MATATIELE
LOCAL MUNICIPALITY

2024/2025 MONTHLY SECTION 71 REPORT

MONTH ENDED 31 MARCH 2025

TABLE OF CONTENTS

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.

LEGISTLATIVE 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 state of affairs 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 31 March 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 if 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 31 March 2025 is **R 82,192,110** (including capital transfers). This represents **12%** of the approved revenue budget. This is more than expected performance for the month due to more transfers and grants recognised for the month, increased demand in learners' licences applications and increase in public safety fines and penalties. The total YTD revenue recognised is **82%**

Operating Expenditure by type

The municipality's approved expenditure budget of **R 584,466,312** this was adjusted to an adjusted expenditure budget of **R 585,266,698**. The actual expenditure incurred for the month ending 31 March 2025 amount to **R 35,813,634,** when measured against the approved budget this represents **6%** of the approved operating budget. This is less than expected performance for the month due to non-cash items, depreciation and impairment of assets, INEP grant and electrical repairs and maintenance expenditure for the period under review. The YTD expenditure incurred is **68%.**

Capital Expenditure

The total approved capital budget is **R 182,983,008** this was adjusted to an adjusted capital budget of **R 184,531,371.** The Municipality incurred expenditure of **R 10,663,173** For the month ended 31 March, this represents **6%** of the approved capital expenditure budget and this is less than expected performance for the month. The variance is due to capital commitment that are not yet implemented as planned, expenditure trends should reflect in the next quarter. The total YTD spending is **39%**.

Capital Expenditure Funding Sources

- The MIG capital funding for the financial year is **R 54,704,808.** The spending for the month is **R 2,662,032 (**Vat exclusive**).** YTD to date spending represents **55%.**
- Disaster Response Grant of **R 41,092,392** million was allocated and adjusted to an adjusted budget allocation of **R 42,640,739**. The grant reflects **R 2,990,693** (Vat exclusive) spending as at 31 March 2025, the expenditure to date represents **30%.** 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 0.00** spending at 31 March 2025 which represent **0%.** An order amounting to R547 298.26 has been issued and committed for this vehicle .
- Capital Replacement Reserves (CRR) for the financial year of **R 86,235,804** million is allocated. The spending as at 31 March 2025 is **R 5,010,448.** Expenditure to date represents **35%.**
- The municipality is busy with procurement processes to secure contractors.

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 and the spending will improve in the Third quarter .

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.

Discription	Total Budget	March Actuals	Total Actual
Community and Social Services: Community Governance(3096)	169 996	-	1 739
Community Halls and Facilities:Public Amenities (3005)	2 687 012	-	152 513
CORE FUNCTION: SOLID WASTE REMOVAL	5 803 004	285 000	1 938 000
Energy Sources: Electricity (4040)	11 704 016	712 774	7 642 536
Executive and Council: Mayor and Council(1005)	50 004	-	25 238
Executive and Council: Municipal Manager (1010)	39 996	-	-
Finance and Administration: Information Technology (2540)	3 229 992	-	439 064
Finance and Administration: Administrative and Corporate Support	90 000	-	50 475
Finance and Administration: Asset Mangement and Reporting (201	89 996	-	25 238
Finance and Administration: Council Support (2541)	510 000	192 800	452 955
Finance and Administration: Human Resources (2535)	90 000	21 000	71 475
Finance and Administration: SCM & Expenditure (2025)	2 380 000	-	1 116 419
Finance and Adminstration: Revenue and Debt Management (2020	90 000	-	59 040
Marketing; Customer Relations; Publicity and Media Co-ordination	590 004	9 000	35 711
Planning and Development: LED (3520)	3 060 000	25 238	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	-	297 532
Risk Management:FINANCE AND ADMINISTRATION RISK AND M&E	75 000	57 628	59 366
ROAD TRANSPORT: INFRASTRUCTURE GOVERNANCE (4050)	45 000	-	-
Road Transport: Project Operations & Mainnt(4010)	57 890 751	3 368 906	16 036 118
Roads:Project Management Unit	82 591 612	5 990 828	42 704 334
Town Planning; Building Regulations and Enforcement; and City Eng	5 499 984	-	248 225
Grand Total	**184 531 371**	**10 663 173**	**72 852 554**
		6%	**39%**

Grant Funded Projects (MIG PROJECTS)

MIG Capital Project	March 2025 status
Mahangwe Sport Centre	The project is at design Stage
HIGHMAST LIGHTS MIG	Commissioned and Completed
Construction of Cedarville Internal Streets Phase 4	The project is 31 % completed.
Maluti Internal Streets Phase 5	The project is 49% completed.
Mahasheng Access Road & Bridge	The project is 72% complete.
Mafube-Nkosana Access Road & Bridge	The project is 44 % completed.
Lekhalong via Magema-Outspan Access Road	The project is 44 % completed.
Extension of Matatiele Sports Centre Ph2	The project is 94% completed.
Harry Gwala Internal Streets	The project is 57% completed.
Disaster and Fire Management Centre	The project is at design Stage
Tipper Truck	The project is at design Stage
Ton Payload Hook Lift Truck	The project is at design Stage
Excavator	The project is at design Stage
Vibrating Roller	The project is at design Stage

Grant Funded Projects (Integrated National Electrification Programme Grant) INEP

INEP Capital Project	March 2025 status
Connect Mbizeni	Construction is complete awaiting for an Autage Date. Overall progress is at 90%.
Connect Mapakising	Construction is complete, contractor is busy with Eskom process. Overall progress is at 100%
Connect Mgubho	Construction is complete awaiting for an Autage Date. Overall progress is at 90%.
Connect Luxeni	Construction is complete awaiting for an Autage Date. Overall progress is at 90%.
Connect Lihaseng	Construction is complete awaiting for an Autage Date. Overall progress is at 90%.
Contractors:Electrical	Construction is complete, contractor is bussy with Eskom process. Overall progress is at 100%
Connect Paballong	Construction is complete awaiting for an Autage Date. Overall progress is at 90%.
Connect Mahlabatheng	Awaiting Autage date and Inspections
Connect Lugada	Construction is complete awaiting for an Autage Date. Overall progress is at 90%.

