



MATATIELE
LOCAL MUNICIPALITY

2024/2025
MONTHLY
SECTION 71
REPORT

MONTH ENDED
30TH JUNE 2025

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GLOSSARY

Annual Budget – Prescribed in section 16 of the MFMA - the formal means by which a Municipality approve official budget for the next three years.

Adjustment Budget – Prescribed in section 28 of the MFMA – the formal means by which a Municipality may revise its annual budget during the year.

Allocations (Transfers – see DORA) – Money received from Provincial or National Government.

Budget Related Policy(ies) – Policies of a Municipality affecting or affected by the budget, examples include Tariff Policy, Rates Policy, Credit Control and Debt Collection Policies.

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 and must be included in the asset register.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality. Payments do not always coincide with budgeted expenditure timings - for example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government (see Allocations / Transfers).

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services and to compensate loss of RSC levies.

Fruitless and Wasteful Expenditure – Expenditure that was made in vain and would/should 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 new 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 dated April 2009.

MFMA – The Municipal Finance Management Act – Act No. 56 of 2003. The principle piece of legislation relating to municipal financial management. mSCOA – Municipal Standard Chart of Accounts.

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 years' budget allocations. Also includes details of the previous and current years' financial position.

Operating Expenditure –The day-to-day expenses of the Municipality such as salaries and wages.

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 budgeted 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 – Generally, spending without, or in excess of, an Approved Budget.

Virement – A transfer of funds within a vote.

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 is divided. In Garden Route District, this means the different GFS classification the budget is divided.

LEGISLATIVE FRAMEWORK

This report has been prepared in terms of the following enabling legislation:

The municipal Finance Management Act No. 56 of 2003

Section 71: Monthly budget Statements

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

PART 1-IN-YEAR REPORT

Section 1-Resolutions

These are the resolutions being presented to Council in the monthly report on the implementation of budget and financial situation of the municipality as required in terms of section 71 of the Municipal Finance Management Act 56 of 2003 and the Budget and Reporting Regulations

Regulation 28 of the Municipal Budget and Reporting Regulations states:

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

Recommendations:

- That, Council takes note of the monthly budget statement and supporting documentation for the month 30 June 2025.
- That, the submission of section 71 reports and to Provincial and National Treasuries 10 days after the end of each month be noted by Council.

Section 2-Executive summary

2.1 Introduction

The aim of the Financial Monitoring Report (FMR) is to provide a monthly update and report on the municipality's consolidated performance in terms of the budget, indicate any material variances from Service delivery and Budget Implementation Plan (SDBIP) and provide any remedial action or corrective steps to be taken.

The below analysis is a high-level assessment based on revenue and expenditure recognised on the Municipal Financial System. It is incumbent on the necessary user business units and user departments to ensure the completeness, Validity and accuracy of the information provided for the purposes of the assessment and bring to the attention of the council any further business units' items which are not fully elaborated below.

2.2 Consolidated Performance (Revenue & Expenditure)

Revenue by source

The total annual approved budget is **R 681,215,688** this was adjusted to an adjusted revenue budget of **R 683,564,436**. The revenue recognised for the month ended 30 June 2025 is **R 20,438,170** (including capital transfers). This represents **3%** of the approved revenue budget. This is less than expected performance for the month due less billed property rates, decrease in electricity sales and decrease in interests this month. The total YTD revenue recognised is **91%**.

Operating Expenditure by type

The municipality's approved expenditure budget was **R 584,466,312** this was adjusted to an adjusted expenditure of **R 585,266,698**. The actual expenditure incurred for the month ending 30 June 2025 amount to **R 42,197,020** when measured against the approved budget this represents **7%** of the approved operating budget. This is less than expected performance for the month due to non-cash items, depreciation, impairment of assets, electrical repairs and maintenance expenditure for the period under review. The YTD expenditure incurred is **85%**.

Capital Expenditure

The total approved capital budget was **R182,983,008** this was adjusted to an adjustment budget of **R 184,531,371**. The Municipality incurred expenditure of **R 7,884,447** for the month ended 30 June, this represents **14%** of the approved capital expenditure budget and this is more than the expected performance for the month due to projects that were appointed this quarter and have this month done most of the work on site. The total YTD spending is **67%**.

Capital Expenditure Funding Sources

- The MIG capital funding for the financial year is **R 54,704,808**. The spending for the month is **R 2,264,570** (Vat exclusive). YTD to date spending represents **77%**.
- Disaster Response Grant of **R 42,640,739** million was allocated. The grant reflects **R 3,633,259** (Vat exclusive) spending as at 30 June 2025, the expenditure to date represents **47%**. Minimal expenditure reflected on the grant as a result of the delay in awarding of disaster related capital projects.
- The Library Capital Grant allocation of **R 950,000** was allocated. The grant reflects **R 547,298** spending on 30 June 2025. Expenditure to date represents **66%**.
- Capital Replacement Reserves (CRR) for the financial year of **R 86,235,804** million is allocated. The spending as at 30 June 2025 is **R 20,382,960** Expenditure to date represents **70%**.

Capital Expenditure material variances

- The Capital Expenditure for the 2024/2025 financial year is which implies that the capital expenditure incurred is significantly below the projection, variance is due to delays in implementing projects .

The table below is an analysis per business unit –

Summary of Capital Expenditure relate to 2024-2025 financial year.

The approved capital budget includes Capital Replacement Reserve.

Row Labels	Sum of TotalBudget	Sum of 202412	Sum of TotalActual
Community and Social Services: Community Governance(3096)	169 996	-	1 739
Community Halls and Facilities:Public Amenities (3005)	2 687 012	-	809 667
CORE FUNCTION: SOLID WASTE REMOVAL	5 803 004	-	4 484 666
Energy Sources: Electricity (4040)	11 704 016	1 778 630	9 869 465
Executive and Council: Mayor and Council(1005)	50 004	-	25 238
Executive and Council: Municipal Manager (1010)	39 996	-	27 761
Finance and Administration: Information Technology (2540)	3 229 992	212 313	1 249 894
Finance and Administration: Administrative and Corporate Support(2530)	90 000	-	50 475
Finance and Administration: Asset Mangement and Reporting (2015)	89 996	-	80 761
Finance and Administration: Council Support (2541)	510 000	-	452 955
Finance and Administration: Human Resources (2535)	90 000	-	71 475
Finance and Administration: SCM & Expenditure (2025)	2 380 000	-	1 412 688
Finance and Administration: Revenue and Debt Management (2020)	90 000	-	59 040
Finance:Budget & Treasury (2010)	-	-	-
Marketing; Customer Relations; Publicity and Media Co-ordination:comm	590 004	26 711	26 711
Planning and Development: LED (3520)	3 060 000	-	1 471 338
Planning and Development: Planning (3510)	99 996	-	-
Planning and Development: Planning Governance (3540)	45 000	-	25 238
Public Safety: Civil Defence (3074)	7 700 008	-	4 016 848
Risk Management:FINANCE AND ADMINISTRATION RISK AND M	75 000	-	59 366
ROAD TRANSPORT: INFRASTRUCTURE GOVERNANCE (4050)	45 000	-	29 382
Road Transport: Project Operations & Maintnt(4010)	57 890 751	2 958 258	30 876 690
Roads:Project Management Unit	82 591 612	8 183 237	65 805 601
Town Planning: Building Regulations and Enforcement; and City Engineer	5 499 984	-	1 986 115
Grand Total	184 531 371	13 159 149	122 893 112
		7%	67%

