**	**166,376**	**214,060**	**(47,684)**	**-22.3%**	**285,441**
Surplus/ (Deficit) for the year	2	**(26,699)**	**23,479**	**(15,869)**	**(143)**	**32,304**	**(11,882)**	**44,185**	**-371.9%**	**(15,869)**

2.4 TABLE C4 – QUARTERLY FINANCIAL PERFROMANCE

WC041 Kannaland - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q3 Third Quarter

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Revenue									%	
Exchange Revenue		138,298	147,437	147,432	10,224	107,015	110,574	(3,558)	-3%	147,432
Service charges - Electricity		73,292	89,822	89,822	5,282	62,488	67,367	(4,878)	-7%	89,822
Service charges - Water		33,366	24,044	24,044	2,080	19,017	18,033	984	5%	24,044
Service charges - Waste Water Management		9,196	10,415	10,415	839	7,677	7,811	(134)	-2%	10,415
Service charges - Waste management		9,006	10,078	10,078	820	7,501	7,559	(58)	-1%	10,078
Sale of Goods and Rendering of Services		483	419	409	16	314	307	8	3%	409
Agency services		1,208	1,450	1,450	126	1,083	1,087	(5)	0%	1,450
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		8,623	7,832	7,832	816	6,948	5,874	1,074	18%	7,832
Interest earned from Current and Non Current Assets		1,762	1,500	1,500	142	1,095	1,125	(30)	-3%	1,500
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		670	1,148	1,148	61	518	861	(343)	-40%	1,148
Licence and permits		202	663	663	15	158	497	(339)	-68%	663
Operational Revenue		487	66	71	27	216	53	162	304%	71
Non-Exchange Revenue		111,632	104,336	96,354	12,563	79,664	72,265	7,399	10%	96,354
Property rates		28,008	28,234	28,234	2,374	21,372	21,175	197	1%	28,234
Surcharges and Taxes		6,032	–	–	–	6,604	–	6,604		–
Fines, penalties and forfeits		921	2,561	561	30	157	421	(264)	-63%	561
Licence and permits		0	1,086	486	–	–	364	(364)	-100%	486
Transfer and subsidies - Operational		72,746	65,516	64,134	9,809	48,472	48,101	372	1%	64,134
Interest		3,208	2,939	2,939	292	2,525	2,204	321	15%	2,939
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		716	–	–	59	533	–	533		–
Gains on disposal of Assets		–	4,000	–	–	–	–	–		–
Other Gains		–	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and		**249,930**	**251,773**	**243,786**	**22,787**	**186,679**	**182,839**	**3,840**	**2%**	**243,786**
Expenditure By Type										
Employee related costs		93,649	88,441	109,095	13,381	79,798	81,802	(2,004)	-2%	109,095
Remuneration of councillors		3,956	3,635	3,764	323	3,335	2,823	511	18%	3,764
Bulk purchases - electricity		60,101	60,529	75,798	5,525	41,363	56,848	(15,485)	-27%	75,798
Inventory consumed		5,318	9,946	7,966	430	2,681	5,975	(3,293)	-55%	7,966
Debt impairment		29,222	11,933	11,933	–	–	8,950	(8,950)	-100%	11,933
Depreciation and amortisation		17,799	12,314	12,314	1,026	9,249	9,236	13	0%	12,314
Interest		4,185	1,300	1,300	17	117	975	(858)	-88%	1,300
Contracted services		35,829	35,267	36,698	3,666	17,342	27,524	(10,181)	-37%	36,698
Transfers and subsidies		396	400	602	–	355	451	(97)	-21%	602
Irrecoverable debts written off		17,622	–	–	–	747	–	747		–
Operational costs		23,403	26,810	25,970	936	11,389	19,477	(8,088)	-42%	25,970
Losses on Disposal of Assets		1,272	–	–	–	–	–	–		–
Other Losses		486	–	–	–	–	–	–		–
Total Expenditure		**293,240**	**250,576**	**285,441**	**25,303**	**166,376**	**214,060**	**(47,684)**	**-22%**	**285,441**
Surplus/(Deficit)		**(43,310)**	**1,197**	**(41,655)**	**(2,516)**	**20,303**	**(31,221)**	**51,525**	**(0)**	**(41,655)**
Transfers and subsidies - capital (monetary allocations)		16,611	22,282	25,786	2,373	12,000	19,339	(7,339)	**(0)**	25,786
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(26,699)**	**23,479**	**(15,869)**	**(143)**	**32,304**	**(11,882)**			**(15,869)**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**(26,699)**	**23,479**	**(15,869)**	**(143)**	**32,304**	**(11,882)**			**(15,869)**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**(26,699)**	**23,479**	**(15,869)**	**(143)**	**32,304**	**(11,882)**			**(15,869)**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**(26,699)**	**23,479**	**(15,869)**	**(143)**	**32,304**	**(11,882)**			**(15,869)**

2.5 OPERATING REVENUE BY SOURCES:

- **Interest on outstanding debtors** – **18%** YTD variance from the budget. This variance is due to improved debt collection strategies.
- **Rental from fixed Assets –** amounted to R 61 thousand and R 518 thousand YTD which represents a negative **40**% variance to the budget.

- **Licence and permits** - (negative **68%** YTD variance from the budget). Amounted to R 15 thousand for the month of **March 2025**.
- **Fines, Penalties & Forfeits** – Almost no activity, with a negative **63%** YTD variance, with no vendor appointed to provide cameras and administrative support on speed fines.