Disaster Response Grant

Disaster Capital Project	March 2025 status
Baloon Street Crossing Bridge	The project is at final completion stage
Mabheleni-Upper Mvenyane Access Road & Bridge	The project is at final completion stage
Hillside - Ngcwengane Access Road and Bridge	Access Road Completed, Bridge in procurement stage
Rockville Protea Bridge	The project is completed
Nyanzela Access Road	The project is completed
Mdeni Access Road and Bridge	The access road Project is 90% Complete
Mvenyane Access Road and Bridge	This project has been reprioritised
Lugada to Mahlabathini and Bridge	Lugada to Mahlabathini Access Road has been reprioritised, and the bridge is at procurement stage
Mngeni Bridge	The project is 61% complete.

Internal Funded Capital Projects

Capital Replacement Rerseve Projects	March 2025 Status
Renovation of Town Hall	The project is at design Stage
Skiti -Tholang Access Road	Project is at construction stage, 19.5% complete
Fencing Nature Reserve	The project is at design Stage
Server	The project is at design Stage
Weigh Bridge	The project is at design Stage
Ramafole Access Road	The project is 57 % completed.
New Resh Access Road	The Project is at construction stage, 43.5% complete
FM TOWER LINE WIP	The SMME has been appointed, and the work are on progress, currently busy with Rock drilling, Pole planting and Stringing. Overall progress is at 48%.
Kinira to Shepard Hope Access Road	The project is at design Stage
Bhakaneni Acess Road	Project is at construction stage, 69% complete
Fatima Access Road	The project is 39.1% completed.
Municipal Fleet	The project is at design Stage
Pontseng Access Road	The project is 95% completed.
Mafaise Access Road	The Project is at construction stage, 12% complete
f 2 silo facilities	The project is at design Stage
Sehlabeng Access Road	The Project is at Practical completion stage, 95% complete
Chere Mahareng Access Road	The Project is at construction stage, 92% complete
New Stance Access Road	The project is 71% completed.
Nkungwini-Ngudla Access Road	The project is 52.1 % completed.
TRANSFORMERS INFRA	The project is at design Stage
Malubaluba Access Road	The Project is at construction stage, 19.5% complete
Ned Access Road	The project is 76 % completed.
Fire Engine Truck	The project is at design Stage

This information reflects on our tender control plan on March 2025

SUMMARY: QUOTATIONS	31-Mar-25	TOTAL
DAY TO DAY QUOTATIONS	121	121
FORMAL QUOTATIONS	2	2
TOTAL QUOTATIONS	**123**	**123**

BIDDING PROCESS	Bids Awarded vs Capital Budget	Capital Spending Year-To-Date	Orders Issued
Bids awarded	34 377 032.77	-	9
Bids in the process	-	-	-
Bids behind schedule	-	-	-
Bids cancelled or removed from budget	-	-	-
Bids to be awarded	-	-	-

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

EC441 Matatiele - Table C1 Monthly Budget Statement Summary - M09 - March

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	50 849	61 937	61 937	2 488	54 899	46 453	8 446	18%	61 937
Service charges	75 857	91 972	91 972	5 543	66 467	68 979	(2 512)	-4%	91 972
Investment revenue	24 861	28 813	28 813	372	15 303	21 610	(6 307)	-29%	28 813
Transfers and subsidies - Operational	354 013	360 244	334 047	83 431	353 886	259 704	94 182	36%	334 047
Other own revenue	27 967	41 503	68 501	(16 097)	21 653	41 926	(20 274)	-48%	–
Total Revenue (excluding capital transfers and contributions)	533 548	584 400	585 289	75 737	512 207	438 672	73 536	17%	585 289
Employee costs	159 134	174 999	174 999	13 885	121 548	131 250	(9 702)	-7%	174 999
Remuneration of Councillors	23 070	26 401	26 401	2 022	18 254	19 801	(1 547)	-8%	26 401
Depreciation and amortisation	18 539	52 790	32 840	385	31 765	31 612	153	0%	32 840
Interest	219	–	–	–	–	–	–		–
Inventory consumed and bulk purchases	71 500	83 143	97 439	6 060	66 063	68 075	(2 012)	-3%	97 439
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	201 327	247 133	253 588	13 462	159 725	187 932	(28 206)	-15%	253 588
Total Expenditure	473 789	584 408	585 287	35 814	397 356	438 676	(41 314)	-9%	585 287
Surplus/(Deficit)	59 758	2	2	39 923	114 852	2	114 850	6001850%	2
Transfers and subsidies - capital (monetary allocations)	72 232	96 747	98 296	6 455	51 026	73 180	(22 154)	-30%	98 296
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
contributions	131 990	96 749	98 298	46 378	165 877	73 181	92 696	127%	98 298
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	131 990	96 749	98 298	46 378	165 877	73 181	92 696	127%	98 298
Capital expenditure & funds sources									
Capital expenditure	128 785	182 983	184 531	10 083	72 853	137 857	(65 004)	-47%	184 531
Capital transfers recognised	59 929	96 747	98 296	5 653	42 894	73 180	(30 286)	-41%	98 296
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	68 856	86 236	86 236	5 010	29 959	64 677	(34 718)	-54%	86 236
Total sources of capital funds	128 785	182 983	184 531	10 083	72 853	137 857	(65 004)	-47%	184 531
Financial position									
Total current assets	409 433	481 343	461 393		528 629				461 393
Total non current assets	1 097 653	988 611	1 010 110		1 090 153				1 010 110
Total current liabilities	140 716	198 386	198 386		175 261				198 386
Total non current liabilities	36 325	39 250	39 250		40 325				39 250
Community wealth/Equity	1 330 045	1 232 317	1 233 866		1 403 196				1 233 866
Cash flows									
Net cash from (used) operating	385 835	177 947	132 975	87 914	418 870	78 216	(340 654)	-436%	132 975
Net cash from (used) investing	167 906	(182 983)	(184 531)	(12 106)	(82 485)	(157 065)	(74 580)	47%	(184 531)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	580 528	290 182	243 042	–	594 530	218 350	(378 180)	-175%	298 588
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	8 858	5 601	4 171	4 319	6 134	4 663	23 553	205 571	263 869
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	–	–

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

EC441 Matatiele - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M09 - March