Grant Funded Projects (MIG PROJECTS)

MIG Capital Project	June 2025 status
Mahangwe Sport Centre	Project is at design stage.
Highmast Lights	Commissioned and completed
Construction of Cedarville Internal Streets Phase 4	Project is under construction and the progress is 65%
Maluti Internal Streets Phase 5	Project is under construction and the progress is 61%.
Mahasheng Access Road & Bridge	Project is under construction and the progress is 70%.
Mafube-Nkosana Access Road & Bridge	Project is under construction and the progress is 60 % .
Lekhalong via Magera-Outspan Access Road	Project is under construction and the progress is 60%
Extension of Matatiele Sports Centre Ph2	Project is practical completion stage (95 %)
Harry Gwala Internal Streets	Project is under construction and the progress is 65%
Disaster and Fire Management Centre	Project is as planning stage

Compactor Tractor

Grant Funded Projects (Integrated National Electrification Programme Grant) INEP

INEP Capital Project	June 2025 status
Connect Mbizeni	Awaiting Outage date and Inspections
Connect Mapakising	Construction is complete, contractor is busy with Eskom process. Overall progress is at 100%
Connect Mgubho	Awaiting Outage date and Inspections
Connect Luxeni	Awaiting Outage date and Inspections
Connect Lihasang	Construction is complete, contractor is busy with Eskom process. Overall progress is at 100%
Contractors:Electrical	Construction is complete, contractor is busy with Eskom process. Overall progress is at 100%
Connect Paballong	Construction is complete awaiting for an Outage Date. Overall progress is at 95%.
Connect Mahlabatheng	Construction is complete, contractor is busy with Eskom process. Overall progress is at 100%
Connect Lugada	Awaiting Outage date and Inspections

Disaster Response Grant

Disaster Capital Project	June 2025 status
Baloon Street Crossing Bridge	Project is completed (100%)
Mabheleni-Upper Mvenyane Access Road & Bridge	Project is at 95%
Hillside - Ngcwengane Access Road and Bridge	Project is completed (100%) but the final retention not yet paid
Rockville Protea Bridge	Project is completed (100%)
Nyanzela Access Road	Project is completed (100%)
Mdeni Access Road and Bridge	Mdeni Bridge is under construction and progress is 58%.
Lugada to Mahlabathini and Bridge	Project is under construction and progress is 68%.

Internal Funded Capital Projects

<u>Capital Replacement Reserve Projects</u>	<u>June 2025 Status</u>
Renovation of Town Hall	Planning Stage
Skiti -Tholang Access Road	Project is at practical completion stage, progress is 95%
Fencing Nature Reserve	The project is at 80%
Server	Planning Stage

Weigh Bridge	Planning Stage
Ramafole Access Road	Project is under construction and the progress is 64 %. Project is at practical completion stage, progress is 95%
New Resh Access Road	Project is at practical completion stage, progress is 95%
FM TOWER LINE WIP	Completed
Kinira to Shepard Hope Access Road	Project is under construction and the progress is at 40 %.
Bhakaneni Access Road	Project is at practical completion stage, progress is 95%
Fatima Access Road	Project is under construction and the progress is 39.1 %.
Municipal Fleet	The project is at 60%
Pontseng Access Road	Project is under construction and the progress is at 80 %.
Mafaise Access Road	Project is under construction and the progress is at 55 %.
f 2 silo facilities	The project is at 50%F
Moriting- Kweneng Access Road	Project is at practical completion stage, progress is 95%
Chere Mahareng Access Road	Project is at practical completion stage, progress is 95%
New Stance Access Road	Project is at practical completion stage(95 %) with a snag list.
Nkungwini-Ngudla Access Road	Project is under construction and the progress is 58.8 %.
TRANSFORMERS INFRA	Completed
Malubaluba Access Road	Project is at practical completion stage, progress is 95%
Ned Access Road	Project is at practical completion stage(95 %) with a snag list.
Fire Engine Truck	Planning stage

This information reflects on our tender control plan on June 2025

2.3 Material variances from the SDBIP

The were no variances and deficiencies that were identified on the SDBIP under month under review.

2.4 Remedial or corrective steps

HODs and unit managers are sent monthly income and expenditure reports to monitor expenditure and revenue performance of each department, ensure spending is within budget and is aligned to the IDP's Strategic Goals.

Section 3

IN-YEAR BUDGET STATEMENT TABLES

3.1 Monthly budget statements

3.1.1 Table C1 Monthly Budget Statement Summary

Choose name from list - Table C1 Monthly Budget Statement Summary - M12 - June

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	50 849	61 957	61 937	(229)	56 360	61 937	(5 576)	-9%	61 937
Service charges	79 146	91 972	91 972	9 350	89 707	91 972	(2 264)	-2%	91 972
Investment revenue	24 861	28 813	28 813	2 127	22 318	28 813	(6 495)	-23%	28 813
Transfers and subsidies - Operational	316 426	360 244	334 047	4 882	356 434	334 047	22 387	7%	334 047
Other own revenue	64 211	41 503	66 501	(3 066)	23 614	66 501	(44 886)	-66%	-
Total Revenue (excluding capital transfers and contributions)	535 492	584 488	585 298	13 083	548 434	585 298	(36 835)	-8%	585 298
Employee costs	166 279	174 999	174 999	13 279	165 046	174 999	(9 953)	-6%	174 999
Remuneration of Councilors	22 360	26 401	26 401	1 989	24 244	26 401	(2 157)	-8%	26 401
Depreciation and amortisation	88 802	52 796	32 840	-	31 765	32 840	(1 075)	-3%	32 840
Interest	1 529	-	-	1 428	1 428	-	1 428	#DIV/0!	-
Inventory consumed and bulk purchases	79 683	83 143	97 439	6 522	83 913	97 439	(13 526)	-14%	97 439
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	244 458	247 133	253 588	19 198	193 678	253 588	(59 910)	-24%	253 588
Total Expenditure	603 158	584 488	585 297	42 418	580 875	585 297	(45 182)	-15%	585 297
Surplus/(Deficit)	(67 658)	2	2	(29 332)	48 359	2	48 359	2215130%	2
Transfers and subsidies - capital (monetary allocations)	66 464	96 747	98 296	7 593	74 657	98 296	(23 639)	-24%	98 296
Transfers and subsidies - capital (in-kind) contributions	7 380	-	-	-	-	-	-	-	-
Share of surplus (deficit) of associate	8 186	98 748	98 298	(21 758)	123 815	98 298	24 718	25%	98 298
Surplus/(Deficit) for the year	8 186	98 748	98 298	(21 758)	123 815	98 298	24 718	25%	98 298
Capital expenditure & funds sources									
Capital expenditure	129 958	182 983	184 531	26 383	122 883	184 531	(61 638)	-33%	184 531
Capital transfers recognised	60 493	96 747	98 296	5 980	62 902	98 296	(35 394)	-36%	98 296
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	60 483	88 238	88 238	20 383	59 991	88 238	(28 245)	-30%	88 238
Total sources of capital funds	129 958	182 983	184 531	26 383	122 883	184 531	(61 638)	-33%	184 531
Financial position									
Total current assets	392 755	481 343	461 393	-	419 819	-	-	-	461 393
Total non current assets	1 041 677	988 611	1 010 110	-	1 132 805	-	-	-	1 010 110
Total current liabilities	164 004	198 386	198 386	-	156 945	-	-	-	198 386
Total non current liabilities	40 325	39 250	39 250	-	42 561	-	-	-	39 250
Community wealth/Equity	1 230 888	1 232 317	1 233 806	-	1 353 119	-	-	-	1 233 806
Cash flows									
Net cash from (used) operating	391 368	177 947	157 245	552	438 045	157 245	(280 800)	-179%	157 245
Net cash from (used) investing	167 906	(182 983)	(184 531)	(29 718)	(130 245)	(184 531)	(54 286)	29%	(184 531)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	814 081	290 182	267 912	-	585 945	267 912	(288 032)	-111%	230 858
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	9 378	3 704	3 493	3 681	3 236	2 927	3 271	220 862	250 554
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

