

# Harry Gwala District Municipality

MFMA s71 report for the period ending 31 January 2025.



## In-Year Report of the Municipality

Prepared in terms of Section 71 & Section 52 (d) of the Local Government Municipal Finance Management Act, (Act 56 of 2003) and the Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 June 2009.

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## Glossary

**Adjustments budget** – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

**AFS** – Annual Financial Statements

**Budget** – The financial plan of the Municipality.

**Capital expenditure** - Spending on assets such as infrastructure, land & buildings minor assets etc. Any capital expenditure must be reflected as an asset on the Municipality's statement of financial position.

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

**Equitable share** – An unconditional grant paid to municipalities. It is predominantly targeted towards funding the Indigent Policy.

**FMG** – Financial Management Grant.

**GRAP** – Generally Recognised Accounting Practice. The standard for municipal accounting.

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

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

**MFMA** – Local Government: Municipal Finance Management Act (56/2003). The principle legislation relating to municipal financial management.

**MIG** – Municipal Infrastructure Grant.

**MTREF** – Medium Term Revenue and Expenditure Framework (MTREF). The medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes financial information of the previous and current year.

**Operating expenditure** – Spending on the day to day expenses of the Municipality such as salaries and wages, repairs and maintenance etc.

**SDBIP** – Service Delivery and Budget Implementation Plan (SDBIP). A detailed plan comprising annual and quarterly performance information. Harry Gwala District Municipality MFMA s71 Monthly Report Page 5

**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.

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

**YTD** – Year to date

**YoY** – Year on Year

**DBSA** – Development Bank of South Africa

## **PURPOSE**

To table a report on the Implementation of the current budget and the financial state of the Municipality in terms of Section 71 of the Municipal Finance Management Act (MFMA) for the period ending 31 January 2025.

## **LEGISLATIVE FRAMEWORK**

- Local Government: Municipal Finance Management Act, 56 of 2003
- SCM Regulations
- SCM Policy
- Municipal Budget Reporting Regulation
- Division of Revenue Act

## **Legislative Requirements**

In terms of the section 71 of the MFMA the accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- (a)* Actual revenue, per revenue source;
- (b)* actual borrowings;
- (c)* actual expenditure, per vote;
- (d)* actual capital expenditure, per vote;
- (e)* the amount of any allocations received;

(f) actual expenditure on those allocations, excluding expenditure on—

- (i) its share of the local government equitable share; and
- (ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and

(g) when necessary, an explanation of—

- (i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
- (ii) any material variances from the service delivery and budget implementation plan; and
- (iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's

## 1.2 Executive Summary

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

## **Revenue by Source**

The Year-to-Date actual revenue is 107% above the YTD budget. All the allocated conditional grants receipted as per Division of Revenue Bill, However the recognition as revenue only occur when the expenditure is incurred.

## **Borrowings**

The balance of borrowings does not have the long term loans.