Description	Ref	2023/24	Budget Year 2024/25						
R thousands	1	Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD budget	YTD	YTD %	Full Year
Revenue - Functional										
Governance and administration		399 198	438 117	440 124	84 700	404 781	329 391	75 311	23%	440 124
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		399 198	438 117	440 124	84 532	404 212	329 391	74 821	23%	440 124
Internal audit		–	–	–	169	490	–	490	#DIV/0!	–
Community and public safety		11 042	14 604	13 047	2 185	13 391	10 330	3 061	30%	13 047
Community and social services		4 820	8 904	7 347	1 766	8 662	6 055	2 607	43%	7 347
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		6 222	5 700	5 700	419	4 729	4 275	454	11%	5 700
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		63 401	104 188	106 087	7 014	52 827	78 901	(26 074)	-33%	106 087
Planning and development		1 221	5 502	5 852	291	1 519	4 266	(2 748)	-64%	5 852
Road transport		52 180	98 686	100 235	6 723	51 308	74 634	(23 326)	-31%	100 235
Environmental protection		–	–	–	–	–	–	–		–
Trading services		132 137	124 387	124 387	(11 707)	92 314	93 230	(916)	-1%	124 387
Energy sources		117 153	105 494	105 494	(13 022)	80 526	79 120	1 405	2%	105 494
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		14 984	18 813	18 813	1 314	11 788	14 109	(2 321)	-16%	18 813
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	605 778	681 216	683 564	82 192	563 233	511 851	51 382	10%	683 564
Expenditure - Functional										
Governance and administration		219 068	256 861	264 711	14 715	174 228	195 786	(21 558)	-11%	264 711
Executive and council		31 034	35 348	35 348	2 539	24 502	26 511	(2 009)	-8%	35 348
Finance and administration		183 879	216 649	224 499	11 762	146 145	165 627	(19 482)	-12%	224 499
Internal audit		4 154	4 864	4 864	413	3 581	3 648	(67)	-2%	4 864
Community and public safety		55 724	55 502	52 353	4 960	39 473	40 367	(894)	-2%	52 353
Community and social services		33 760	29 281	25 781	2 706	21 273	20 561	712	3%	25 781
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		21 964	26 221	26 571	2 254	18 200	19 806	(1 606)	-8%	26 571
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		63 750	115 059	103 179	6 118	66 434	81 543	(15 108)	-19%	103 179
Planning and development		29 869	48 686	48 536	4 174	25 953	36 454	(10 502)	-29%	48 536
Road transport		33 880	66 373	54 643	1 943	40 481	45 088	(4 607)	-10%	54 643
Environmental protection		–	–	–	–	–	–	–		–
Trading services		135 247	157 044	165 024	10 022	117 221	120 975	(3 754)	-3%	165 024
Energy sources		114 817	131 098	140 428	8 179	101 331	102 055	(725)	-1%	140 428
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		20 431	25 946	24 596	1 843	15 890	18 920	(3 030)	-16%	24 596
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	473 780	584 466	585 267	35 814	397 356	438 670	(41 314)	-9%	585 267
Surplus/ (Deficit) for the year		131 998	96 749	98 298	46 378	165 877	73 181	92 696	127%	98 298

This table assesses the revenue and expenditure by department, the revenue for the period ending 31 March 2025 is **R 82,2** million and the expenditure is **R 35,8** million.

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

EC441 Matatiele - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M09 - March

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 - Executive Council		–	–	–	–	–	–	–		–
Vote 2 - Finance and Admin		398 797	437 767	439 774	84 360	403 906	329 128	74 778	22.7%	439 774
Vote 3 - Corporate		401	350	350	171	305	263	43	16.3%	350
Vote 4 - Development and Planning		1 326	5 502	5 852	291	1 519	4 266	(2 748)	-64.4%	5 852
Vote 5 - Community		26 025	33 416	31 860	3 500	25 179	24 440	740	3.0%	31 860
Vote 6 - Infrastructure		179 229	204 180	205 729	(6 299)	131 834	153 755	(21 921)	-14.3%	205 729
Vote 7 - Internal Audit		–	–	–	169	490	–	490	#DIV/0!	–
Vote 8 -		–	–	–	–	–	–	–		–
Vote 9 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	605 778	681 216	683 564	82 192	563 233	511 851	51 382	10.0%	683 564
Expenditure by Vote	1									
Vote 1 - Executive Council		31 034	35 348	35 348	2 539	24 502	26 511	(2 009)	-7.6%	35 348
Vote 2 - Finance and Admin		109 568	125 287	130 737	5 150	80 782	96 145	(15 363)	-16.0%	130 737
Vote 3 - Corporate		74 311	91 362	93 762	6 612	65 363	69 482	(4 119)	-5.9%	93 762
Vote 4 - Development and Planning		29 869	48 686	48 536	4 174	25 994	36 454	(10 461)	-28.7%	48 536
Vote 5 - Community		76 155	81 448	76 949	6 803	55 363	59 286	(3 923)	-6.6%	76 949
Vote 6 - Infrastructure		148 687	197 471	195 071	10 122	141 771	147 143	(5 372)	-3.7%	195 071
Vote 7 - Internal Audit		4 154	4 864	4 864	413	3 581	3 648	(67)	-1.8%	4 864
Vote 8 -		–	–	–	–	–	–	–		–
Vote 9 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	473 778	584 466	585 267	35 814	397 356	438 679	(41 314)	-9.4%	585 267
Surplus/ (Deficit) for the year	2	131 990	96 749	98 298	46 378	165 877	73 181	92 696	126.7%	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 the majority 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)