3.1.2 Table C2: Monthly Budget Statement –Financial Performance (Functional Classification)

Choose name from list - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M12 - June

Description	Ref	2023/24	Budget Year 2024/25						
		Approved Budget	Original Budget	Revised Budget	Monthly actual	YearTD actual	YearTD budget	YTD Variance	YTD %
R thousands	1								
Revenue - Functional									
Governance and administration		399 813	438 117	440 124	(1 292)	413 271	440 124	(26 853)	-6%
Executive and council		-	-	-	-	-	-	-	-
Finance and administration		399 813	438 117	440 124	(1 204)	412 671	440 124	(27 453)	-6%
Internal audit		-	-	-	2	600	-	600	=0%/0%
Community and public safety		13 483	14 684	13 847	2 132	12 144	13 847	(903)	-7%
Community and social services		7 261	8 904	7 347	1 732	6 072	7 347	(1 275)	-17%
Sport and recreation		-	-	-	-	-	-	-	-
Public safety		6 222	5 700	5 700	400	6 072	5 700	372	7%
Housing		-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-
Economic and environmental services		57 621	104 188	106 087	7 636	76 822	106 087	(29 265)	-28%
Planning and development		(4 127)	5 502	5 852	(22)	1 867	5 852	(3 985)	-68%
Road transport		61 748	96 696	100 235	7 678	74 955	100 235	(25 280)	-25%
Environmental protection		-	-	-	-	-	-	-	-
Trading services		148 419	124 387	124 387	12 070	120 854	124 387	(3 452)	-3%
Energy sources		120 443	105 494	105 494	11 008	105 392	105 494	(102)	0%
Water management		-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-
Waste management		19 977	18 813	18 813	1 062	15 462	18 813	(3 351)	-18%
Other	4	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	611 336	681 216	683 564	20 657	623 090	683 564	(60 474)	-9%
Expenditure - Functional									
Governance and administration		283 438	256 861	264 711	20 048	221 613	264 711	(43 098)	-16%
Executive and council		30 455	35 348	35 348	2 526	31 804	35 348	(3 543)	-10%
Finance and administration		248 024	216 649	224 499	17 076	185 245	224 499	(39 255)	-17%
Internal audit		4 159	4 864	4 864	446	4 564	4 864	(299)	-6%
Community and public safety		64 168	55 582	52 353	3 886	52 721	52 353	368	1%
Community and social services		41 872	29 281	25 781	2 127	28 435	25 781	2 654	10%
Sport and recreation		-	-	-	-	-	-	-	-
Public safety		22 296	26 221	26 571	1 679	24 285	26 571	(2 286)	-9%
Housing		-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-
Economic and environmental services		83 430	115 059	103 179	5 721	78 541	103 179	(24 638)	-24%
Planning and development		31 604	48 686	48 536	4 314	33 760	48 536	(14 776)	-30%
Road transport		51 826	66 373	54 643	1 407	44 782	54 643	(9 862)	-18%
Environmental protection		-	-	-	-	-	-	-	-
Trading services		172 114	157 044	165 024	12 840	147 200	165 024	(17 824)	-11%
Energy sources		150 153	131 098	140 428	9 393	124 264	140 428	(16 164)	-12%
Water management		-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-
Waste management		21 961	25 946	24 596	3 446	22 936	24 596	(1 660)	-7%
Other		-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	603 150	584 466	585 267	42 416	500 075	585 267	(85 192)	-15%
Surplus/ (Deficit) for the year		8 186	96 749	98 298	(21 759)	123 015	98 298	24 718	25%

This table assesses the revenue and expenditure by department, the revenue for the period ending 30 June 2025 is **R 20** million and the expenditure is **R 42** million.

3.1.3 Table C3: Monthly Budget Statement –Financial Performance (revenue and expenditure by municipal vote)

Choose name from list - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 - June

Vote Description	Ref	Budget Year 2024/25								
		2023/24 Actuals	Original Budget	Revised Budget	Monthly actual	YearTD actual	YearTD Budget	YTD variance	YTD variance %	Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Executive Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		399 412	437 767	439 774	(1 210)	412 286	439 774	(27 488)	-6.3%	439 774
Vote 3 - Corporate		401	350	350	7	385	350	35	10.0%	350
Vote 4 - Development and Planning		(4 022)	5 502	5 852	(22)	1 867	5 852	(3 985)	-68.1%	5 852
Vote 5 - Community		33 460	33 416	31 860	3 194	27 606	31 860	(4 254)	-13.4%	31 860
Vote 6 - Infrastructure		182 086	204 180	205 729	18 686	180 347	205 729	(25 382)	-12.3%	205 729
Vote 7 - Internal Audit		-	-	-	2	600	-	600	#DIV/0!	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	611 336	681 216	683 564	20 657	623 090	683 564	(60 474)	-8.8%	683 564
Expenditure by Vote	1									
Vote 1 - Executive Council		30 455	35 348	35 348	2 526	31 804	35 348	(3 543)	-10.0%	35 348
Vote 2 - Finance and Admin		167 599	125 287	130 737	8 176	100 520	130 737	(30 217)	-23.1%	130 737
Vote 3 - Corporate		81 225	91 362	93 762	8 901	84 724	93 762	(9 038)	-9.6%	93 762
Vote 4 - Development and Planning		31 604	48 686	48 536	4 314	33 800	48 536	(14 736)	-30.4%	48 536
Vote 5 - Community		86 130	81 448	76 949	7 253	75 657	76 949	(1 292)	-1.7%	76 949
Vote 6 - Infrastructure		201 979	197 471	195 071	10 801	169 004	195 071	(26 067)	-13.4%	195 071
Vote 7 - Internal Audit		4 159	4 864	4 864	446	4 564	4 864	(299)	-6.2%	4 864
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	603 150	584 466	585 267	42 416	500 075	585 267	(85 192)	-14.6%	585 267
Surplus/ (Deficit) for the year	2	8 186	96 749	98 298	(21 759)	123 015	98 298	24 718	25.1%	98 298

Reporting per municipal Vote provides details on the spending over the various functions.

Revenue is mainly budgeted under the Finance & Admin Function and therefore most of the revenue will be reflected under this function.