2.6 OPERATING EXPENDITURE BY TYPE

- **Remuneration of Councillors –** amounted to R 323 thousand for **March 2025** and R 3.3 million YTD, this represents a **18%** on the budget.
- **Bulk Purchases –**amounted to **5.5 million** for the month under review and represents a negative **27%** on the budget.
- **Inventory Consumed –** represents a negative **55%** negative on the budget.
- **Contracted Services** – amounted to R 3.6 million in **March 2025** and R 17.3 million YTD.
- **Other Expenditure** - amounted to R 936 thousand in **March 2025.**

2.7 TABLE C5 – QUARTERLY BUDGETED CAPITAL EXPENDITURE

WC041 Kannaland - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q3 Third Quarter

Vote Description	Ref	2023/24 Audited Outcome	Budget Year 2024/25 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		193	–	–	–	–	–	–		–
Vote 3 - FINANCIAL SERVICES		–	–	–	–	–	–	–		–
Vote 4 - TECHNICAL SERVICES		26,554	22,178	25,682	2,508	11,052	19,261	(8,209)	-43%	25,682
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	**26,747**	**22,178**	**25,682**	**2,508**	**11,052**	**19,261**	**(8,209)**	**-43%**	**25,682**
Single Year expenditure appropriation	2									
Vote 1 - MUNICIPAL MANAGER		–	–	–	–	–	–	–		–
Vote 2 - CORPORATE SERVICES		–	–	160	–	–	120	(120)	-100%	160
Vote 3 - FINANCIAL SERVICES		–	–	–	–	–	–	–		–
Vote 4 - TECHNICAL SERVICES		6,279	10,760	104	–	–	78	(78)	-100%	104
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	6,279	10,760	264	–	–	198	**(198)**	**-100%**	264
Total Capital Expenditure	3	**33,026**	**32,938**	**25,946**	**2,508**	**11,052**	**19,459**	**(8,407)**	**-43%**	**25,946**
Capital Expenditure - Functional Classification										
Governance and administration		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		–	–	–	–	–	–	–		–
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**193**	**–**	**160**	**–**	**–**	**120**	(120)	-100%	**160**
Community and social services		51	–	160	–	–	120	(120)	-100%	160
Sport and recreation		142	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
Planning and development		–	–	–	–	–	–	–		–
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**32,833**	**32,938**	**25,786**	**2,508**	**11,052**	**19,339**	(8,287)	-43%	**25,786**
Energy sources		384	626	626	–	–	469	(469)	-100%	626
Water management		7,093	12,656	5,504	147	147	4,128	(3,981)	-96%	5,504
Waste water management		24,225	17,956	17,198	2,362	8,596	12,899	(4,303)	-33%	17,198
Waste management		1,130	1,700	2,458	–	2,309	1,843	466	25%	2,458
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**33,026**	**32,938**	**25,946**	**2,508**	**11,052**	**19,459**	**(8,407)**	**-43%**	**25,946**
Funded by:										
National Government		20,662	30,416	19,760	2,362	10,905	14,820	(3,915)	-26%	19,760
Provincial Government		1,085	2,522	6,026	147	147	4,519	(4,373)	-97%	6,026
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		**21,747**	**32,938**	**25,786**	**2,508**	**11,052**	**19,339**	**(8,287)**	**-43%**	**25,786**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		11,279	–	–	–	–	–	–		–
Total Capital Funding	7	**33,026**	**32,938**	**25,786**	**2,508**	**11,052**	**19,339**	**(8,287)**	**-43%**	**25,786**

CAPITAL EXPENDITURE

- The YTD capital expenditure at the end of **quarter three** was **R 2.5 million** which amounts to **7,59%** of the total budget.

2.8 TABLE C6 – QUARTERLY BUDGETED FINANCIAL POSITION

WC041 Kannaland - Table C6 Monthly Budget Statement - Financial Position - Q3 Third Quarter						
Description	Ref	2023/24	Budget Year 2024/25			
R thousands		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
ASSETS	1					
Current assets						
Cash and cash equivalents		9,707	26,093	(103,404)	28,027	(103,404)
Trade and other receivables from exchange transactions		32,456	6,414	6,409	43,753	6,409
Receivables from non-exchange transactions		2,459	3,322	(678)	6,846	(678)
Current portion of non-current receivables		–	–	–	–	–
Inventory		1,974	1,981	3,959	1,974	3,959
VAT		(26,534)	25,953	25,953	(14,996)	25,953
Other current assets		(1,062)	1,063	1,063	(1,105)	1,063
Total current assets		**19,001**	**64,826**	**(66,698)**	**64,500**	**(66,698)**
Non current assets						
Investments		–	–	–	–	–
Investment property		1,064	1,116	1,116	1,064	1,116
Property, plant and equipment		308,458	319,477	312,485	310,275	312,485
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		8	9	9	8	9
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		**309,530**	**320,603**	**313,611**	**311,347**	**313,611**
TOTAL ASSETS		**328,531**	**385,429**	**246,913**	**375,847**	**246,913**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	–	–	–	–
Consumer deposits		1,446	1,364	1,364	1,569	1,364
Trade and other payables from exchange transactions		89,925	25,374	(78,857)	89,191	(78,857)
Trade and other payables from non-exchange transactions		14,991	8,402	13,415	28,526	13,415
Provision		4,735	7,477	7,477	4,735	7,477
VAT		(20,267)	22,114	22,114	(7,350)	22,114
Other current liabilities		–	–	–	–	–
Total current liabilities		**90,830**	**64,732**	**(34,486)**	**116,672**	**(34,486)**
Non current liabilities						
Financial liabilities		–	–	–	–	–
Provision		35,590	20,653	20,653	35,590	20,653
Long term portion of trade payables		–	44,502	44,502	–	44,502
Other non-current liabilities		11,550	10,817	10,817	11,550	10,817
Total non current liabilities		**47,140**	**75,972**	**75,972**	**47,140**	**75,972**
TOTAL LIABILITIES		**137,971**	**140,704**	**41,486**	**163,813**	**41,486**
NET ASSETS	2	**190,560**	**244,725**	**205,427**	**212,034**	**205,427**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		190,098	237,309	237,309	211,572	237,309
Reserves and funds		462	7,417	7,417	462	7,417
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**190,560**	**244,725**	**244,725**	**212,034**	**244,725**