EC441 Matatiele - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 - March

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										
Service charges - Electricity		54 358	76 446	76 446	4 570	57 628	57 334	294	1%	76 446
Service charges - Water		–	–	–	–	–	–	–		–
Service charges - Waste Water Management		–	–	–	–	–	–	–		–
Service charges - Waste management		11 499	15 526	15 526	973	8 838	11 644	(2 806)	-24%	15 526
Sale of Goods and Rendering of Services		1 754	5 946	32 944	(18 322)	1 822	16 259	(13 437)	-88%	32 944
Agency services		–	–	3 000	–	–	1 200	(1 200)	-100%	3 000
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		1 657	2 200	2 200	176	1 231	1 650	(419)	-25%	2 200
Interest from Current and Non Current Assets		24 861	28 813	28 813	372	15 303	21 610	(6 307)	-29%	28 813
Dividends		–	–	–	–	–	–	–		–
Rent on Land		327	–	–	–	–	–	–		–
Rental from Fixed Assets		819	2 028	2 028	(5)	1 251	1 521	(269)	-18%	2 028
Licence and permits		3 969	4 522	1 522	275	3 047	2 192	855	39%	1 522
Operational Revenue		333	892	892	163	298	669	(371)	-55%	892
Non-Exchange Revenue								–		
Property rates		50 849	61 937	61 937	2 468	54 899	46 453	8 446	18%	61 937
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		2 298	25 890	1 620	149	1 714	9 710	(7 995)	-82%	1 620
Licence and permits		28	25	25	1	26	19	7	40%	25
Transfers and subsidies - Operational		364 013	360 244	334 047	83 431	353 886	259 704	94 182	36%	334 047
Interest		16 571	–	24 270	1 470	12 263	9 708	2 556	26%	24 270
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		–	–	–	–	–	–	–		–
Other Gains		182	–	–	–	1	–	1	#DIV/0!	–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		533 546	584 469	585 289	75 737	512 207	438 672	73 536	17%	585 289
Expenditure By Type										
Employee related costs		169 134	174 999	174 999	13 886	121 548	131 250	(9 702)	-7%	174 999
Remuneration of councillors		23 078	26 401	26 401	2 022	18 254	19 801	(1 547)	-8%	26 401
Bulk purchases - electricity		65 975	76 246	90 546	6 717	64 687	82 904	(1 217)	-2%	90 546
Inventory consumed		5 525	6 897	6 893	344	4 376	5 171	(795)	-15%	6 893
Debt impairment		–	–	–	–	–	–	–		–
Depreciation and amortisation		18 539	52 790	32 840	385	31 765	31 612	153	0%	32 840
Interest		219	–	–	–	–	–	–		–
Contracted services		136 812	160 782	167 727	10 115	109 593	123 364	(13 772)	-11%	167 727
Transfers and subsidies		–	–	–	–	–	–	–		–
Irrecoverable debts written off		–	6 294	6 294	–	–	4 721	(4 721)	-100%	6 294
Operational costs		64 425	80 050	79 567	3 346	50 133	59 847	(9 714)	-16%	79 567
Losses on Disposal of Assets		–	–	–	–	–	–	–		–
Other Losses		387	–	–	–	–	–	–		–
Total Expenditure		473 788	584 466	585 267	35 814	397 356	438 670	(41 314)	-9%	585 267
Surplus/(Deficit)		59 758	2	2	39 923	114 852	2	114 850	6991950%	2
Transfers and subsidies - capital (monetary allocations)		72 232	96 747	98 296	6 455	51 026	73 180	(22 154)	-30%	98 296
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		131 990	96 749	98 298	46 378	165 877	73 181			98 298
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		131 990	96 749	98 298	46 378	165 877	73 181			98 298
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–		–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–		–
Surplus/(Deficit) attributable to municipality		131 990	96 749	98 298	46 378	165 877	73 181			98 298
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		131 990	96 749	98 298	46 378	165 877	73 181			98 298

In terms of 31 March 2025 Monthly Budget & Performance assessment, the actual billed and/or collected for the month is **R 75,7** million exclusive of capital transfers against approved revenue budget of **R 585,3** million, this represents **12%**, this is than the expected due to transfers and grants recognised for the month, decreased demand in learners' licences applications and increase in public safety fines and penalties. The YTD revenue recognised is **82%**

The operating expenditure budget as at 31 March 2025 is **R 35,8** million against approved Expenditure budget of **R 584** million, this represents **6%** of the total operating budget, this is less than expected for the month, this performance is less due non-cash items such as depreciation and impairment of assets, INEP grant and electrical repairs and maintenance expenditure for the period under review and YTD spending is **68%.**

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 hence there is variance, the variance will decrease as the year progresses once all supplementary valuations are taken into consideration.

The total property rates raised/billed amounted to **R 2,487,549** the income received from property rates amounted to **R 5,058,591,** this represents **100%** 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 **8%** 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 5,542,896** against the approved budget of **R 91,971,672.** This represent **6%** and is less than the expected performance for the month due to less electricity connection fees and electricity sales. The total YTD revenue is **72%.**

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 101,454.** This represent **3%** and is less than the expected performance for the month due to less income received. The total YTD revenue is **39%.**

Rental of Facilities and equipment

Rental of facilities and equipment approved budget is **R 2,027,532.** Revenue amount of **R 9,461** for March 2025 has been recognised, representing **1%** which is less than the expected performance for the month due to less site rentals. The total YTD revenue is **62%.**

Interest earned on Investments

The total approved budget Interest on investments is **R 28,812,996** and the interest received for the month of March 2025 is **R 372,105,** which represents **1%**, this is less than the expected performance due to investments that have not matured which results to interest received resulted to be unfavourable interest. The total YTD revenue is **53%.**

Interest on Outstanding Debtors

Interest on non-payment of electricity has been raised monthly which amounts to **R 1,646,471** has been posted on the interest on arrears for refuse services with the approved budget allocation of **R 2,199,996,** this has been adjusted to **R 26,469,996.** This represents **6%**, 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 **51%**.

Fines, penalties and Forfeits

Revenue from fines, penalties and forfeits has an approved budget of **R 25,890,000** has been adjusted budget to **R 1,620,000.** The cash receipts for traffic fines issued is **R 148,964** for the month due to the debit entry made, this represents **9%**. It's more than the expected performance due to traffic fines issued. The YTD revenue is **106%.**

Licences and permits

The total approved budget for licences and permits is **R 4,547,100,** Licences and permits have been adjusted budget to **R 1,547,100** due to Agency fees that have been separated from this item. The cash receipts for traffic fines issued was **R 174,473** 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 **122%**

Transfers and Subsidies-Operational

Total approved budget amount on transfers and subsidies is **R 360,244,200** this was adjusted budget to **R 334,046,582**. The transfers recognised for the month is **R 83,430,966**. The recognised transfers represent **25%** of the adjusted budget grant allocation. This is within the expected performance for the month, due to expenditure incurred of items funded by operational grants for the month. The total YTD revenue is **105%.**

Transfers and Subsidies- Capital

Total approved budget on transfers and subsidies is **R 96,747,180** this adjusted to **R 98,295,530**. The total revenue of **R 6,455,324** was recognised for the month, this represents **7%** of total budget. This is less than the expected performance for the month this is due to less recognition on disaster recovery grant and MIG project and YTD revenue recognised **is 52%.**

Other Revenue

The approved budget allocation of **R 6,838,260,** this was adjusted budget to **R 33 836 264**. Other revenue amounted to **R -18 158 632** for the month, when measured against the adjusted budget allocation. This represents **-54%** hence the variance. This is due to the reversal of INEP grant made. The total YTD revenue is **6%.**

Operating Expenditure by type
Employee related costs/Remuneration of Councillors

Salary costs incurred – the Municipality incurred **R 16,3** million salary costs at the end of 31 March 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.