Expenditure by functional classification presents the expenditures by the departments

3.1.4 Table C4: Monthly Budget Statement-Financial Performance (revenue by source and expenditure by type)

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 - June

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		67 647	76 446	76 446	8 348	77 914	76 446	1 468	2%	76 446
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		11 499	15 526	15 526	1 002	11 793	15 526	(3 732)	-24%	15 526
Sale of Goods and Rendering of Services		37 443	5 946	32 944	77	2 293	32 944	(30 651)	-83%	32 944
Agency services		-	-	3 000	-	-	3 000	(3 000)	-100%	3 000
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		1 657	2 200	2 200	54	1 636	2 200	(564)	-26%	2 200
Interest from Current and Non Current Assets		24 861	28 813	28 813	2 127	22 318	28 813	(6 495)	-22%	28 813
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		327	-	-	-	303	-	303	#DIV/0!	-
Rental from Fixed Assets		1 294	2 028	2 028	(5 274)	(3 595)	2 028	(5 623)	-277%	2 028
License and permits		3 969	4 522	1 522	325	4 009	1 522	2 486	163%	1 522
Operational Revenue		635	892	892	163	518	892	(374)	-42%	892
Non-Exchange Revenue		-	-	-	-	-	-	-	-	-
Property rates		50 849	61 937	61 937	(229)	56 360	61 937	(5 576)	-9%	61 937
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2 288	25 890	1 620	88	2 127	1 620	507	31%	1 620
License and permits		28	25	25	0	31	25	6	24%	25
Transfers and sub-subsidiaries - Operations		316 426	360 244	334 047	4 882	356 434	334 047	22 387	7%	334 047
Interest		16 571	-	24 270	1 281	16 293	24 270	(7 977)	-32%	24 270
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	219	1	-	218	#DIV/0!	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		535 402	584 406	585 287	13 083	548 434	585 287	(36 853)	-6%	585 287
Expenditure By Type										
Employee related costs		165 279	174 999	174 999	13 279	165 046	174 999	(9 953)	-6%	174 999
Remuneration of councilors		22 360	26 401	26 401	1 989	24 244	26 401	(2 157)	-8%	26 401
Bulk purchases - electricity		74 157	76 246	90 546	6 037	78 712	90 546	(11 833)	-13%	90 546
Inventory consumable		5 526	6 897	6 893	485	5 201	6 893	(1 692)	-25%	6 893
Debt impairment		-	-	-	-	-	-	-	-	-
Depreciation and amortisation		88 802	32 790	32 840	-	31 765	32 840	(1 075)	-3%	32 840
Interest		1 529	-	-	1 428	1 428	-	1 428	#DIV/0!	-
Contracted services		139 772	160 782	167 727	14 108	133 921	167 727	(33 806)	-20%	167 727
Transfers and sub-subsidiaries		-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		24 017	6 294	6 294	-	-	6 294	(6 294)	-100%	6 294
Operational costs		86 966	80 098	79 567	5 063	59 730	79 567	(19 836)	-25%	79 567
Losses on Disposal of Assets		13 459	-	-	-	-	-	-	-	-
Other Losses		294	-	-	27	27	-	27	#DIV/0!	-
Total Expenditure		883 150	584 408	585 287	42 418	588 075	585 287	(26 182)	-5%	585 287
Surplus/(Deficit)		(347 748)	2	2	(29 332)	48 359	2	(48 358)	2215110%	2
Transfers and sub-subsidiaries - capital (monetary allocations)		68 464	96 747	98 296	7 593	74 657	98 296	(23 639)	-24%	98 296
Transfers and sub-subsidiaries - capital (in-kind)		7 380	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		8 188	96 749	98 298	(21 739)	123 015	98 298	(24 783)	-20%	98 298
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		8 188	96 749	98 298	(21 739)	123 015	98 298	(24 783)	-20%	98 298
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		8 188	96 749	98 298	(21 739)	123 015	98 298	(24 783)	-20%	98 298
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		8 188	96 749	98 298	(21 739)	123 015	98 298	(24 783)	-20%	98 298

In terms of 30 June 2025 Monthly Budget & Performance assessment, the actual billed and/or collected for the month is **R 13** thousand exclusive of capital transfers against approved revenue budget of **R 585,3** million, this represents **2,2%**, This is less than expected performance for the month due less billed property rates, decrease in electricity sales and decrease in interest on electricity this month. The YTD revenue recognised is **94%**

The operating expenditure budget as at 30 June 2025 is **R 42** million against approved Expenditure budget of **R 585** million, this represents **7%** of the total operating budget, this is less than expected for the month, this performance is less due non-cash items such as depreciation , electrical repairs and maintenance expenditure and impairment of assets for the period under review and YTD spending is **85%**.

Revenue by Source

Revenue by source explains the types of income budgeted for and the performance of these individually.

Property Rates

Property Rates – Property rates are billed for 10 months starting from July 2024 to April 2025 for both annual and monthly rates, hence there is variance. The variance will decrease once all supplementary valuations are taken into consideration. The total property rates raised/billed amounted to **R 228,896** the income received from property rates amounted to **R 7,595,515** this represents **3318%** when measured against the property rates billed or raised for the month. When measured against the approved budget of **R 61,936,752**, it represents **0%** of the received revenue by source which is less than anticipated for the month, as Billing is based on the value of the property a reassessment of property values might lead to lower tax assessments, exemptions and lower population.

Services Charges

Revenue from Service charges amounted to **R 9,349,904** against the approved budget of **R 91,971,672**. This represents **10%** and this is more than expected performance for the month due to the increase in electricity demand in the month under review. The total YTD revenue is **98%**.

Agency Services

Agency Services has been budgeted separately from licences and permits with an amount of **R 3,000,000** relating to commission received from department of transport. The income received from agency fees amounted to **R 152,712**. This represent **5%** and is less than the expected performance for the month due to a portion that still needs to be correctly classified and currently under licences and permits. The total YTD revenue is **46%**.

Rental of Facilities and equipment

Rental of facilities and equipment approved budget is **R 2,027,532**. Revenue amount of **R 88,473** for June 2025 has been recognised, representing **4%** which is less than the expected performance for the month due to less applications for the rental of municipal facilities this month. it should be noted a journal amounting to **R 5,362,541** Relating to sundry services. The total YTD revenue is **55%**.

Interest earned on Investments

The total approved budget Interest on investments is **R 28,812,996** and the interest received for the month of June 2025 is **R 2,126,703** which represents **7%**, this is less than the expected performance due to the decrease of on investments made. The total YTD revenue is **77%**.

Interest on Outstanding Debtors

The total approved budget on Interest on Outstanding Debtors is **R 26,469,996**. Interest received for the month amounts to **R1,334,596** this represents **5%** which is less than the expected performance for the month due to interest billed to debtors taking longer to pay leading to an increase. The YTD revenue raised is **69%**.

Fines, penalties and Forfeits

Revenue from fines, penalties and forfeits has an approved budget of **R25,890,000** this was adjusted to **R 1,620,000**. The cash receipts for traffic fines issued is **R 88,073** for the June this represents **5%**. It is less than the expected performance due to less traffic fines issued. The YTD revenue is **131%**.

Licences and permits

The total approved budget for licences and permits is **R 1,547,100**. The cash receipts for licence and permits issued was **R 173,059** and represents **11%** of the total revenue budget. This is more than expected performance for the month due to increase in Learner License Application for the month. this is a positive factor in maintaining public safety and ensuring compliance with the law. The total YTD revenue is **162%**

Transfers and Subsidies-Operational

Total approved budget amount on transfers and subsidies budget is **R 334,046,582**. The transfers recognised for the month is **R 4,881,938** The recognised transfers represent **1%** of the budget grant allocation. This is less the expected performance for the month, due to less expenditure incurred on items funded by operational grants for the month. The total YTD revenue is **107%**.