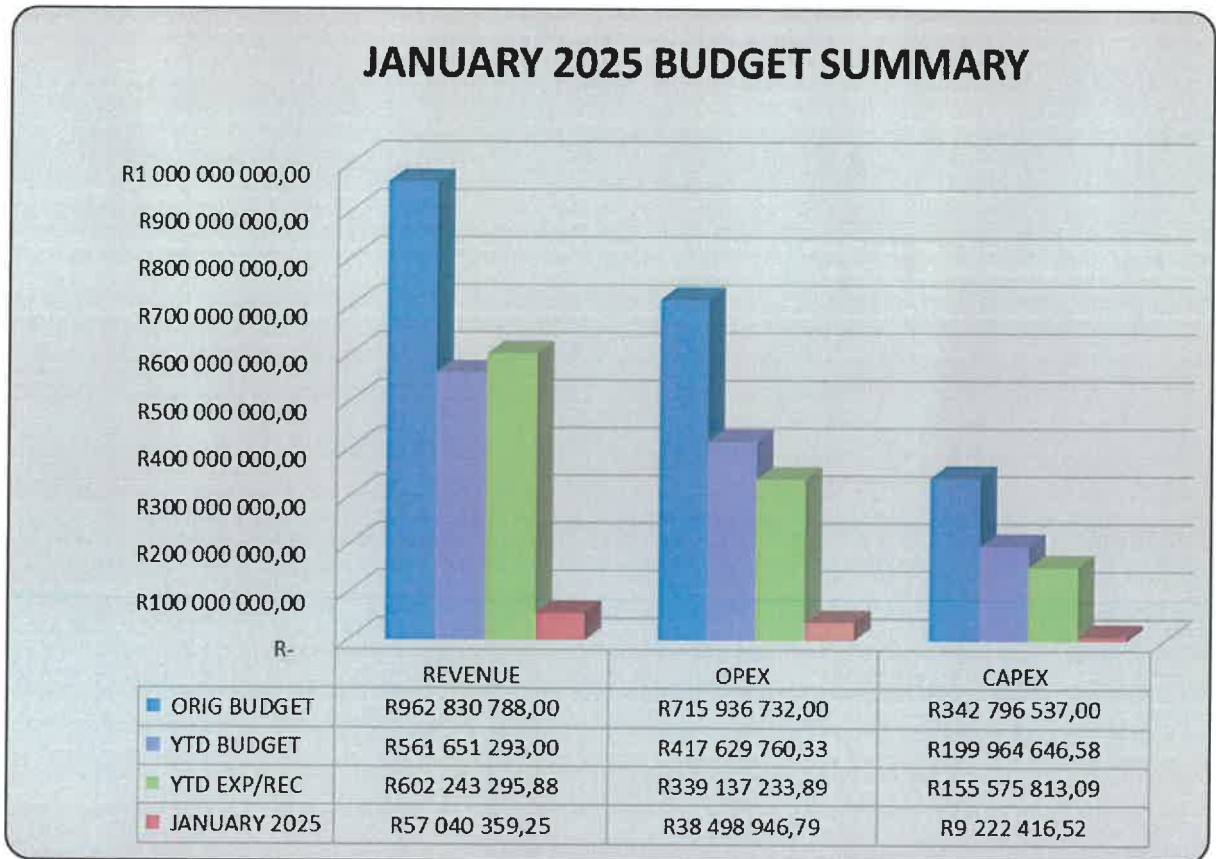
## **Operating expenditure by vote & type**

The total operating budget for the current year amounts to R715, 9m. The YTD Operating expenditure for the month ended 31 January amounted to R339, 1m against a year to date (YTD) budget of R417, 6m. The actual YTD expenditure represented 81% of the year to date budget.

## **Capital expenditure**

The total capital budget for the current year amounts to R342, 7m. The YTD expenditure on capital amounts to R155, 5million against year to date budget of R199, 9million, or 78% of the planned expenditure. Capital expenditure is mainly funded by means of National grants.

**Chart 1: Budget vs. Expenditure Summary**



**Cash flows**

The municipality started the year with a positive cashbook balance of R209, 7million. The closing cash and cash equivalents as at the end of January 2025 was R393, 4million. Refer to the table below for cash and cash equivalent register for more detail on the cash position.