2.9 TABLE C7 – QUARTERLY BUDGETED CASH FLOW

WC041 Kannaland - Table C7 Monthly Budget Statement - Cash Flow - Q3 Third Quarter										
Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES	1								%	
Receipts										
Property rates		17,177	25,160	25,125	1,743	14,839	18,844	(4,005)	-21%	25,125
Service charges		82,221	123,878	123,878	9,068	76,956	92,908	(15,952)	-17%	123,878
Other revenue		16,053	8,716	6,115	512	15,126	4,587	10,539	230%	6,115
Transfers and Subsidies - Operational		73,430	62,503	64,134	9,370	56,093	48,101	7,992	17%	64,134
Transfers and Subsidies - Capital		19,652	19,760	25,264	–	17,927	18,948	(1,021)	-5%	25,264
Interest		3	6,657	6,657	–	–	4,993	(4,993)	-100%	6,657
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(149,375)	(239,702)	(368,821)	(25,950)	(95,165)	(276,228)	(181,063)	66%	(19,975)
Interest		–	–	–	–	–	–	–		–
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**59,159**	**6,972**	**(117,647)**	**(5,257)**	**85,776**	**(87,848)**	**(173,623)**	**198%**	**231,199**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(14,217)	(22,282)	(25,786)	(2,447)	(12,330)	19,339	31,670	164%	25,786
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(14,217)**	**(22,282)**	**(25,786)**	**(2,447)**	**(12,330)**	**19,339**	**31,670**	**164%**	**25,786**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**44,942**	**(15,310)**	**(143,433)**	**(7,704)**	**73,445**	**(68,508)**			**256,985**
Cash/cash equivalents at beginning:		36,645	90,188	90,188		39,840	90,188			39,840
Cash/cash equivalents at month/year end:		81,587	74,878	(53,245)		113,286	21,679			296,825

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

- Standard Bank Main Account is **R 546 thousand;**
- The Traffic Account has **R 626 thousand;**
- Deposit Account has **R 3.6 million**;
- Call Account has **R 23 million**; and
- Eskom Bulk Account has **R 445 thousand.**

SECTION 3 SUPPORTING DOCUMENTATION

3.1 TABLE SC3 – DEBTORS AGE ANALYSIS

WC041 Kannaland - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q3 Third Quarter													
Description	NT Code	Budget Year 2024/25											
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	3,017	1,573	1,069	1,156	852	1,030	5,155	25,357	39,210	33,551	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1,655	301	141	169	164	119	1,469	1,088	5,106	3,009	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	2,631	761	651	569	635	613	3,311	25,292	34,463	30,420	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	849	408	403	398	406	407	2,143	14,967	19,982	18,321	–	–
Receivables from Exchange Transactions - Waste Management	1600	1,584	658	638	617	636	640	3,258	21,598	29,628	26,748	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	0	0	0	–	–
Interest on Arrear Debtor Accounts	1810	42	75	83	112	135	164	1,332	34,392	36,336	36,135	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	(3,624)	255	233	195	205	209	1,007	4,548	3,028	6,164	–	–
Total By Income Source	**2000**	**6,155**	**4,032**	**3,218**	**3,216**	**3,034**	**3,181**	**17,676**	**127,242**	**167,754**	**154,349**	**–**	**–**
2023/24 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	(652)	227	86	30	21	25	47	299	82	422	–	–
Commercial	2300	168	260	181	156	166	145	802	5,370	7,247	6,639	–	–
Households	2400	6,904	3,415	2,833	2,912	2,703	2,860	15,957	109,773	147,358	134,206	–	–
Other	2500	(265)	130	118	118	143	151	870	11,800	13,066	13,082	–	–
Total By Customer Group	**2600**	**6,155**	**4,032**	**3,218**	**3,216**	**3,034**	**3,181**	**17,676**	**127,242**	**167,754**	**154,349**	**–**	**–**

The total debtor’s book of the Kannaland Local Municipality was standing at **R 167.7 million** at the end of quarter three. The breakdown of the total debtor’s book is provided below:

- **R6.1 million** or 3.66% of the current month or within 30 days.
- **R4 million** or 24.06% is over 30 days but less than 60 days or two months.
- **R3.2 million** or 1.91% is over 60 days but less than 90 days or three months.
- **R3.2 million** or 1.91 is over 90 days but less than 120 days or four months.
- **R3 million** or 1.8% is over 120 days but less than 150 days or five months.
- **R3.18 million** or 1.89% is over 150 days but less than 180 days or six months.
- **R17.68 million** or 10.53% is over 180 days but less than one year.
- **R127.24 million** or 76% of the total outstanding debtors are older than one year and more.

The biggest challenge on the effective implementation of credit control policy or application of the pre-payment system, arises on areas where the municipality is not supplying the electricity and is rendering other municipal services. It becomes impossible to disconnect electricity service on households that are on arrears. The municipality may need to look at the possibilities of obtaining a license to supply electricity on those areas.