To also note that, the increase that **1,5%** was paid this month up to June making **6%** over the MTREF agreed upon **6%** by the unions and SALGA until the end of 2024-25 financial year.

Discription	Total Budget	March Actuals	Total Actual
Municipal Staff	166 511 904	13 468 498	118 348 771
Senior Management	8 487 552	416 026	3 199 198
Grand Total	**174 999 456**	**13 884 524**	**121 547 968**
		8%	**69%**

To note that the recruitment processes are underway for other various vacant positions.

Discription	Total Budget	March Actuals	Sum of TotalActual
Chief Whip	859 800	49 465	574 914
Executive Committee/Mayoral Committee	6 194 532	376 345	3 197 550
Executive Mayor/Mayor	1 103 472	257 247	2 435 422
Section 79 committee chairperson	847 644	-	-
Speaker	932 088	68 696	612 797
Total for All Other Councillors	16 463 808	1 269 915	11 433 635
Grand Total	**26 401 344**	**2 021 669**	**18 254 318**
		8%	**69%**

Description	Total Budget	March Actuals	Total Actual
Community Halls and Facilities:Public Amenities (300!	69 996	8 103	367 296
CORE FUNCTION: SOLID WASTE REMOVAL	455 492	38 724	357 452
Energy Sources: Electricity (4040)	679 128	48 231	482 877
Finance and Administration: Information Technology (:	10 000	-	9 864
Finance and Administration: Administrative and Corpo	120 000	4 807	150 022
Finance and Administration: Council Support (2541)	50 004	-	-
Finance and Administration: SCM & Expenditure (2025	105 004	-	72 229
Public Safety: Civil Defence (3074)	1 815 280	197 379	2 085 664
Road Transport: Project Operations & Mainnt(4010)	30 000	-	19 020
Roads:ROAD TRANSPORT HUMAN SETTLEMENTS (403!	-	-	40 802
Town Planning; Building Regulations and Enforcement;	50 000	-	-
Grand Total	**3 384 904**	**297 245**	**3 585 227**
		9%	**106%**

The overtime cost has increased drastically and will need to be closely monitored to ensure that cost containment measures are affected to ensure that this is reduced.

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 quarter 4 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 is **R 52,789, 752** this was adjusted to **R 32,839,752.** The depreciation accounted for the month amounted to **R 385,311** which represent **1%** and the asset impairment will be processed at year end. The total YTD expenditure on depreciation incurred reflect **91%,** The expenditure on depreciation and amortisation will increase at year end when the Assets under Construction is capitalised with projects that were completed in June 2024.

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 is **R 76,245,564,** this was adjusted to **R 90,545,564**. The expenditure incurred for the month amounted to **R 5,612,915** million which represent **6%** and YTD spending is **68%.** This is less than the expected performance for the month due to change in seasonal demand for electricity. The payment made relates to January invoice then the payment for the bulk purchases of 31 March 2025 will be processed in April 2025.

Other material

Total approved budget on other material is **R 6,897,036,** this was adjusted to **R 6,893,032.** The expenditure amounted to **R 507,007** for the month which represent **5%.** This is less than the expected performance for the month due to less demand on stores items. The total YTD Expenditure is **63%.**

Contracted Services

Total approved budget on contracted services is **R 160,781,520,** this was adjusted to **R 167,726,906**. The spending for the month amounted to **R 10,115,311,** this represents **6%.** This is less than the expected performance when measured against the budget projection due to timing of projects. The total YTD Expenditure is **65%.**

Other Expenditure

Other expenditure includes all other general operational costs of the Municipality. Total approved Budget on Other expenditure is **R 80,057,640** this was adjusted to **R 79,566,644.** The expenditure for the month amounted to **R 3,346,371**. this represents **4%** of the budgeted amount on this category. This is less than the expected performance for the month due to less expenditure made workmen's compensation, Uniform, Radio Slots, Budget Outreach Transport and Provisions Landfill site and ICT software licence and cleaning materials. The total YTD Expenditure is **63%.**

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

EC441 Matatiele - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 - March

Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 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	4,7	–	–	–	–	–	–	–		–
Single Year expenditure appropriation	2									
Vote 1 - Executive Council		64	90	90	–	25	68	(42)	-63%	90
Vote 2 - Finance and Admin		2 323	3 225	3 225	67	1 296	2 419	(1 123)	-46%	3 225
Vote 3 - Corporate		2 374	3 920	3 920	214	1 014	2 940	(1 926)	-66%	3 920
Vote 4 - Development and Planning		116	8 705	8 705	25	1 745	6 529	(4 784)	-73%	8 705
Vote 5 - Community		5 870	16 360	16 360	285	2 390	12 270	(9 880)	-81%	16 360
Vote 6 - Infrastructure		116 791	150 683	152 231	10 073	66 383	113 632	(47 249)	-42%	152 231
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	126 785	182 983	184 531	10 663	72 853	137 857	(65 004)	-47%	184 531
Total Capital Expenditure		126 785	182 983	184 531	10 663	72 853	137 857	(65 004)	-47%	184 531
Capital Expenditure - Functional Classification										
Governance and administration		4 887	7 235	7 235	280	2 336	5 426	(3 091)	-57%	7 235
Executive and council		64	90	90	–	25	68	(42)	-63%	90
Finance and administration		[illegible]	7 146	7 145	280	2 310	5 358	(3 049)	-57%	7 145
Internal audit		46	–	–	–	–	–	–		–
Community and public safety		3 700	10 410	10 557	–	482	7 866	(7 415)	-94%	10 557
Community and social services		[illegible]	2 610	2 867	–	184	2 081	(1 867)	-92%	2 867
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		3 104	7 900	7 700	–	298	5 845	(5 547)	-95%	7 700
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		99 066	149 738	149 232	9 385	60 485	112 101	(51 616)	-46%	149 232
Planning and development		116	8 705	8 705	25	1 745	6 529	(4 784)	-73%	8 705
Road transport		[illegible]	141 033	140 527	9 360	58 740	105 572	(46 832)	-44%	140 527
Environmental protection		–	–	–	–	–	–	–		–
Trading services		19 211	15 600	17 587	998	9 581	12 463	(2 882)	-23%	17 587
Energy sources		17 842	9 930	11 704	713	7 643	8 060	(417)	-5%	11 704
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		1 369	5 500	5 883	285	1 938	4 404	(2 466)	-56%	5 883
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	126 785	182 983	184 531	10 663	72 853	137 857	(65 004)	-47%	184 531
Funded by:										
National Government		59 929	95 797	97 346	5 633	42 894	72 467	(29 574)	-41%	97 346
Provincial Government		–	950	950	–	–	713	(713)	-100%	950
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		–	–	–	–	–	–	–		–
Transfers recognised - capital		59 929	96 747	98 296	5 653	42 894	73 180	(30 286)	-41%	98 296
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		[illegible]	86 236	86 236	5 010	29 959	64 677	(34 718)	-54%	86 236
Total Capital Funding		126 785	182 983	184 531	10 663	72 853	137 857	(65 004)	-47%	184 531