Transfers and Subsidies- Capital

Total approved budget on transfers and subsidies was **R 96,747,180** this was adjusted to **R 98,295,530**. The total revenue of **R 6,591,165** was recognised for the month; this represents **8%** of total budget. This is with the expected performance for the month and YTD revenue recognised is **76%**.

Other Revenue

The approved budget allocation was R 6,838,260 this was adjusted to R 33,836,264, Other revenue amounted to R 240,702 for the month, when measured against the budget allocation. This represents 1%, this is due to INEP grant that needs to be classified correctly to construction revenue which is currently recognised under transfers and subsidies. The total YTD revenue is 8%.

Operating Expenditure by type

Employee related costs/Remuneration of Councillors

Salary costs incurred – the Municipality incurred R 15,2 million salary costs at the end of 30 June 2025 against the approved budget allocation of R 201,4 million, incurring 8% expenditure for the month salary budget allocation and this is within the expected performance for the month as reflected in the table below.

An amount of R56,619.25 been spent for section 79 committee chairperson for the month of June, this will be corrected in June as it is currently reflected under other councillors.

Details	Total Budget	June Actuals	Total Actual
Municipal Staff	166 511 904	13 273 736	160 666 080
Senior Management	8 487 552	304 750	4 380 393
Grand Total	174 999 456	13 578 486	165 046 473

Description	Total Budget	June Actuals	Total Actual
Chief Whip	859 800	61 382	783 377
Executive Committee/Mayoral Committee	6 194 532	366 380	4 378 124
Executive Mayor/Mayor	1 103 472	265 049	3 066 793
Section 79 committee chairperson	847 644	-	63 111
Speaker	932 088	72 429	818 886
Total for All Other Councillors	16 463 808	2 037 461	15 134 075
Grand Total	26 401 344	2 802 700	24 244 366

Debt impairment

Currently the municipality accounts for Debt impairment at the end of the financial year, no expenditure is reflected for month. It must be noted that debt impairment testing, and calculation is done at the financial year end and only at the time are journal entries processed onto the financial system and this journal only accrue in the 13th period on the financial system, therefore no expenditure will reflect for under for this category and Bad debts are written off upon Council's approval.

Irrecoverable debts written-off

Note that no council approved write-offs as at date of reporting as the journal is processed at year end. Bad debt written off under Rates and Electricity will be determined on 13th month and write-offs will be processed after the capital amount outstanding by debtor has been settled in terms of the incentive.

Depreciation

The approved budget was **R52,789,752** this was adjusted to **R 32,839,752**. There is no depreciation accounted for the month, and the asset impairment will be processed on the 13th month. The total YTD expenditure on depreciation incurred reflect **97%**.

Finance charges

No interest expenditure incurred for the month as invoices are paid within 30 days and where is the difference will be the timing in terms of billing by Eskom.

Bulk Purchases

Total approved budget on bulk electricity purchases was **R 76,245,564** this was adjusted to **R 90,545,564**. The expenditure incurred for the month amounted to **R 6,037,304** which represent **7%**. This is less than the expected performance for the month due to change in seasonal demand for electricity. The payment made relates to May invoice then the payment for the bulk purchases of June 2025 will be processed in Month 13. The total YTD spending is **87%**

Other material

Total approved budget on other material was **R 6,897,036** this was adjusted to **R 6,893,032**. The expenditure amounted to **R 292,682** for the month which represent **4%** of the budget. This is less than the expected performance for the month due to less demand on stores items. The total YTD Expenditure is **76%**.

Contracted Services

Total approved budget on contracted services was **R160,781,520** this was adjusted to **R 167,726,906**. The spending for the month amounted to **R 14,108,014** this represents **8%**. This is within the expected performance for the month. The total YTD Expenditure is **80%**.

Other Expenditure

Other expenditure includes all other general operational costs of the Municipality. Total approved Budget on Other expenditure is **R 79,566,644**. The expenditure for the month amounted to **R 5,062,827**. This represents **6%** of the budgeted amount on this category. This is less than the expected performance for the month due to no expenditure made on workmen's compensation and less expenditure on Uniform, Radio Slots, Provisions Landfill site and ICT software licence and cleaning materials. The total YTD Expenditure is **69%**.

3.1.5 Table C5 Monthly Budget Statement- Capital Expenditure (municipal vote function classification and funding)

Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 - June										
Vote Description	Ref	2023/24 Budget	Original B. Alloc.	Revised B. Alloc.	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD %	YearTD Variance
Multi-Year expenditure appropriation	2									
Vote 1 - Executive Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate		-	-	-	-	-	-	-	-	-
Vote 4 - Development and Planning		-	-	-	-	-	-	-	-	-
Vote 5 - Community		-	-	-	-	-	-	-	-	-
Vote 6 - Infrastructure		-	-	-	-	-	-	-	-	-
Vote 7 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4*	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Executive Council		64	90	90	28	53	90	(37)	-41%	90
Vote 2 - Finance and Admin		3 322	3 225	3 225	(117)	1 638	3 225	(1 586)	-49%	3 225
Vote 3 - Corporate		1 983	3 920	3 920	811	1 825	3 920	(2 095)	-53%	3 920
Vote 4 - Development and Planning		116	8 705	8 705	636	3 463	8 705	(5 222)	-60%	8 705
Vote 5 - Community		5 715	16 360	16 360	4 388	9 313	16 360	(7 047)	-43%	16 360
Vote 6 - Infrastructure		118 710	190 863	192 231	18 412	106 581	192 231	(85 650)	-30%	192 231
Vote 7 - Internal Audit		46	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Capital Single-year expenditure	4	129 956	182 983	184 531	28 363	122 893	184 531	(61 638)	-33%	184 531
Total Capital Expenditure		129 956	182 983	184 531	28 363	122 893	184 531	(61 638)	-33%	184 531
Capital Expenditure - Functional Classification										
Governance and administration		5 415	7 235	7 235	727	3 518	7 235	(3 716)	-51%	7 235
Executive and council		64	90	90	28	53	90	(37)	-41%	90
Finance and administration		8 305	7 145	7 145	699	3 463	7 145	(3 682)	-52%	7 145
Internal audit		46	-	-	-	-	-	-	-	-
Community and public safety		4 346	16 498	16 498	3 842	4 838	16 498	(12 159)	-74%	16 498
Community and social services		861	2 510	2 510	110	811	2 510	(1 699)	-68%	2 510
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		3 485	7 980	7 980	3 732	4 017	7 980	(3 963)	-49%	7 980
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		100 893	149 738	149 738	17 821	100 194	149 738	(49 544)	-33%	149 738
Planning and development		116	8 705	8 705	636	3 463	8 705	(5 222)	-60%	8 705
Road transport		100 577	141 033	140 527	16 165	96 712	140 527	(43 815)	-31%	140 527
Emergency protection		-	-	-	-	-	-	-	-	-
Trading services		19 883	15 888	15 888	4 774	14 354	15 888	(1 533)	-10%	15 888
Energy services		13 133	9 800	11 704	2 227	9 869	11 704	(1 835)	-16%	11 704
Raster management		-	-	-	-	-	-	-	-	-
Asset water management		-	-	-	-	-	-	-	-	-
Asset management		1 369	5 803	5 803	2 547	4 485	5 803	(1 318)	-23%	5 803
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	129 956	182 983	184 531	28 363	122 893	184 531	(61 638)	-33%	184 531
Funded by:										
National Government		60 493	95 787	95 787	5 888	62 272	95 787	(33 515)	-35%	95 787
Provincial Government		-	950	950	82	629	950	(321)	-34%	950
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (intercity allocations) (Net Prov. Dependent Agencies)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		60 493	96 737	96 737	5 969	62 902	96 737	(33 794)	-35%	96 737
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds		89 463	86 236	86 236	20 363	59 991	86 236	(26 245)	-30%	86 236
Total Capital Funding		129 956	182 983	184 531	26 363	122 893	184 531	(61 638)	-33%	184 531