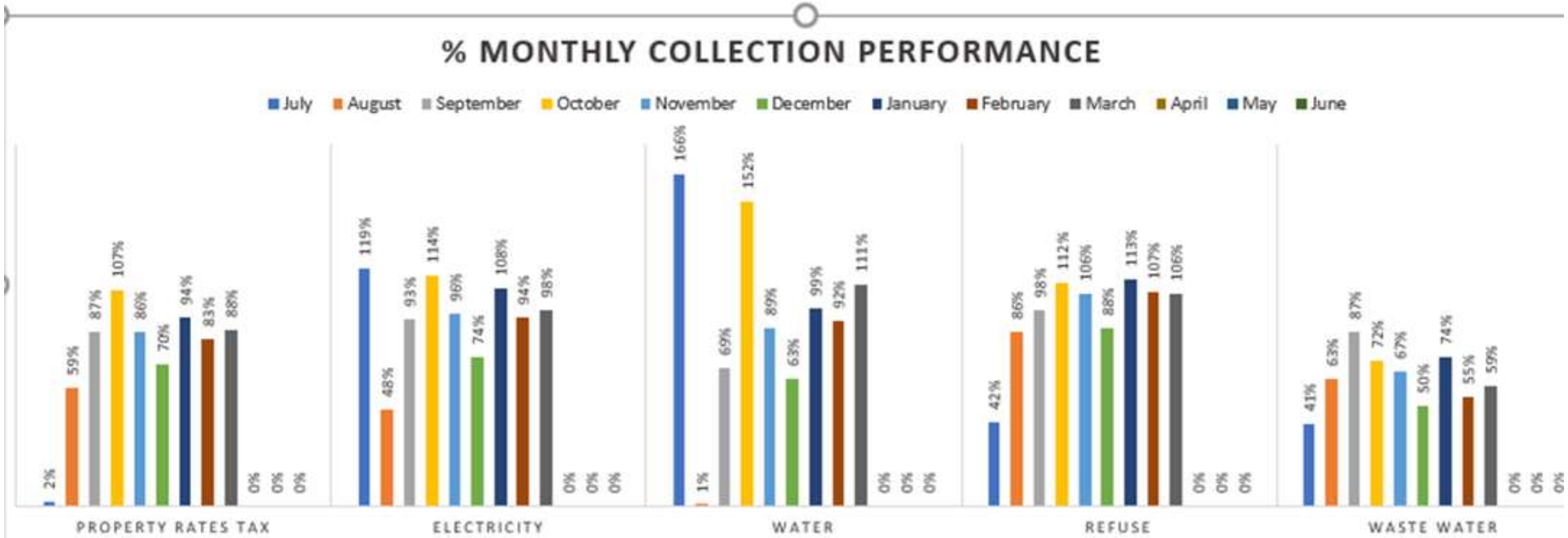
3.2 DEBTORS PAYMENT PERCENTAGES

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

The total billing for the third quarter accrued to **R40 million** and the receipts amount to **R35.3 million** as per the table above. Key observations:

(i) The total billing as per the Budget C-Schedule on the third quarter MFMA section 52 report amount to **R118.05 million.** The details are provided on page 8, table C1. There are differences identified and will be investigated in order to enhance completeness and accuracy in our reporting.

(ii) The differences are due to the C-Schedules extracted from SAMRAS WEB whilst the Debtors payment and billing are extracted from SAMRAS Classic. This needs to be investigated



Complete This Section

Quarter 3 Performance Per Ward

Services	Electricity Supplier	Ward Name & Number	Billing	Collection	R- Billing not collected	% Collection	Q3
Property Rates Tax	Mun Supplied	Nissenvile - Ward 1	462,590	396,223	66,367	86%	86%
Electricity			319,145	331,982	(12,837)	104%	104%
Water			687,465	243,813	443,652	35%	35%
Refuse			464,954	206,265	258,689	44%	44%
Waste Water			588,356	387,253	201,103	66%	66%
Interest			3,810	(36,667)	40,477	962%	-962%
Property Rates Tax	Eskom supplied	Zoar - Ward 2	215,391	51,512	163,879	24%	24%
Electricity			-	-	-	#DIV/0!	#DIV/0!
Water			1,918,475	102,482	1,815,993	5%	5%
Refuse			1,011,532	85,201	926,332	8%	8%
Waste Water			980,695	88,247	892,449	9%	9%
Interest			13,015	(70)	13,085	1%	-1%
Property Rates Tax	Eskom supplied	Calitzdorp Farms - Ward 3	539,509	488,982	50,527	91%	91%
Electricity			-	-	-	#DIV/0!	#DIV/0!
Water			314,640	55,362	259,278	18%	18%
Refuse			-	-	-	#DIV/0!	#DIV/0!
Waste Water			-	-	-	#DIV/0!	#DIV/0!
Interest			-	(75,379)	75,379	#DIV/0!	#DIV/0!
Property Rates Tax	Mun Supplied	Bergsig Calitzdorp - Ward 3	66,136	39,459	26,697	60%	60%
Electricity			35,571	30,946	4,625	87%	87%
Water			829,961	134,087	695,874	16%	16%
Refuse			337,594	68,339	269,255	20%	20%
Waste Water			296,134	43,788	252,346	15%	15%
Interest			4,811	(9,149)	13,960	190%	-190%
Property Rates Tax	Mun Supplied	Calitzdorp Town - Ward 3	1,350,313	1,356,270	(5,957)	100%	100%
Electricity			2,223,837	2,351,605	(127,768)	106%	106%
Water			928,463	854,062	74,402	92%	92%
Refuse			283,742	286,866	(3,123)	101%	101%
Waste Water			65,047	62,752	2,295	96%	96%
Interest			19,777	(47,002)	66,779	238%	-238%
Property Rates Tax	Mun Supplied	Ladismith Town - Ward 4	2,840,565	3,331,820	(491,255)	117%	117%
Electricity			9,070,826	10,307,213	(1,236,387)	114%	114%
Water			2,247,864	2,410,732	(162,868)	107%	107%
Refuse			567,934	676,049	(108,115)	119%	119%
Waste Water			888,948	1,120,104	(231,156)	126%	126%
Interest			175,790	161,350	14,440	92%	92%
Property Rates Tax	Eskom supplied	Ladismith Farms - Ward 4	1,469,617	1,359,130	110,487	92%	92%
Electricity			6,603,124	6,755,422	(152,298)	102%	102%
Water			1,552,107	1,505,082	47,025	97%	97%
Refuse			60,527	68,964	(8,438)	114%	114%
Waste Water			35,445	42,382	(6,937)	120%	120%
Interest			14,625	(87,278)	101,903	597%	-597%
Property Rates Tax	Eskom supplied	Van Wyksdorp - Ward 4	163,551	118,825	44,726	73%	73%
Electricity			-	-	-	#DIV/0!	#DIV/0!
Water			213,862	53,212	160,649	25%	25%
Refuse			120,403	25,000	95,404	21%	21%
Waste Water			75,641	419	75,222	1%	1%
Interest			190	(1,141)	1,330	601%	-601%