The total approved capital budget is **R 182,983,008** this was adjusted to **R 184,531,371,** the Municipality incurred expenditure of **R 10,663,173.** This represents **6%** of the approved capital expenditure budget, this is less than expected performance for the month due. The variance is due to capital commitment that are not yet implemented as planned, expenditure trends should reflect in the next quarter. The also to note that council the delays in MDRG projects.

3.1.6 C6 Monthly Budget Statement –Financial Position

EC441 Matatiele - Table C6 Monthly Budget Statement - Financial Position - M09 - March

Description	Ref	2023/24	Budget Year 2024/25			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		258 145	290 162	267 912	368 525	267 912
Trade and other receivables from exchange transactions		(23 839)	126 604	128 804	(35 224)	128 804
Receivables from non-exchange transactions		154 305	37 651	37 751	170 716	37 751
Current portion of non-current receivables		–	–	–	–	–
Inventory		3 992	3 041	3 041	4 246	3 041
VAT		10 285	18 836	18 836	15 318	18 836
Other current assets		6 546	5 048	5 048	5 048	5 048
Total current assets		490 433	481 343	461 393	528 629	461 393
Non current assets						
Investments		–	–	–	–	–
Investment property		4 960	4 960	4 960	4 960	4 960
Property, plant and equipment		1 089 997	981 457	1 002 355	1 083 160	1 002 355
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		1 543	1 543	1 543	1 543	1 543
Intangible assets		1 153	652	1 252	491	1 252
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		1 097 653	988 611	1 010 110	1 090 153	1 010 110
TOTAL ASSETS		1 587 087	1 469 954	1 471 502	1 618 782	1 471 502
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	–	–	–	–
Consumer deposits		1 780	472	472	1 810	472
Trade and other payables from exchange transactions		39 952	126 890	126 890	32 757	126 890
Trade and other payables from non-exchange transactions		27 259	20 746	20 746	56 786	20 746
Provision		20 371	29 993	29 993	26 769	29 993
VAT		48 394	20 285	20 285	57 139	20 285
Other current liabilities		2 961	–	–	–	–
Total current liabilities		140 716	198 386	198 386	175 261	198 386
Non current liabilities						
Financial liabilities		–	–	–	–	–
Provision		21 827	39 250	39 250	23 760	39 250
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		14 497	–	–	16 556	–
Total non current liabilities		36 325	39 250	39 250	40 325	39 250
TOTAL LIABILITIES		177 041	237 637	237 637	215 586	237 637
NET ASSETS	2	1 330 045	1 232 317	1 233 866	1 403 196	1 233 866
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		964 285	1 146 081	1 147 630	1 007 356	1 147 630
Reserves and funds		365 760	86 236	86 236	395 839	86 236
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	1 330 045	1 232 317	1 233 866	1 403 196	1 233 866

3.1.7 C7 Monthly Budget Statement –Cash Flow

EC441 Matatiele - Table C7 Monthly Budget Statement - Cash Flow - M09 - March

Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		52 679	52 646	52 646	1 940	49 039	52 646	(3 607)	-7%	52 646
Service charges		85 259	80 376	78 176	6 519	69 029	90 809	(21 779)	-24%	78 176
Other revenue		22 975	84 503	87 131	2 976	16 379	82 679	(66 501)	-80%	87 131
Transfers and Subsidies - Operational		346 670	360 244	334 047	80 109	338 351	328 398	9 952	3%	334 047
Transfers and Subsidies - Capital		114 964	96 747	98 296	17 099	165 476	82 190	83 287	101%	98 296
Interest		24 009	28 813	28 813	372	16 801	-	16 801	#DIV/0!	28 813
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(260 721)	(525 383)	(546 133)	(21 102)	(236 205)	(558 696)	322 491	-58%	(546 133)
Interest		-	-	-	-	-	-	-		-
Transfers and Subsidies		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		385 835	177 947	132 975	87 914	418 870	78 216	(340 654)	-436%	132 975
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)	(12 106)	(82 485)	(157 065)	74 580	-47%	(184 531)
NET CASH FROM/(USED) INVESTING ACTIVITIES		167 906	(182 983)	(184 531)	(12 106)	(82 485)	(157 065)	(74 580)	47%	(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		553 741	(5 036)	(51 556)	75 808	336 385	(78 849)			(51 556)
Cash/cash equivalents at beginning:		254 787	295 199	295 199		258 145	295 199			258 145
Cash/cash equivalents at month/year end:		808 528	290 162	243 642		594 530	216 350			206 588

PART 2 –SUPPORTING DOCUMENTATION
SECTION 4

Debtors Analysis

Table SC3 presented below summarises the Debtors Age Analysis as at 31 March 2025.

EC441 Matatiele - Supporting Table SC3 Monthly Budget Statement - aged debtors - M09 - March

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	–	–	–	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	3 779	1 928	664	1 185	1 329	2 087	761	5 545	17 276	10 907	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	2 388	1 350	1 033	912	818	796	20 849	73 067	101 213	96 442	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Waste Management	1600	900	570	474	439	427	409	394	28 742	32 355	30 411	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	7	7	7	–	–
Interest on Arrear Debtor Accounts	1810	1 848	1 822	1 808	1 577	1 552	1 213	1 333	61 836	72 388	67 510	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	137	133	397	205	2 038	159	216	37 375	40 630	39 963	(57)	–
Total By Income Source	2000	8 858	5 601	4 171	4 319	6 134	4 663	23 553	206 571	263 869	245 240	(57)	–
2023/24 - totals only		15 186	3 989	3 990	3 895	3 179	3 712	38 342	186 667	249 066	225 884	–	–
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 291	2 577	1 853	2 330	2 471	2 861	21 512	79 951	116 267	109 545	–	–
Commercial	2300	5 679	2 340	1 865	1 314	3 010	1 152	984	66 642	82 986	73 112	(57)	–
Households	2400	587	684	853	684	652	650	847	59 977	64 616	62 583	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	2600	8 858	5 601	4 171	4 319	6 134	4 663	23 553	206 571	263 869	245 240	(57)	–

The total debt book for 31 March 2025 of **R 263,868,832**, inclusive of **R 4,308,281** advance payments.