## CASH AND INVESTMENT REGISTER AS AT 31 JANUARY 2025

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Variable or Fixed interest rate	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands	Yrs/Months							
<b>Municipality</b>								
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	1 178	6	-	-	1 184
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	79 455	402	(3 632)	-	76 225
FIRST NATIONAL BANK	M	ADMIN CALL	Fixed	24 221	90	-	-	24 312
FIRST NATIONAL BANK	M	FIXED DEPOSIT	Fixed	55 819	344	(6 800)	-	49 363
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	1 154	6	-	-	1 160
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	83 314	435	-	-	83 749
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	1 915	10	-	-	1 925
FIRST NATIONAL BANK	M	FIXED DEPOSIT	Fixed	1 232	6	-	-	1 238
FNB BANK	M	FIXED DEPOSIT	Fixed	51 234	722	-	-	51 956
FNB BANK	M	FIXED DEPOSIT	Fixed	22 000	-	-	-	22 000
FNB BANK	M	FIXED DEPOSIT	Fixed	22 000	-	-	-	22 000
FNB BANK	M	FIXED DEPOSIT	Fixed	22 000	203	(22 203)	-	-
STANDARD BANK	M	FIXED DEPOSIT	Fixed	55 115	-	-	-	55 115
FNB BANK	M	CURRENT ACCOUNT	Fixed	6 433	-	(3 197)	-	3 236
<b>Municipality sub-total</b>				<b>427 070</b>	<b>2 224</b>	<b>(35 831)</b>	<b>-</b>	<b>393 463</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>				<b>427 070</b>	<b>2 224</b>	<b>(35 831)</b>	<b>-</b>	<b>393 463</b>

### Allocations received (National & Provincial Grants)

All DORA and provincial grants allocations for 2024/2025 have been received as per payment schedule. The total grants received as at 31 January 2025 was R 630, 6million. Conditional Grants amounting to R 261, 7million and the equitable share is R 368, 8million. No grants received in the month ending 31 January 2025

### Spending on Grants

Spending on grants amounted to R155, 5million or 78% for the month ending January 2025.

### **1.3 Resolutions**

This report will be tabled to Executive committee and therefore the resolution will be available once it tabled to council in terms of Sec 52 (d) of the MFMA.

### **1.4 Monthly Budget Statement Tables**

#### **Monthly Budget Statements Summary**

Table C1 below provides a summary of the overall performance in the Municipality and is unpacked in the sections that follow.

DC43 Harry Gwala - Table C1 Consolidated Monthly Budget Statement Summary - M07 January