3.3 TABLE SC4 – CREDITORS AGE ANALYSIS

WC041 Kannaland - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q3 Third Quarter											
Description	NT Code	Budget Year 2024/25									Prior year totals for chart (same period)
R thousands		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	13,161	6,068	–	–	–	–	–	50,228	**69,457**	–
Bulk Water	0200	–	–	–	–	–	–	–	–	**–**	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	**–**	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	**–**	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	**–**	–
Loan repayments	0600	–	–	–	–	–	–	–	–	**–**	–
Trade Creditors	0700	774	161	55	–	–	–	–	1,889	**2,879**	–
Auditor General	0800	1,382	2,036	1,802	–	–	–	–	13,240	**18,459**	–
Other	0900	832	119	84	–	–	–	–	14,085	**15,120**	–
Total By Customer Type	**1000**	**16,150**	**8,384**	**1,940**	**–**	**–**	**–**	**–**	**79,441**	**105,915**	–

- The total outstanding creditors as at the end of **quarter three** 2025 amounts to **R 105.9 million**.

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

- ESKOM = R69 million, of which the entire amount is conditionally written off. The other R36.4 million is mainly made up of Creditors with payment arrangements, being AG, SALGA, SAMRAS, Collaborator consist of R33.5 million and further Municipal debt owed by Kannaland municipality to neighbouring municipalities amount to R2.8 million.

- All other creditors 0-90 days are managed and paid on a month-to-month payment plan, for finalisation in the 2024-2025 FY.

3.4 INVESTMENT PORTFOLIO ANALYSIS

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

3.5 GRANT RECEIPTS AND EXPENDITURE

3/31/2025				
	Original Budget	Total Received	Total Spent	Unspent
Grant Name	Amount			
Provincial Government	**R29,567,814.00**	**R17,348,262.00**	**R11,191,170.32**	**R 6,157,091.68**
Housing	R 4,800,000.00	R 4,800,000.00	R 3,842,983.22	R 957,016.78
Human Settlement Grant	R14,167,000.00	R 4,354,262.00	R 4,354,262.00	R -
Financial Assistance to Municipalities for Maintenance and Construction of Transport Infrastructure	R -			R -
Title Deeds Restoration Grant	R 403,000.00			R -
Informal Settlm Upgrading Partnership Grant	R 500,000.00			R -
Lib Replacement: Vulnerable Mun	R 3,559,000.00	R 3,559,000.00	R 2,092,908.64	R 1,466,091.36
Municipal Water Resilience Grant	R 1,503,814.00		R 168,693.50	R 1,335,120.50
Municipal Water Resilience Grant	R 4,000,000.00	R 4,000,000.00		R 4,000,000.00
Municipal Energy Resilience Grant	R 522,000.00	R 522,000.00		R 522,000.00
Comm Dev Workers	R 113,000.00	R 113,000.00	R 68,559.13	R 44,440.87
National Government Grants	**R61,955,000.00**	**R50,264,000.00**	**R43,199,071.35**	**R 7,064,928.65**
Equitable Share	R37,479,000.00	R27,621,000.00	R27,621,000.00	R -
FMG (Audit)	R 2,900,000.00	R 2,900,000.00	R 1,690,177.80	R 1,209,822.20
Mun Infrastructure Grant	R 560,850.00	R 560,850.00	R 426,007.03	R 134,842.97
Mun Infrastructure Grant	R10,656,150.00	R 8,927,150.00	R 5,437,071.10	R 3,490,078.90
EPWP	R 1,255,000.00	R 1,255,000.00	R 1,165,617.28	R 89,382.72
INEP	R -			R -
INEP (Eskom)	R 104,000.00			R -
WSIG	R 9,000,000.00	R 9,000,000.00	R 6,220,475.71	R 2,779,524.29

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

Received

National Treasury

Municipal Infrastructure Grant amounts to **R 2.553 million.**

Expanded Public Works Programme amounts to **R376 thousand.**

Provincial Treasury

Municipal Replacement Fund amounts to **R 1.186 million.**

Municipal Water Resilience Grant amounts to **R4 million.**

Municipal Electricity Resilience Grant amounts to **R 522 thousand**

Expenditure:

- Financial Management Grant amounts to **R162 thousand**
- Municipal Infrastructure Grant (MIG) amounts **R 1.1 million** capital expenditure and **MIG PMU** amounts to **R 165 thousand.**
- Expanded Public Works Programme amounts to **R 312 thousand.**
- Municipal Replacement Fund (MRF) amounts to **R 608 thousand.**
- Water Service Infrastructure Grant (WSIG) amounts to **R 3 million.**