The total debt book for March amounts to **R 259,560,551** (including of **R 8,369,195 9,778,** which is not yet due) has decreased by **R 1,736,695** from the previous month closing balance of **R 257,786,856.** Debt is made up of the following:

- **Residential debt**
  R 104,589,203
- **Commercial debt**
  R 40,124,956
- **Government debt**
  R 110,193,597
- **Other**
  R 4,652,795

R 7,590,744 is the collection made for March 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 88,440,783**

- **Maluti**
  R 71,494,497 (including current)
- **Cedarville**
  R 16,946,286 (including current)

The municipality have currently appointed a panel of collecting agency to assist in implementing the credit and debt collection 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

EC441 Matatiele - Supporting Table SC4 Monthly Budget Statement - aged creditors - M09 - March

Description R thousands	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	
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	-	-	-	-	-	-	-	-	-	8
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	-	-	-	-	-	-	-	-	-	8

The above tables represent the age creditors as at 31 March 2025.

The age creditors reflect no outstanding payments as at 31 March 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

Mar-25

Investment Management

Conditional Investments -Description	Opening Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Municipal Infrastructure Grant	5 382 717.15	16 115 392.13	-2 724 774.81	-39 757.19	18 773 334.47
INEP	5 742 898.83	3 432.14	-1 015 215.76	-3432.14	4 731 115.21
EPWP	-		-	-	-
Disaster Management	18 329 520.89	13 151 437.76	-3 324 736.10	-9 830.01	28 156 222.55
Finance Management Grant	1 215.86	6.44		-6.44	1 222.30
Establishment Plan	231 947.05	1 132.73		-1 132.73	233 079.78
Housing Development Fund	2 365 763.20	11 854.74		-11 854.74	2 377 617.94
Dedea	719 485.76	3 513.65		-3 513.65	722 999.41
Total Conditional Investments	**32 773 549**	**29 286 770**	- **7 064 727**	- **69 527**	**54 995 592**

Mar-25

Unconditional Investments -Description	Openning Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Call Acc STD CRR	217 884 582.18	1 060 000.00			218 944 582.18
Call ACC FNB Surplus Cash	6 805 395.80			-30 801.41	6 805 395.80
Nedbank 32 Days	8 178 672.09	48 623.96		-48 623.96	8 227 296.05
Nedbank	2 730.12	112 831 943.01	-41 016 306.90	-46 203.52	71 818 366.23
Termination Guarantee	144 640.82			-776.72	144 640.82
Account Gaurantee	6 202 000.00			-33 303.76	6 202 000.00
Standard Bank	40 796 438.36	56 219.17	-40 852 657.53	-56 219.17	-
	280 014 459	**113 996 786**	- **81 868 964**	- **215 929**	**312 142 281**
Total Investments as at March 2025					**367 137 873**

The investment portfolio of the municipality as at 31 March 2025 amounted to as indicated below.

As at 31 March 2025 the conditional investments amounted to **R 54,995,592** and unconditional investments amounted to **R 312,142,281**. Total investments as at 31 March 2025 amounted to **R 367,137,873.**

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 at 31 March 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 31 March 2025.

Description	**March 2025**
Nedbank Primary Account:	1 092 323.29
Standard bank Account:	79 970.56
FNB Money Market Account:	1 315 695.19
Total Cash held as at 31 March 2025	**2 487 989.04**

Unreconciled items amount to **R 1,172,828** which is made up of the receipts not yet banked and payments that reflects on the following month.

The above table reflects the Cashbook balance is **R 2,487,989** and Bank statement balance of **R 367,137,873**. Total investments as at 31 March 2025 amounted to **R 369,635,862.**

SECTION 7_ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

7.1 Supporting Table SC6

Description	2024-2025 Meduim Term Revenue & Expenditure Framework					
R thousand	Approved Budget Year 2024/25	Adjustment Budget	Monthly actual	YearTD actual	YearTD budget	Perfomance %
RECEIPTS:						
Operating Transfers and Grants						
National Government:	352 549	325 901	–	325 901	244 426	100%
Local Government Equitable Share	320 321	320 321	–	320 321	240 241	100%
Expanded Public Works Programme Integrated Grant	3 880	3 880	–	3 880	2 910	100%
Local Government Financial Management Grant	1 700	1 700	–	1 700	1 275	100%
Intergrated National Electrification Programme	26 648	–	–	–	–	0%
Provincial Government:	4 816	5 266	–	5 266	3 511	100%
Capacity Building and Other : Library	1 750	2 050		2 050	1 367	100%
District Municipality:	–	150	–	150	100	100%
IDP roadshows	–	150		150	100	100%
	3 066	3 066	–	3 066	2 044	100%
Other grant providers:	–				–	
DEDEAT	3 066	3 066	–	3 066	2 044	100%
Total Operating Transfers and Grants	357 365	331 167	–	331 167	247 937	100%
Capital Transfers and Grants	99 626	101 175	10 721	101 175	67 450	102%
Municipal Infrastructure Grant (MIG)	57 584	57 584	10 721	57 584	38 389	100%
Disaster Response Grant	41 092	42 641	–	42 641	28 427	100%
Capacity Building and Other : Library	950	950	–	950	633	100%
Total Capital Transfers and Grants	99 626	101 175	10 721	101 175	67 450	102%
TOTAL RECEIPTS OF TRANSFERS & GRANTS	456 991	432 342	10 721	432 342	315 387	95%

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

7.2 Supporting Table SC7

EC441 Matatiele - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M09 - March