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
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	72 558	71 195	71 195	6 824	46 463	41 530	4 933	12%	71 195
Investment revenue	21 988	17 435	17 435	2 709	16 447	10 170	6 277	62%	17 435
Transfers (contributions) (Revenue)	477 532	532 623	532 623	12 110	390 088	310 697	79 391	0	532 623
Other own revenue	19 607	17 721	17 721	1 209	9 940	10 337	(397)	-4%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>591 685</b>	<b>638 975</b>	<b>638 975</b>	<b>22 852</b>	<b>462 938</b>	<b>372 735</b>	<b>90 203</b>	<b>24%</b>	<b>638 975</b>
Employee costs	256 039	273 607	273 607	21 185	147 152	159 605	(12 453)	-8%	273 607
Remuneration of Councillors	6 932	8 606	8 606	601	4 433	5 020	(587)	-12%	8 606
Depreciation and amortisation	236 930	101 837	101 837	-	-	59 405	(59 405)	-100%	101 837
Interest	2	115	115	-	-	67	(67)	-100%	115
Inventory consumed and bulk purchases	33 598	36 810	36 810	2 206	18 134	21 472	(3 339)	-16%	36 810
Transfers (expenditure)	-	6 700	6 700	-	-	3 908	(3 908)	-100%	6 700
Other expenditure	255 958	288 262	288 262	14 507	169 418	168 153	1 264	1%	288 262
<b>Total Expenditure</b>	<b>789 459</b>	<b>715 937</b>	<b>715 937</b>	<b>38 499</b>	<b>339 137</b>	<b>417 632</b>	<b>(78 494)</b>	<b>-19%</b>	<b>715 937</b>
<b>Surplus/(Deficit)</b>	<b>(197 574)</b>	<b>(76 962)</b>	<b>(76 962)</b>	<b>(15 647)</b>	<b>123 801</b>	<b>(44 897)</b>	<b>168 698</b>	<b>-376%</b>	<b>(76 962)</b>
Transfers and subsidies - capital (monetary allocations)	332 319	318 124	323 856	34 188	139 305	167 722	(48 417)	-26%	323 856
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>134 745</b>	<b>241 161</b>	<b>246 894</b>	<b>18 541</b>	<b>263 106</b>	<b>142 825</b>	<b>120 281</b>	<b>84%</b>	<b>246 894</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>134 745</b>	<b>241 161</b>	<b>246 894</b>	<b>18 541</b>	<b>263 106</b>	<b>142 825</b>	<b>120 281</b>	<b>84%</b>	<b>246 894</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>309 604</b>	<b>322 312</b>	<b>342 797</b>	<b>9 222</b>	<b>155 576</b>	<b>195 697</b>	<b>(40 121)</b>	<b>-21%</b>	<b>342 797</b>
Capital transfers recognised	298 048	276 944	281 929	9 071	139 064	163 420	(24 356)	-15%	281 929
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	11 555	45 368	60 868	151	16 512	32 277	(15 765)	-49%	60 868
<b>Total sources of capital funds</b>	<b>309 604</b>	<b>322 312</b>	<b>342 797</b>	<b>9 222</b>	<b>155 576</b>	<b>195 697</b>	<b>(40 121)</b>	<b>-21%</b>	<b>342 797</b>
<b>Financial position</b>									
Total current assets	243 572	208 559	193 806	-	431 171	-	-	-	193 806
Total non current assets	2 997 176	3 446 319	3 466 604	-	3 152 754	-	-	-	3 466 604
Total current liabilities	135 087	124 097	124 097	-	215 158	-	-	-	124 097
Total non current liabilities	30 536	29 399	29 399	-	30 536	-	-	-	29 399
Community wealth/Equity	<b>3 262 762</b>	<b>3 501 382</b>	<b>3 501 382</b>	-	<b>3 338 231</b>	-	-	-	<b>3 501 382</b>
<b>Cash flows</b>									
Net cash from (used) operating	1 800 878	326 348	334 239	105 916	997 459	194 973	(802 486)	-412%	334 239
Net cash from (used) investing	(309 604)	(322 312)	(342 797)	(9 222)	(155 576)	(199 965)	(44 389)	22%	(342 797)
Net cash from (used) financing	(365)	(2 969)	(2 969)	-	-	(1 732)	(1 732)	100%	(2 969)
<b>Cash/cash equivalents at the month/year end</b>	<b>1 615 561</b>	<b>152 288</b>	<b>139 694</b>	<b>1 051 313</b>	<b>1 051 313</b>	<b>144 487</b>	<b>(906 817)</b>	<b>-628%</b>	<b>197 903</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Income Source	7 702	5 840	4 978	4 125	3 823	3 919	20 708	186 527	237 623
<b>Creditors Age Analysis</b>									
Total Creditors	359	64	10	274	-	-	-	-	707

## Financial Performance

Table C2 provides the statement of financial performance by standard classification.

DC43 Harry Gwala - Table C2 Consolidated Monthly Budget Statement - Financial Performance (functional classification) - M07 January