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

WC041 Kannaland - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q3 Third Quarter

Summary of Employee and Councillor remuneration R thousands	Ref	2023/24 Audited Outcome	Budget Year 2024/25 Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		3,354	3,306	3,414	248	2,743	2,561	182	7%	3,414
Pension and UIF Contributions		152	–	21	17	136	16	120	762%	21
Medical Aid Contributions		114	–	–	11	90	–	90		–
Motor Vehicle Allowance		36	–	–	22	141	–	141		–
Cellphone Allowance		300	329	329	25	225	247	(22)	-9%	329
Sub Total - Councillors		**3,956**	**3,635**	**3,764**	**323**	**3,335**	**2,823**	**511**	**18%**	**3,764**
% increase	4		**-8.1%**	**-4.8%**						**-4.8%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		3,377	4,628	5,175	370	2,514	3,881	(1,368)	-35%	5,175
Pension and UIF Contributions		7	9	9	1	4	6	(2)	-39%	9
Motor Vehicle Allowance		303	676	676	46	208	507	(299)	-59%	676
Cellphone Allowance		86	178	166	4	29	124	(95)	-77%	166
Other benefits and allowances		22	136	83	4	40	63	(23)	-36%	83
Sub Total - Senior Managers of Municipality		**3,794**	**5,627**	**6,109**	**425**	**2,795**	**4,582**	**(1,787)**	**-39%**	**6,109**
% increase	4		**48.3%**	**61.0%**						**61.0%**
Other Municipal Staff										
Basic Salaries and Wages		61,213	55,034	71,839	9,136	53,635	53,879	(244)	0%	71,839
Pension and UIF Contributions		7,583	10,497	7,425	1,211	5,488	5,569	(81)	-1%	7,425
Medical Aid Contributions		2,395	3,493	2,333	401	1,772	1,750	23	1%	2,333
Overtime		8,603	4,122	9,821	1,199	7,748	7,365	383	5%	9,821
Performance Bonus		789	725	632	–	1,558	474	1,084	229%	632
Motor Vehicle Allowance		3,614	3,089	4,416	548	3,132	3,312	(180)	-5%	4,416
Cellphone Allowance		107	157	130	17	95	97	(3)	-3%	130
Housing Allowances		339	1,200	481	172	354	361	(7)	-2%	481
Other benefits and allowances		6,425	3,785	5,760	231	3,084	4,301	(1,217)	-28%	5,760
Payments in lieu of leave		1,771	100	150	–	96	113	(16)	-14%	150
Long service awards		(2,985)	–	–	41	41	–	41		–
Sub Total - Other Municipal Staff		**89,854**	**82,200**	**102,986**	**12,955**	**77,003**	**77,220**	**(217)**	**0%**	**102,986**
% increase	4		**-8.5%**	**14.6%**						**14.6%**
Total Parent Municipality		**97,604**	**91,462**	**112,859**	**13,703**	**83,132**	**84,625**	**(1,493)**	**-2%**	**112,859**
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Medical Aid Contributions		–	614	–	–	–	–	–		–
Other benefits and allowances		1	–	–	0	1	–	1		–
Sub Total - Executive members Board	2	**1**	**614**	**–**	**0**	**1**	**–**	**1**		**–**
% increase	4		**74797.2%**							
Senior Managers of Entities										
Sub Total - Senior Managers of Entities		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
% increase	4									
Other Staff of Entities										
Sub Total - Other Staff of Entities		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
% increase	4									
Total Municipal Entities		**1**	**614**	**–**	**0**	**1**	**–**	**1**		**–**
TOTAL SALARY, ALLOWANCES & BENEFITS		**97,605**	**92,076**	**112,859**	**13,703**	**83,133**	**84,625**	**(1,492)**	**-2%**	**112,859**
% increase	4		**-5.7%**	**15.6%**						**15.6%**
TOTAL MANAGERS AND STAFF		**93,649**	**87,828**	**109,095**	**13,380**	**79,797**	**81,802**	**(2,004)**	**-2%**	**109,095**

3.7 MATERIAL VARIANCES TO THE SDBIP

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

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

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

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

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

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

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

KPA 7: To Strive towards a financially sustainable municipality

DETAILED CAPITAL PROJECTS FOR 2024/25

Type	Grant Name	Allocation 2024	Allocation 2025	Allocation 2
National	Municipal Infrastructure Grant	R 11 217 000	R 11 542 000	R 12 147 00
National	Water Services Infrastructure Grant	R 9 000 000	R 10 000 000	R 35 000 00
National	Integrated National Electrification Grant		R 600 000	R 700 000
Provincial	Financial Assistance to Municipalities for Maintenance and Construction of Transport Infrastructure	-	R 50 000	R 52 000
Provincial	Human Settlements Development Grant (Beneficiaries)	R 14 167 000	R 8 000 000	R 29 000 00
Provincial	Title Deeds Restoration Grant	R 403 000	R 403 000	-
Provincial	Informal Settlements Upgrading Partnership Grant	R 500 000	R 5 200 000	-
Provincial	Municipal Energy Resilience Grant	R 522 000	-	-
Provincial	Municipal Water Resilience Grant	R 2 000 000	-	-
Total Capital Projects Grant		**R 37 809 000**	**R 35 795 000**	**R 76 899 00**