The total approved capital budget was **R182,983,008** this was adjusted to an adjustment budget of **R 184,531,371**. The Municipality incurred expenditure of **R 7,884,447** for the month ended 30

June, this represents **14%** of the approved capital expenditure budget and this is more than the expected performance for the month due to projects that were appointed this quarter and have this month done most of the work on site. The total YTD spending is **67%**.

3.1.6 C6 Monthly Budget Statement –Financial Position

Choose name from list - Table C6 Monthly Budget Statement - Financial Position - M12 - June

Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		258 145	290 162	267 912	269 900	267 912
Trade and other receivables from exchange transactions		(43 578)	126 604	128 804	(36 634)	128 804
Receivables from non-exchange transactions		154 305	37 651	37 751	158 812	37 751
Current portion of non-current receivables		-	-	-	-	-
Inventory		4 413	3 041	3 041	3 832	3 041
VAT		12 924	18 836	18 836	18 045	18 836
Other current assets		6 546	5 048	5 048	5 866	5 048
Total current assets		392 755	481 343	461 393	419 819	461 393
Non current assets						
Investments		-	-	-	-	-
Investment property		4 960	4 960	4 960	4 960	4 960
Property, plant and equipment		1 034 602	981 457	1 002 355	1 125 001	1 002 355
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		1 543	1 543	1 543	1 543	1 543
Intangible assets		573	652	1 252	1 301	1 252
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
Total non current assets		1 041 677	988 611	1 010 110	1 132 805	1 010 110
TOTAL ASSETS		1 434 432	1 469 954	1 471 502	1 552 625	1 471 502
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		-	-	-	-	-
Consumer deposits		1 780	472	472	1 803	472
Trade and other payables from exchange transactions		59 923	126 890	126 890	42 925	126 890
Trade and other payables from non-exchange transactions		21 039	20 746	20 746	28 021	20 746
Provision		23 809	29 993	29 993	26 769	29 993
VAT		54 493	20 285	20 285	57 426	20 285
Other current liabilities		2 961	-	-	-	-
Total current liabilities		164 804	198 386	198 388	156 945	198 386
Non current liabilities						
Financial liabilities		-	-	-	-	-
Provision		23 768	39 250	39 250	26 005	39 250
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		16 556	-	-	16 556	-
Total non current liabilities		40 325	39 250	39 250	42 561	39 250
TOTAL LIABILITIES		204 329	237 637	237 637	199 506	237 637
NET ASSETS	2	1 230 103	1 232 317	1 233 866	1 353 119	1 233 866
COMMUNITY WEALTH/EQUITY						
Accumulated surplus (deficit)		834 829	1 146 081	1 147 630	957 279	1 147 630
Reserves and funds		395 839	86 236	86 236	395 839	86 236
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	1 230 668	1 232 317	1 233 866	1 353 119	1 233 866

3.1.7 C7 Monthly Budget Statement –Cash Flow

Choose name from list - Table C7 Monthly Budget Statement - Cash Flow - M12 - June

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		52 679	52 646	52 646	11 277	67 797	52 646	15 151	29%	52 646
Service charges		85 259	80 376	78 176	7 102	96 392	78 176	18 216	23%	78 176
Other revenue		22 975	84 503	87 131	3 481	22 800	87 131	(64 330)	-74%	87 131
Transfers and Subsidies - Operations		346 670	360 244	334 047	303	338 711	334 047	4 665	1%	334 047
Transfers and Subsidies - Capital		114 964	96 747	98 296	3 227	179 429	98 296	81 134	83%	98 296
Interest		24 009	28 813	53 083	1 645	24 647	53 083	(28 436)	-54%	53 083
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(255 188)	(525 363)	(546 133)	(26 484)	(291 732)	(546 133)	254 401	-47%	(546 133)
Interest		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		391 368	177 947	157 245	552	438 845	157 245	(288 808)	-179%	157 245
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		167 906	(182 983)	(184 531)	(29 718)	(130 245)	(184 531)	54 286	-29%	(184 531)
NET CASH FROM/(USED) INVESTING ACTIVITIES		167 906	(182 983)	(184 531)	(29 718)	(130 245)	(184 531)	(54 286)	29%	(184 531)
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		550 273	(5 836)	(27 286)	(29 165)	307 800	(27 286)			(27 286)
Cash/cash equivalents at beginning		254 787	295 199	295 199		258 145	295 199			258 145
Cash/cash equivalents at month/year end		814 061	290 162	267 912		565 945	267 912			230 858

PART 2 –SUPPORTING DOCUMENTATION

SECTION 4

Debtors Analysis

Table SC3 presented below summarises the Debtors Age Analysis as at 30 June 2025.

Choose name from list - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 - June

Description	MT Code	Budget Year 2024/25										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.e. Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1Yr	Total				
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	4 780	1 426	511	925	618	155	644	4 283	13 390	6 673	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	90	85	879	716	615	586	583	85 361	88 905	87 870	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	867	540	457	449	435	404	392	29 603	33 149	31 284	-	-	-
Receivables from Exchange Transactions - Property Rates Debtors	1700	-	-	-	-	-	-	-	7	7	7	-	-	-
Interest or Arrear Debtor Accounts	1810	1 434	1 526	1 475	1 455	1 437	1 424	1 487	61 930	72 086	67 653	-	-	-
Recoverable unauthorised irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	2 207	146	170	136	133	339	295	39 677	43 014	40 491	-	-	-
Total By Income Source	2000	9 378	3 784	3 493	3 681	3 236	2 927	3 271	220 862	250 554	233 978	-	-	-
2023/24 - Actual only		6 889	3 345	3 709	3 786	4 466	3 145	3 158	206 453	234 742	221 000	-	-	-
Debtors Age Analysis By Customer Group														
Organs of State	2200	2 451	2 182	1 298	1 645	1 533	1 145	1 805	86 913	100 771	94 840	-	-	-
Commercial	2300	6 413	1 014	1 518	1 370	1 031	1 123	1 016	70 306	83 791	74 846	-	-	-
Households	2400	514	508	677	667	673	660	651	61 643	65 992	64 293	-	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2000	9 378	3 784	3 493	3 681	3 236	2 927	3 271	220 862	250 554	233 978	-	-	-

The total debt book for 30 June 2025 of **R 250,553,643** inclusive of **R 7,133,494** advance payments.