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
<b>R thousands</b>									
<b>Revenue - Functional</b>									
<i>Governance and administration</i>	490 123	510 213	510 213	2 770	386 965	297 624	89 340	30%	510 213
Executive and council	-	-	-	-	-	-	-	-	-
Finance and administration	490 123	510 213	510 213	2 770	386 965	297 624	89 340	30%	510 213
Internal audit	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>	42	17	17	3	18	10	8	82%	17
Community and social services	42	17	17	3	18	10	8	82%	17
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	-	21 530	29 543	-	-	15 564	(15 564)	-100%	29 543
Planning and development	-	21 530	29 543	-	-	15 564	(15 564)	-100%	29 543
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	434 040	425 338	423 058	54 268	215 261	247 259	(31 998)	-13%	423 058
Energy sources	-	-	-	-	-	-	-	-	-
Water management	420 226	409 956	407 676	53 078	207 231	238 286	(31 055)	-13%	407 676
Waste water management	13 814	15 382	15 382	1 189	8 030	8 973	(943)	-11%	15 382
Waste management	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>924 204</b>	<b>957 098</b>	<b>962 831</b>	<b>57 040</b>	<b>602 243</b>	<b>560 457</b>	<b>41 786</b>	<b>7%</b>	<b>962 831</b>
<b>Expenditure - Functional</b>									
<i>Governance and administration</i>	282 513	328 884	327 142	19 762	160 841	191 017	(30 175)	-16%	327 142
Executive and council	30 252	45 410	45 410	2 289	19 921	26 490	(6 569)	-25%	45 410
Finance and administration	243 702	271 416	271 116	16 765	136 187	158 214	(22 027)	-14%	271 116
Internal audit	8 559	12 058	10 616	708	4 733	6 313	(1 579)	-25%	10 616
<i>Community and public safety</i>	19 285	24 662	24 662	1 521	9 890	14 386	(4 497)	-31%	24 662
Community and social services	19 285	24 662	24 662	1 521	9 890	14 386	(4 497)	-31%	24 662
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	294 606	175 539	176 981	4 234	46 425	103 119	(56 695)	-55%	176 981
Planning and development	294 606	175 539	176 981	4 234	46 425	103 119	(56 695)	-55%	176 981
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	193 055	186 601	186 901	12 983	121 982	108 964	13 018	12%	186 901
Energy sources	-	-	-	-	-	-	-	-	-
Water management	192 868	185 665	185 965	12 966	121 877	108 417	13 459	12%	185 965
Waste water management	187	937	937	16	105	546	(441)	-81%	937
Waste management	-	-	-	-	-	-	-	-	-
Other	-	250	250	-	-	146	(146)	-100%	250
<b>Total Expenditure - Functional</b>	<b>789 459</b>	<b>715 937</b>	<b>715 937</b>	<b>38 499</b>	<b>339 137</b>	<b>417 632</b>	<b>(78 494)</b>	<b>-19%</b>	<b>715 937</b>
<b>Surplus/ (Deficit) for the year</b>	<b>134 745</b>	<b>241 161</b>	<b>246 894</b>	<b>18 541</b>	<b>263 106</b>	<b>142 825</b>	<b>120 281</b>	<b>0,84215572</b>	<b>246 894</b>

This table assess the revenue by department and then the expenditure for the period ending 31 January 2025. Revenue receipts in January have largely constituted of service charges which is water and sanitation. The overall budgeted revenue cash receipt for the month of January is 10% against original budget.

Expenditure by standard classification presents the expenditures by the departments. Water Services Department has the largest expenditure for the month of January as the department responsible for the repairs and maintenance of the municipal assets and also with the largest staff complement, shares the greatest bulk of this budget and hence the expenditure of R16, 8million.

Table C3 presents the same information as the table above, the difference being that it's by Municipal vote.

DC43 Harry Gwala - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M07 January