Description 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
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		48 511	35 107	8 459	2 050	29 841	15 671	14 170	90.4%	8 459
Expanded Public Works Programme Integrated Grant		3 974	3 880	3 880	1 590	7 399	2 910	4 489	154.3%	3 880
Integrated National Electrification Programme Grant		41 000	26 548	–	–	21 173	9 327	11 846	127.0%	–
Municipal Disaster Relief Grant		–	–	–	–	0	–	0	#DIV/0!	–
Local Government Financial Management Grant	3	1 677	1 700	1 700	190	987	1 275	(288)	-22.6%	1 700
Municipal Infrastructure Grant		2 862	2 879	2 879	250	283	2 160	(1 877)	-86.9%	2 879
Provincial Government:		3 640	4 816	5 116	419	3 268	3 732	(464)	-12.4%	5 116
Specify (Add grant description)		0	–	–	–	–	–	–		–
Specify (Add grant description)		309	1 700	2 050	93	379	1 433	(1 053)	-73.5%	2 050
Specify (Add grant description)		3 331	3 116	3 066	325	2 889	2 300	589	25.6%	3 066
District Municipality:		100	–	150	(20 290)	484	60	424	706.9%	150
Specify (Add grant description)		100	–	150	(20 290)	484	60	424	706.9%	150
Other grant providers:		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants		53 250	39 923	13 726	(17 822)	33 594	19 463	14 130	72.6%	13 726
Capital Transfers and Grants										
National Government:		69 024	96 797	97 346	6 455	51 026	72 467	(21 442)	-29.6%	97 346
Municipal Disaster Relief Grant		16 907	41 092	42 641	(9 339)	1 917	31 439	(29 522)	-93.9%	42 641
Municipal Infrastructure Grant		52 117	54 705	54 705	3 016	36 331	41 029	(4 698)	-11.5%	54 705
Integrated National Electrification Programme Grant		0	–	–	–	–	–	–		–
Municipal Disaster Recovery Grant		–	–	–	12 778	12 778	–	12 778	#DIV/0!	–
Provincial Government:		(6 576)	950	950	2 455	(1 696)	713	(2 409)	-338.1%	950
Specify (Add grant description)		–	950	950	–	–	713	(713)	-100.0%	950
Specify (Add grant description)		(4 500)	–	–	–	–	–	–		–
Specify (Add grant description)		–	–	–	–	(29)	–	(29)	#DIV/0!	–
Specify (Add grant description)		(2 076)	–	–	–	–	–	–		–
Specify (Add grant description)		–	–	–	2 455	(1 667)	–	(1 667)	#DIV/0!	–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Capital Transfers and Grants		62 449	96 747	98 296	8 910	49 329	73 180	(23 850)	-32.6%	98 296
TOTAL EXPENDITURE OF TRANSFERS & GRANTS		115 699	136 670	112 021	(8 911)	82 923	92 643	(9 720)	-10.5%	112 021

The total operating grant expenditure amounts to **R 33,6 Million** and Capital grant expenditure amounts to **R 8,9 Million** for the month March 2025.

SECTIONS 8

Table SC8 presents the expenditure of councillor and staff benefits at 31 March 2025.

EC441 Matatiele - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M09 - March

Summary of Employee and Councillor remuneration R thousands	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
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		12 101	13 958	13 958	1 103	10 174	10 469	(294)	-3%	13 958
Pension and UIF Contributions		803	1 054	1 054	88	698	790	(93)	-12%	1 054
Medical Aid Contributions		697	137	137	69	346	103	244	237%	137
Motor Vehicle Allowance		(4)	2 757	2 757	–	–	2 068	(2 068)	-100%	2 757
Cellphone Allowance		2 547	2 876	2 876	218	1 915	2 157	(241)	-11%	2 876
Housing Allowances		5 926	5 620	5 620	588	5 121	4 215	906	21%	5 620
Other benefits and allowances		–	–	–	–	–	–	–		–
Sub Total - Councillors		23 870	26 401	26 401	2 022	18 254	19 801	(1 547)	-8%	26 401
% increase	4		14.4%	14.4%						14.4%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		2 166	2 905	2 905	180	1 079	2 179	(1 100)	-50%	2 905
Pension and UIF Contributions		(17)	301	301	19	67	225	(158)	-70%	301
Medical Aid Contributions		–	263	263	16	49	197	(148)	-75%	263
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		114	687	687	4	4	515	(511)	-99%	687
Motor Vehicle Allowance		1 182	2 856	2 856	151	1 262	2 142	(880)	-41%	2 856
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		1 583	906	906	81	601	680	(79)	-12%	906
Other benefits and allowances		0	1	1	0	0	1	(0)	-72%	1
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		172	569	569	26	138	427	(289)	-68%	569
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		5 169	8 488	8 488	416	3 199	6 366	(3 166)	-50%	8 488
% increase	4		64.5%	64.5%						64.5%
Other Municipal Staff										
Basic Salaries and Wages		106 079	116 282	114 927	8 143	79 522	86 642	(7 119)	-8%	114 927
Pension and UIF Contributions		15 431	17 227	17 227	1 391	12 220	12 920	(700)	-5%	17 227
Medical Aid Contributions		5 972	5 468	5 468	561	4 795	4 851	(56)	-1%	5 468
Overtime		4 042	2 130	3 385	297	3 585	2 099	1 486	71%	3 385
Performance Bonus		7 250	8 982	8 982	1 048	6 357	6 736	(379)	-6%	8 982
Motor Vehicle Allowance		7 708	8 844	8 844	545	5 226	6 633	(1 407)	-21%	8 844
Cellphone Allowance		6	7	7	1	5	5	(0)	-8%	7
Housing Allowances		3 159	5 421	5 421	309	2 262	4 066	(1 803)	-44%	5 421
Other benefits and allowances		2 566	1 251	1 251	929	3 243	931	2 312	248%	1 251
Payments in lieu of leave		1 240	–	–	–	708	–	708	#DIV/0!	–
Long service awards		491	–	–	241	425	–	425	#DIV/0!	–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		–	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		153 574	166 512	166 512	13 468	118 349	124 884	(6 535)	-5%	166 512
% increase	4		8.1%	8.1%						8.1%
Total Parent Municipality		182 294	201 401	201 401	15 906	139 802	151 051	(11 249)	-7%	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.

Remuneration related expenditure for the month ended 31 March 2025 amounted **R 15,9 million** of which the expenditure **R 2,1 million** relates to Remuneration of Councillors and **R 13,9 million**, to Managers and staff, that represents **8%** of the budgeted amount for this category and the expenditure is within the expected performance for the month.

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

QUALITY CERTICATE

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 31 March 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: 11/04/2025