The total debt book for June amounts to **R 243,420,149** (including of **R 6,898,768** which is not yet due) has decreased by **R 14,727,403** from the previous month closing balance of **R 251,248,783** Debt is made up of the following:

- **Residential debt**
R 104,241,927.61
- **Commercial debt**
R 39,903,467
- **Government debt**
R 94,666,543.04
- **Other**
R 4,608,211.98

R 17,077,194. is the collection made for June 2025.

The municipality implements the credit control and debt collection policy. There are two areas in which the municipality is not able to collect and the debt totals to **R 87,963,408**.

- **Maluti**
R 70,740,140 (including current)
- **Cedarville**
R 17,223,269 (including current)

The municipality has appointed a panel of collecting agency to assist in implementing the credit and debt policy for outstanding debt 90 days and over.

The credit control measures for collection are implemented especially for old debt.

The following are measures to be put in place to reduce the outstanding debts

- Continuous partial blocking of accounts that utilize the prepaid electricity meters.

Other reasons for the increase in debt:

- The new valuation roll was implemented, General valuation roll that has produced substantial increased property values resulting in unaffordable property rates;
- The loss of income faced by customers affected their ability to pay.
- Escalating interest charges on outstanding government debt that is not serviceable.

SECTION 5 -CREDITORS' ANALYSIS

Supporting Table SC4

Choose name from list - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 - June

Description	NT Code	Budget Year 2024/25									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	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-	4
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	-	-	-	-	-	-	-	-	-	4

The above tables represent the age creditors as of 30 June 2025.

The age creditors reflect no outstanding payments as at 30 June 2025 as per the financial system. The municipality makes an extra effort to ensure that creditors are paid 30 days as per the MFMA.

SECTION 6- INVESTMENT POTFOLIO ANALYSIS

Conditional and Unconditional investment monitoring Information

Jun 25					
Investment Management					
Conditional Investments -Description	Opening Balance	Deposits	WITHDRAWALS	Interest Earned	Closing Balance
Municipal Infrastructure Grant	10 520 134.87	75 260.14	-7 007 586.17	-75 260.14	3 587 808.84
INEP	3 909 778.79	23 190.86	-1 722 700.28	-23190.86	2 210 269.37
EPWP	-	-	-	-	-
Disaster Management	27 575 620.71	165 043.30	-6 768 032.74	-165 043.30	20 972 631.27
Finance Management Grant	1 236.63	7.42	-	-7.42	1 244.05
Establishment Plan	235 321.75	1 063.79	-	-1 063.79	236 385.54
Housing Development Fund	2 401 086.95	11 150.26	-	-11 150.26	2 412 237.21
Dedea	729 953.87	3 299.79	-	-3 299.79	733 253.66
Total Conditional Investments	45 373 134	279 016	- 15 498 319	- 279 016	30 153 830
Unconditional Investments -Description					
Unconditional Investments -Description	Opening Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Call Acc STD CRR	222 344 582.18	5 900 000.00	-60 000 000.00	-974 233.45	168 244 582.18
Call ACC FNB Surplus Cash	6 805 395.80	-	-	-34 008.34	6 805 395.80
Nedbank 32 Days	8 334 201.34	54 743.13	-	-54 743.13	8 388 944.47
Nedbank	23 297 424.49	72 319 453.59	-63 906 765.86	-	31 710 112.22
Nedbank Retention	1 745 416.56	3 772 221.97	-	-10 353.02	5 517 638.53
Termination Guarantee	144 640.82	-	-	-857.96	144 640.82
Account Gaurantee	6 202 000.00	-	-	-36 787.08	6 202 000.00
Total Unconditional Investments	268 873 661	82 046 419	- 123 906 766	- 1 110 983	227 013 314
Total Investments	314 246 795	82 325 434	- 139 405 085	- 1 389 999	257 167 144

The investment portfolio of the municipality as at 30 June 2025 amounted to as indicated below.

As at 30 June 2025 the conditional investments amounted to **R 30,153,830** and unconditional investments amounted to **R 227,167,144**. Total investments as of 30 June 2025 amounted to **R 257,167,144**.

These invested funds are those funds for the capital projects that have not yet been implemented. The interest raised from these short-term investments is already included in the budget at an estimate. Within the short-term call deposits, there are dedicated call accounts meant for conditional grants, and reserves. Conditional grants are expected to deplete as we spend the conditional grants.

This indicates that the municipality as of 30 June 2025 had sufficient cash to operate for a period more than 3 months without receiving grants to cover operating costs.

The following reflects bank balances at 30th June 2025.

Description	June 2025
Nedbank Primary Account:	11,517,143
Standard bank Account:	1,070,347
FNB Money Market Account:	255,661
Total Cash held as at 30 June 2025	12,843,151

The above table reflects the Cashbook balance is and Bank statement balance of **R 12,843,151**
Total investments as at 30 June 2025 amounted to **R 257,167,144**.

SECTION 7 _ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

7.1 Supporting Table SC6

Choose name from list - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 - June

Description	Ref	2023/24	Budget Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands									
RECEIPTS:	12								
Operating Transfers and Grants									
National Government:		405 237	355 428	328 780	-	383 485	328 780	54 705	16.6%
Expanded Public Works Programme Integrated Grant		3 974	3 880	3 880	-	3 880	3 880	0	0.0%
Integrated National Electrification Programme Grant		41 000	26 648	-	-	-	-	-	-
Local Government Financial Management Grant		1 700	1 700	1 700	-	1 700	1 700	(0)	0.0%
Municipal Infrastructure Grant		54 593	2 879	2 879	-	57 584	2 879	54 705	1900.0%
Equitable Share		303 970	320 321	320 321	-	320 321	320 321	(0)	0.0%
Provincial Government:		-	4 816	5 116	-	-	5 116	(5 116)	-100.0%
Specify (Add grant description)		-	1 750	2 050	-	-	2 050	(2 050)	-100.0%
Specify (Add grant description)		-	3 066	3 066	-	-	3 066	(3 066)	-100.0%
District Municipality:		100	-	150	150	150	150	-	-
Specify (Add grant description)		100	-	150	150	150	150	-	-
Other grant providers:		-	-	-	-	-	-	-	-
Total Operating Transfers and Grants		405 337	360 244	334 047	150	383 635	334 047	49 588	14.8%
Capital Transfers and Grants									
National Government:		32 706	95 797	97 346	-	47 714	97 346	(49 631)	-51.0%
Municipal Disaster Relief Grant		32 706	41 092	42 641	-	-	42 641	(42 641)	-100.0%
Municipal Infrastructure Grant		-	54 705	54 705	-	-	54 705	(54 705)	-100.0%
Integrated National Electrification Programme Grant		-	-	-	-	23 172	-	23 172	#DIV/0!
Municipal Disaster Recovery Grant		-	-	-	-	24 542	-	24 542	#DIV/0!
Provincial Government:		3 981	950	950	-	4 316	950	3 366	354.3%
Specify (Add grant description)		-	950	950	-	-	950	(950)	-100.0%
Specify (Add grant description)		3 331	-	-	-	3 066	-	3 066	#DIV/0!
Specify (Add grant description)		650	-	-	-	1 250	-	1 250	#DIV/0!
District Municipality:		-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-
Total Capital Transfers and Grants		36 687	96 747	98 296	-	52 030	98 296	(46 265)	-47.1%
TOTAL RECEIPTS OF TRANSFERS & GRANTS		442 024	456 991	432 342	150	435 665	432 342	3 323	0.8%

The Municipality have received all conditional grant and unconditional grants allocations.