Vote 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
<b>R thousands</b>									
<b>Revenue by Vote</b>									
Vote 01 - Summary Council	-	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	489 676	509 775	509 775	2 767	386 713	297 369	89 344	30,0%	509 775
Vote 04 - Summary Corporate Services	418	387	387	-	161	226	(64)	-28,5%	387
Vote 05 - Summary Social Services & Development Planning	42	21 547	21 547	3	18	12 569	(12 551)	-99,9%	21 547
Vote 06 - Summary Infrastructure Services	348 937	343 279	349 012	46 470	161 954	202 396	(40 442)	-20,0%	349 012
Vote 07 - Summary Water Services	85 131	82 110	82 110	7 800	53 397	47 898	5 500	11,5%	82 110
Vote 15 - Other	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>924 204</b>	<b>957 098</b>	<b>962 831</b>	<b>57 040</b>	<b>602 243</b>	<b>560 457</b>	<b>41 786</b>	<b>7,5%</b>	<b>962 831</b>
<b>Expenditure by Vote</b>									
Vote 01 - Summary Council	15 581	21 342	21 342	1 122	11 109	12 450	(1 341)	-10,8%	21 342
Vote 02 - Summary Municipal Manager	23 229	27 993	27 993	1 874	14 260	16 330	(2 070)	-12,7%	27 993
Vote 03 - Summary Budget And Treasury Office	97 677	105 423	105 423	5 392	39 069	61 497	(22 428)	-36,5%	105 423
Vote 04 - Summary Corporate Services	93 168	106 417	106 417	7 493	58 185	62 077	(3 892)	-6,3%	106 417
Vote 05 - Summary Social Services & Development Planning	56 417	88 372	88 372	2 514	32 135	51 551	(19 416)	-37,7%	88 372
Vote 06 - Summary Infrastructure Services	257 942	125 796	125 796	3 281	23 800	73 381	(49 581)	-67,6%	125 796
Vote 07 - Summary Water Services	245 444	240 594	240 594	16 822	160 580	140 347	20 233	14,4%	240 594
Vote 15 - Other	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>789 459</b>	<b>715 937</b>	<b>715 937</b>	<b>38 499</b>	<b>339 137</b>	<b>417 632</b>	<b>(78 494)</b>	<b>-18,8%</b>	<b>715 937</b>
<b>Surplus/ (Deficit) for the year</b>	<b>134 745</b>	<b>241 161</b>	<b>246 894</b>	<b>18 541</b>	<b>263 106</b>	<b>142 825</b>	<b>120 281</b>	<b>84,2%</b>	<b>246 894</b>

## Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 31 January 2025.