MONTHLY PROJECTIONS OF CASH FLOW 2024/25 ANNEXURE II

WC041 Kannaland - Supporting Table SA30 Budgeted monthly cash flow															
MONTHLY CASH FLOWS	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash Receipts By Source													1		
Property rates	2 097	2 097	2 097	2 097	2 097	2 097	2 097	2 097	2 097	2 097	2 097	2 097	25 164	26 318	27 522
Service charges - electricity revenue	7 168	7 168	7 168	7 168	7 168	7 168	7 168	7 168	7 168	7 168	7 168	7 168	86 021	95 436	117 019
Service charges - water revenue	1 703	1 703	1 703	1 703	1 703	1 703	1 703	1 703	1 703	1 703	1 703	1 703	20 437	22 481	23 718
Service charges - sanitation revenue	738	738	738	738	738	738	738	738	738	738	738	738	8 853	9 331	9 844
Service charges - refuse revenue	714	714	714	714	714	714	714	714	714	714	714	714	8 568	9 029	9 525
Rental of facilities and equipment	81	81	81	81	81	81	81	81	81	81	81	81	976	1 038	1 080
Interest earned - external investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned - outstanding debtors	555	555	555	555	555	555	555	555	555	555	555	555	6 657	7 017	7 403
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	318	318	318	318	318	318	318	318	318	318	318	318	3 817	3 980	4 173
Licences and permits	41	41	41	41	41	41	41	41	41	41	41	41	493	4	4
Agency services	121	121	121	121	121	121	121	121	121	121	121	121	1 456	1 517	1 585
Transfers and Subsidies - Operational	5 207	5 207	5 207	5 207	5 207	5 207	5 207	5 207	5 207	5 207	5 207	5 207	63 488	57 007	73 945
Other revenue	165	165	165	165	165	165	165	165	165	165	165	165	1 988	2 089	2 140
Cash Receipts by Source	18 908	18 908	18 908	18 908	18 908	18 908	18 908	18 908	18 908	18 908	18 908	18 908	229 208	219 227	277 460
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations)	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	19 758	22 919	47 345
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source	20 555	20 555	20 555	20 555	20 555	20 555	20 555	20 555	20 555	20 555	20 555	20 555	248 966	242 146	324 805
Cash Payments by Type															
Employee related costs	(6 349)	(6 349)	(6 349)	(6 349)	(6 349)	(6 349)	(6 349)	(6 349)	(6 349)	(6 349)	(6 349)	(6 349)	(76 190)	(79 857)	(85 331)
Remuneration of councillors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finance charges	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Bulk purchases - Electricity	(5 044)	(5 044)	(5 044)	(5 044)	(5 044)	(5 044)	(5 044)	(5 044)	(5 044)	(5 044)	(5 044)	(5 044)	(60 528)	(63 313)	(66 102)
Bulk purchases - Water & Sewer	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other materials	(472)	(472)	(472)	(472)	(472)	(472)	(472)	(472)	(472)	(472)	(472)	(472)	(5 665)	(5 927)	(6 193)
Contracted services	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(4 567)	(54 802)	(43 563)	(73 260)
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure	(1 712)	(1 712)	(1 712)	(1 712)	(1 712)	(1 712)	(1 712)	(1 712)	(1 712)	(1 712)	(1 712)	(2 373)	(21 100)	(22 348)	(46 072)
Cash Payments by Type	(18 144)	(18 144)	(18 144)	(18 144)	(18 144)	(18 144)	(18 144)	(18 144)	(18 144)	(18 144)	(18 144)	(18 794)	(218 291)	(216 906)	(281 072)
Other Cash Flows/Payments by Type															
Capital assets	–	–	–	–	–	–	–	–	–	–	–	(22 203)	(22 202)	(22 979)	(47 345)
Repayment of borrowing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	(18 144)	(18 144)	(18 144)	(18 144)	(18 144)	(18 144)	(18 144)	(18 144)	(18 144)	(18 144)	(18 144)	(40 997)	(240 873)	(222 408)	(318 112)
NET INCREASE/(DECREASE) IN CASH HELD	2 411	2 411	2 411	2 411	2 411	2 411	2 411	2 411	2 411	2 411	2 411	(20 431)	9 986	20 717	5 799
Cash/cash equivalents at the month/year begin:	90 188	92 598	95 009	97 420	99 830	102 241	104 652	107 062	109 473	111 884	114 294	116 705	90 188	96 274	128 991
Cash/cash equivalents at the month/year end:	92 598	95 009	97 420	99 830	102 241	104 652	107 062	109 473	111 884	114 294	116 705	96 274	96 274	124 991	130 790

DD

3.8 CAPITAL PROGRAMME PERFORMANCE

EXPENDITURE STATUS 2024/2025 FY (March 2025)								
No.	**Grant**	**Project No**	**Project Name**	**Original Budget**	**Expenditure**	**Still to spend**	**% Spend**	**Status/Progress/Comments**
1	MIG		YELLOW FLEET	R 2 457 699,00	R 2 457 698,86	R 0,14	100%	
2	MIG		REFURBISHMENT OF VAN WYKSDORP WASTE WATER TREATMENT WORKS	R 1 742 301,00	R 591 858,14	R 1 150 442,86	34%	
3	MIG		REFURBISH AND UPGRADE CALITZDORP WASTE WATER TREATMENT WORKS	R 3 156 000,00	R 1 191 309,85	R 1 964 690,15	38%	
4	MIG		REFURBISH AND UPGRADE ZOAR WASTE WATER TREATMENT WORKS OXIDATION PHASE 2	R 3 300 000,00	R 1 196 204,25	R 2 103 795,75	36%	
5	Water Resilience Grant		Municipal Water Resilience Grant	R 4 000 000,00	R -	R 4 000 000,00	0%	
6	Water Resilience Grant		Municipal Water Resilience Grant	R 1 503 814,00	R 168 693,50	R 1 335 120,50	11%	
7	WSIG		UPGRADE AND REFURBISH LADISMITH WASTE WATER TREATMENT WORKS PH2	R 9 000 000,00	R 6 220 475,70	R 2 779 524,30	69%	
8	INEP		INEP (Eskom)	R 104 000,00	R -	R 104 000,00	0%	
9	Water Resilience Grant		Municipal Energy Resilience Grant	R 522 000,00	R -	R 522 000,00	0%	
10	MIG	PMU/041	PMU 2024/25	R 560 850,00	R 383 811,57	R 177 038,43	68%	Registered