7.2 Supporting Table SC7

Choose name from list - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 - June

Description	Ref	2023/24	Budget Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	Full Year Forecast
R thousands									
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:		49 534	35 107	8 459	2 058	27 656	8 459	19 197	226.9%
Expanded Public Works Programme Integrated Grant		3 974	3 880	3 880	1 539	3 880	3 880	-	3 880
Integrated National Electrification Programme Grant		41 000	26 648	-	-	21 173	-	21 173	#DIV/0!
Municipal Disaster Relief Grant		-	-	-	-	0	-	0	#DIV/0!
Local Government Financial Management Grant		1 700	1 700	1 700	352	1 677	1 700	(23)	-1.4%
Municipal Infrastructure Grant		2 860	2 879	2 879	167	927	2 879	(1 952)	-67.8%
Provincial Government:		3 646	4 816	5 116	70	3 981	5 116	(1 135)	-22.2%
Specify (Add grant description)		0	-	-	-	-	-	-	-
Specify (Add grant description)		315	1 750	2 050	31	440	2 050	(1 611)	-78.6%
Specify (Add grant description)		3 331	3 066	3 066	38	3 541	3 066	475	15.5%
District Municipality:		100	-	150	2 755	4 504	150	4 354	2903.0%
Specify (Add grant description)		100	-	150	2 755	4 504	150	4 354	2903.0%
Other grant providers:		-	-	-	-	-	-	-	-
Total Operating Transfers and Grants		53 280	39 923	13 726	4 882	36 142	13 726	22 416	163.3%
Capital Transfers and Grants									
National Government:		68 592	95 797	97 346	7 511	74 027	97 346	(23 318)	-24.0%
Municipal Disaster Relief Grant		18 858	41 092	42 641	4 148	6 604	42 641	(36 037)	-84.5%
Municipal Infrastructure Grant		51 733	54 705	54 705	3 363	51 052	54 705	(3 653)	-6.7%
Integrated National Electrification Programme Grant		0	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant		-	-	-	-	16 371	-	16 371	#DIV/0!
Provincial Government:		48	950	950	(149)	(1 807)	950	(2 757)	-290.2%
Specify (Add grant description)		-	950	950	-	-	950	(950)	-100.0%
Specify (Add grant description)		-	-	-	-	(29)	-	(29)	#DIV/0!
Specify (Add grant description)		-	-	-	(231)	(2 408)	-	(2 408)	#DIV/0!
Specify (Add grant description)		48	-	-	82	629	-	629	#DIV/0!
District Municipality:		-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-
Total Capital Transfers and Grants		68 640	96 747	98 296	7 363	72 220	98 296	(26 076)	-26.5%
TOTAL EXPENDITURE OF TRANSFERS & GRANTS		121 919	136 670	112 021	12 245	108 362	112 021	(3 659)	-3.3%

The total operating grant expenditure amounts to **R 4,8 Million** and Capital grant expenditure amounts to **R 7,3 Million** for the month June 2025.

SECTIONS 8

Table SC8 presents the expenditure of councillor and staff benefits at 30st June 2025.

Choose name from list - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 - June

Summary of Employee and Councillor remuneration	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		11 749	13 958	13 958	1 102	13 478	13 958	(480)	-3%	13 958
Pension and UIF Contributions		833	1 054	1 054	74	920	1 054	(133)	-13%	1 054
Medical Ael Contributions		(131)	137	137	61	537	137	400	292%	137
Motor Vehicle Allowance		-	2 757	2 757	15	15	2 757	(2 742)	-99%	2 757
Cellphone Allowance		2 688	2 876	2 876	213	2 551	2 876	(324)	-11%	2 876
Housing Allowances		7 102	5 620	5 620	524	6 142	5 620	1 123	20%	5 620
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		22 380	26 401	26 401	1 980	24 244	26 401	(2 157)	-8%	26 401
% increase			18.1%	18.1%						18.1%
Senior Managers of the Municipality										
Basic Salaries and Wages		2 467	2 905	2 905	(8)	1 413	2 905	(1 492)	-51%	2 905
Pension and UIF Contributions		(17)	301	301	19	124	301	(177)	-59%	301
Medical Ael Contributions		-	263	263	16	98	263	(165)	-63%	263
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		114	687	687	4	15	687	(672)	-98%	687
Motor Vehicle Allowance		1 152	2 856	2 856	181	1 774	2 856	(1 081)	-38%	2 856
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		1 583	906	906	51	754	906	(153)	-17%	906
Other benefits and allowances		0	1	1	0	0	1	(1)	-74%	1
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		172	569	569	22	202	569	(367)	-64%	569
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		5 472	8 488	8 488	283	4 380	8 488	(4 107)	-48%	8 488
% increase			55.1%	55.1%						55.1%
Other Municipal Staff										
Basic Salaries and Wages		105 849	116 202	114 927	7 464	105 637	114 927	(9 290)	-8%	114 927
Pension and UIF Contributions		15 507	17 227	17 227	1 421	16 493	17 227	(734)	-4%	17 227
Medical Ael Contributions		6 705	6 468	6 468	572	6 512	6 468	43	1%	6 468
Overtime		4 695	2 130	3 385	(154)	3 870	3 385	485	14%	3 385
Performance Bonus		8 401	8 982	8 982	1 904	10 402	8 982	1 421	16%	8 982
Motor Vehicle Allowance		8 459	8 844	8 844	519	6 808	8 844	(2 036)	-23%	8 844
Cellphone Allowance		6	7	7	1	6	7	(1)	-8%	7
Housing Allowances		2 427	5 421	5 421	266	3 091	5 421	(2 330)	-43%	5 421
Other benefits and allowances		2 671	1 231	1 251	894	5 994	1 251	4 743	379%	1 251
Payments in lieu of leave		1 240	-	-	-	708	-	708	100%	-
Long service awards		491	-	-	110	1 145	-	1 145	100%	-
Post-retirement benefit obligations		4 356	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		180 807	188 512	188 512	12 090	180 888	188 512	(5 846)	-4%	188 512
% increase			3.5%	3.3%						3.3%
Total Parent Municipality		188 630	201 401	201 401	15 208	189 291	201 401	(12 110)	-6%	201 401

Section 66 of the MFMA requires that the accounting officer of a municipality must report to Council in a prescribed format all expenditure incurred by the municipality on staff salaries, wages and benefits in a manner that discloses expenditure per type such as salaries contributions for pensions etc.

Salary costs incurred – the Municipality incurred **R 15,2** million salary costs at the end of 30 June 2025 against the approved budget allocation of **R 201,4** million, incurring **8%** expenditure for the month salary budget allocation and this is within the expected performance for the month.

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

QUALITY CERTIFICATE

I, Lizo Matiwane, the Municipal Manager of Matatiele Local Municipality do hereby certify that-

The monthly budget statements (Section 71 Report) on the implementation of the budget and financial state of affairs of the municipality for the month ended 30 June 2025 has been prepared in accordance with the Municipal Finance Management Act 2003 and Regulations made under that Act.

Print Name: L Matiwane

Municipal Manager of Matatiele Local Municipality

Signature:



Date:

14 / 07 / 2025