DC43 Harry Gwala - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

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
<b>R thousands</b>									
<b>Revenue</b>									
<b>Exchange Revenue</b>									
Service charges - Electricity							-		
Service charges - Water	59 302	56 944	56 944	5 698	38 861	33 217	5 644	17%	56 944
Service charges - Waste Water Management	13 256	14 252	14 252	1 126	7 603	8 313	(711)	-9%	14 252
Service charges - Waste management							-		
Sale of Goods and Rendering of Services	178	663	663	6	71	386	(315)	-82%	663
Interest earned from Receivables	16 536	16 655	16 655	1 200	8 773	9 715	(943)	-10%	16 655
Interest from Current and Non Current Assets	21 988	17 435	17 435	2 709	16 447	10 170	6 277	62%	17 435
Rental from Fixed Assets							-		
Licence and permits							-		
Operational Revenue	1 241	404	404	3	310	236	74	32%	404
<b>Non-Exchange Revenue</b>									
Property rates							-		
Surcharges and Taxes							-		
Fines, penalties and forfeits	478	-	-	-	786	-	786	#DIV/0!	-
Licence and permits							-		
Transfers and subsidies - Operational	477 532	532 623	532 623	12 110	390 088	310 697	79 391	26%	532 623
Interest	-	-	-	-	-	-	-		-
Fuel Levy							-		
Operational Revenue	-	-	-	-	-	-	-		-
Gains on disposal of Assets	-	-	-	-	-	-	-		-
Other Gains	1 374	-	-	-	-	-	-		-
<b>Discontinued Operations</b>									
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>591 885</b>	<b>638 975</b>	<b>638 975</b>	<b>22 852</b>	<b>462 938</b>	<b>372 735</b>	<b>90 203</b>	<b>24%</b>	<b>638 975</b>
<b>Expenditure By Type</b>									
Employee related costs	256 039	273 607	273 607	21 185	147 152	159 605	(12 453)	-8%	273 607
Remuneration of councillors	6 932	8 606	8 606	601	4 433	5 020	(587)	-12%	8 606
Bulk purchases - electricity	-	-	-	-	-	-	-		-
Inventory consumed	33 598	36 810	36 810	2 206	18 134	21 472	(3 339)	-16%	36 810
Debt impairment	10 796	-	-	-	-	-	-		-
Depreciation and amortisation	236 930	101 837	101 837	-	-	59 405	(59 405)	-100%	101 837
Interest	2	115	115	-	-	67	(67)	-100%	115
Contracted services	122 694	152 097	151 807	8 977	91 121	88 613	2 508	3%	151 807
Transfers and subsidies	-	6 700	6 700	-	-	3 908	(3 908)	-100%	6 700
Irrecoverable debts written off	29 995	31 908	31 908	3	8 026	18 613	(10 587)	-57%	31 908
Operational costs	91 283	104 257	104 547	5 526	70 271	60 928	9 344	15%	104 547
Losses on Disposal of Assets	1 180	-	-	-	-	-	-		-
Other Losses	-	-	-	-	-	-	-		-
<b>Total Expenditure</b>	<b>789 459</b>	<b>715 937</b>	<b>715 937</b>	<b>38 499</b>	<b>339 137</b>	<b>417 632</b>	<b>(78 494)</b>	<b>-19%</b>	<b>715 937</b>
<b>Surplus/(Deficit)</b>	<b>(197 574)</b>	<b>(76 962)</b>	<b>(76 962)</b>	<b>(15 647)</b>	<b>123 801</b>	<b>(44 897)</b>	<b>168 698</b>	<b>(0)</b>	<b>(76 962)</b>
Transfers and subsidies - capital (monetary allocations)	332 319	318 124	323 856	34 188	139 305	187 722	(48 417)	(0)	323 856
Transfers and subsidies - capital (In-kind)	-	-	-	-	-	-	-		-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>134 745</b>	<b>241 161</b>	<b>246 894</b>	<b>18 541</b>	<b>263 106</b>	<b>142 825</b>	<b>120 281</b>	<b>0</b>	<b>246 894</b>
Income Tax							-		
<b>Surplus/(Deficit) after income tax</b>	<b>134 745</b>	<b>241 161</b>	<b>246 894</b>	<b>18 541</b>	<b>263 106</b>	<b>142 825</b>	<b>120 281</b>	<b>0</b>	<b>246 894</b>
Share of Surplus/Deficit attributable to Joint Venture							-		
Share of Surplus/Deficit attributable to Minorities							-		
<b>Surplus/(Deficit) attributable to municipality</b>	<b>134 745</b>	<b>241 161</b>	<b>246 894</b>	<b>18 541</b>	<b>263 106</b>	<b>142 825</b>	<b>120 281</b>	<b>0</b>	<b>246 894</b>
Share of Surplus/Deficit attributable to Associate							-		
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-		-
<b>Surplus/ (Deficit) for the year</b>	<b>134 745</b>	<b>241 161</b>	<b>246 894</b>	<b>18 541</b>	<b>263 106</b>	<b>142 825</b>	<b>120 281</b>	<b>0</b>	<b>246 894</b>

## Capital Expenditure

Table C5 below reports on the capital expenditures by departments (municipal vote) and also by standard classification. The bottom part of the schedule looks at the funding sources of the capital projects.

DC43 Harry Gwala - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding - M07 January