SECTION 4 – QUALITY CERTIFICATION

KANNALAND
MUNISIPALITEIT | MUNICIPALITY

Posbus 30 P.O. Box
LADISMITH
6655

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

Kerkstr. 32 Church St.
LADISMITH
6655

QUALITY CERTIFICATE

I, Dillo Sereo Accounting Officer of **Kannaland Municipality WC041**, hereby certify that the quarterly budget statement for quarter three ended 31 March 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 :17 April 2025

ANNEXURE A - Bank Withdrawals MFMA Section 11(4)

PROVINCIAL TREASURY
Withdrawals from Municipal Bank Accounts
In accordance with Section 11, Sub-section 1 (b) to (j)

NAME OF MUNICIPALITY:	KANNALAND MUNICIPALITY	
MUNICIPAL DEMARCATION CODE:	WC041	
QUARTER ENDED:	Mar-25	

	Amount	Reason for withdrawal
MFMA section 11. (1) Only the *accounting officer* or the *chief financial officer* of a *municipality*, or any other senior financial *official* of the *municipality* acting on the written authority of the *accounting officer* may withdraw money or authorise the withdrawal of money from any of the *municipality*'s bank accounts, and may do so only -	R 0.00	
(b) to defray expenditure authorised in terms of section 26(4);	R 0.00	
(c) to defray unforeseeable and unavoidable expenditure authorised in terms of section 29(1);	R 0.00	
(d) in the case of a bank account opened in terms of section 12. to make payments from the account in accordance with subsection (4) of that section;	R 0.00	
(e) to pay over to a person or organ of state money received by the *municipality* on behalf of that person or organ of state, including -	R 1,908,761.16	Motor Registration and RTMC transaction fees
(i) money collected by the *municipality* on behalf of that person or organ of state by agreement; or	R 0.00	
(ii) any insurance or other payments received by the *municipality* for that person or organ of state;	R 0.00	
(f) to refund money incorrectly paid into a bank account;	R 0.00	
(g) to refund guarantees, sureties and *security* deposits;	R 0.00	
(h) for cash management and *investment* purposes in accordance with section 13;	R 0.00	
(i) to defray increased expenditure in terms of section 31; or	R 0.00	
(j) for such other purposes as may be *prescribed*.	R 0.00	

(4) The *accounting officer* must within 30 days after the end of each *quarter* -	**Name and Surname: L STEENKAMP**	
(a) table in the *municipal council* a consolidated report of all withdrawals made in terms of subsection (1)(b) to (j) during that *quarter*; and	**Rank/Position:**	Chief Financial Officer
(b) submit a copy of the report to the relevant *provincial treasury* and the *Auditor-General*.	**Signature:**	

Tel number	**Fax number**	**Email Address**
(028) 551 8000	(028) 551 1766	jodene@kannaland.gov.za

The completed form must reach Mr Wesley Baatjies at the Provincial Treasury, Private Bag x 9165, 7 Wale Street, Cape Town, 8000, Tel: 021 483 5007, Fax 021 483 8623, Email: wbaatjie@pgwc.gov.za on or before the 15th of the month following the end of each quarter.

BANK ACCOUNT WITHDRAWALS NOT IN TERMS OF AN APPROVED BUDGET

national treasury

Municipal Finance Management Act, section 11(4)

Consolidated Quarterly Report for period 01/01/2025 to 31/03/2025

D

Date	Payee	Amount in R'000	Description and Purpose (including section reference e.g. sec 11(f))	Authorised by (name)
31-Mar	Department of Transport	-	Section 11, Sub-section e (1)	L Steenkamp

Instructions for completing this report:

The Accounting Officer must include information motivating the non-budgetted withdrawals, action taken to rectify the breach and identify how funding will be sourced through an Adjustments Budget. This motivation can be an additional report to council or incorporated into the table above by inserting additional space.
This report must be tabled in Council within 30 days after the end of each quarter where a withdrawal occurs.

Withdrawals that must be reported each quarter:

1. Section 11(b) - Expenditure authorised by the MEC for finance in terms of section 26 (4) when a municipality has failed to approve a budget by 30 June;
2. Section 11(c) - Unforeseeable and unavoidable expenditure authorised by the mayor in terms of section 29 (1);
3. Section 11(d) -Payments from a trust, charitable or relief fund without budget appropriation in terms of section 12(4);
4. Section 11(e) - Payments to a person or organ of state of money received by the municipality on behalf of that person or organ of state, including
   (i) money collected by the municipality on behalf of that person or organ of state by agreement; or
   (ii) any insurance or other payments received by the municipality for that person or organ of state;
5. Section 11(f) - Refund money incorrectly paid into a bank account;
6. Section 11(g) - Refund guarantees, sureties and security deposits;
7. Section 11(h) - Payments for cash management and investment purposes in accordance with section 13;
8. Section 11(i) - To defray increased expenditure on a multi-year capital project in terms of section 31;
9. Section 11(j) - Payments for such other purposes as may be prescribed from time-to-time.

Distribution:

1. Table this report in a full council meeting, including additional motivation on action taken to rectify,within 30 days after the end of each quarter (section 11(4))
2. Submit a copy to the relevant National Treasury, provincial treasury and the Auditor-General

ANNEXURE D – BUDGET FUNDING PLAN

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