Vote 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
<b>R thousands</b>									
<b>Multi-Year expenditure appropriation</b>									
Vote 01 - Summary Council	-	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	-	-	-	-	-	-	-	-	-
Vote 04 - Summary Corporate Services	4 385	9 480	12 480	-	6 268	6 655	(387)	-6%	12 480
Vote 05 - Summary Social Services & Development Planning	986	5 640	5 640	-	-	3 290	(3 290)	-100%	5 640
Vote 06 - Summary Infrastructure Services	78 007	122 732	118 076	5 913	44 736	69 848	(25 112)	-36%	118 076
Vote 07 - Summary Water Services	226 226	184 460	206 600	3 310	104 572	115 904	(11 333)	-10%	206 600
Vote 15 - Other	-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>309 604</b>	<b>322 312</b>	<b>342 797</b>	<b>9 222</b>	<b>155 576</b>	<b>195 697</b>	<b>(40 121)</b>	<b>-21%</b>	<b>342 797</b>
<b>Total Capital Expenditure</b>	<b>309 604</b>	<b>322 312</b>	<b>342 797</b>	<b>9 222</b>	<b>155 576</b>	<b>195 697</b>	<b>(40 121)</b>	<b>-21%</b>	<b>342 797</b>
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>	<b>4 385</b>	<b>14 205</b>	<b>17 205</b>	<b>-</b>	<b>6 268</b>	<b>9 411</b>	<b>(3 143)</b>	<b>-33%</b>	<b>17 205</b>
Executive and council	-	-	-	-	-	-	-	-	-
Finance and administration	4 385	14 205	17 205	-	6 268	9 411	(3 143)	-33%	17 205
Internal audit	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>	<b>986</b>	<b>600</b>	<b>600</b>	<b>-</b>	<b>-</b>	<b>350</b>	<b>(350)</b>	<b>-100%</b>	<b>600</b>
Community and social services	986	600	600	-	-	350	(350)	-100%	600
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	<b>60 631</b>	<b>121 210</b>	<b>115 421</b>	<b>5 913</b>	<b>41 336</b>	<b>68 393</b>	<b>(27 058)</b>	<b>-40%</b>	<b>115 421</b>
Planning and development	60 631	121 210	115 421	5 913	41 336	68 393	(27 058)	-40%	115 421
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	<b>243 602</b>	<b>186 297</b>	<b>209 570</b>	<b>3 310</b>	<b>107 972</b>	<b>117 542</b>	<b>(9 570)</b>	<b>-8%</b>	<b>209 570</b>
Energy sources	-	-	-	-	-	-	-	-	-
Water management	178 637	176 093	185 775	3 310	90 465	106 493	(16 028)	-15%	185 775
Waste water management	64 965	10 204	23 796	-	17 507	11 049	6 458	58%	23 796
Waste management	-	-	-	-	-	-	-	-	-
<b>Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Functional Classification</b>	<b>309 604</b>	<b>322 312</b>	<b>342 797</b>	<b>9 222</b>	<b>155 576</b>	<b>195 697</b>	<b>(40 121)</b>	<b>-21%</b>	<b>342 797</b>
<b>Funded by:</b>									
National Government	298 048	276 629	274 647	9 071	139 064	160 624	(21 560)	-13%	274 647
Provincial Government	-	-	6 967	-	-	2 613	(2 613)	-100%	6 967
District Municipality	-	315	315	-	-	184	(184)	-100%	315
Transfers recognised - capital	298 048	278 944	281 929	9 071	139 064	163 420	(24 356)	-15%	281 929
<b>Borrowing</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Internally generated funds</b>	<b>11 555</b>	<b>45 368</b>	<b>60 868</b>	<b>151</b>	<b>16 512</b>	<b>32 277</b>	<b>(15 765)</b>	<b>-49%</b>	<b>60 868</b>
<b>Total Capital Funding</b>	<b>309 604</b>	<b>322 312</b>	<b>342 797</b>	<b>9 222</b>	<b>155 576</b>	<b>195 697</b>	<b>(40 121)</b>	<b>-21%</b>	<b>342 797</b>



As alluded to above, the capital expenditure programme for the period ending 31 January 2025 was R155, 5m which represents 78% of capital expenditure against year to date budget of R199, 9million.

The chart below presents a high level analysis of YTD capital expenditure budget against the YTD actual expenditure.

**Chart 1: 2024/2025 CAPEX**

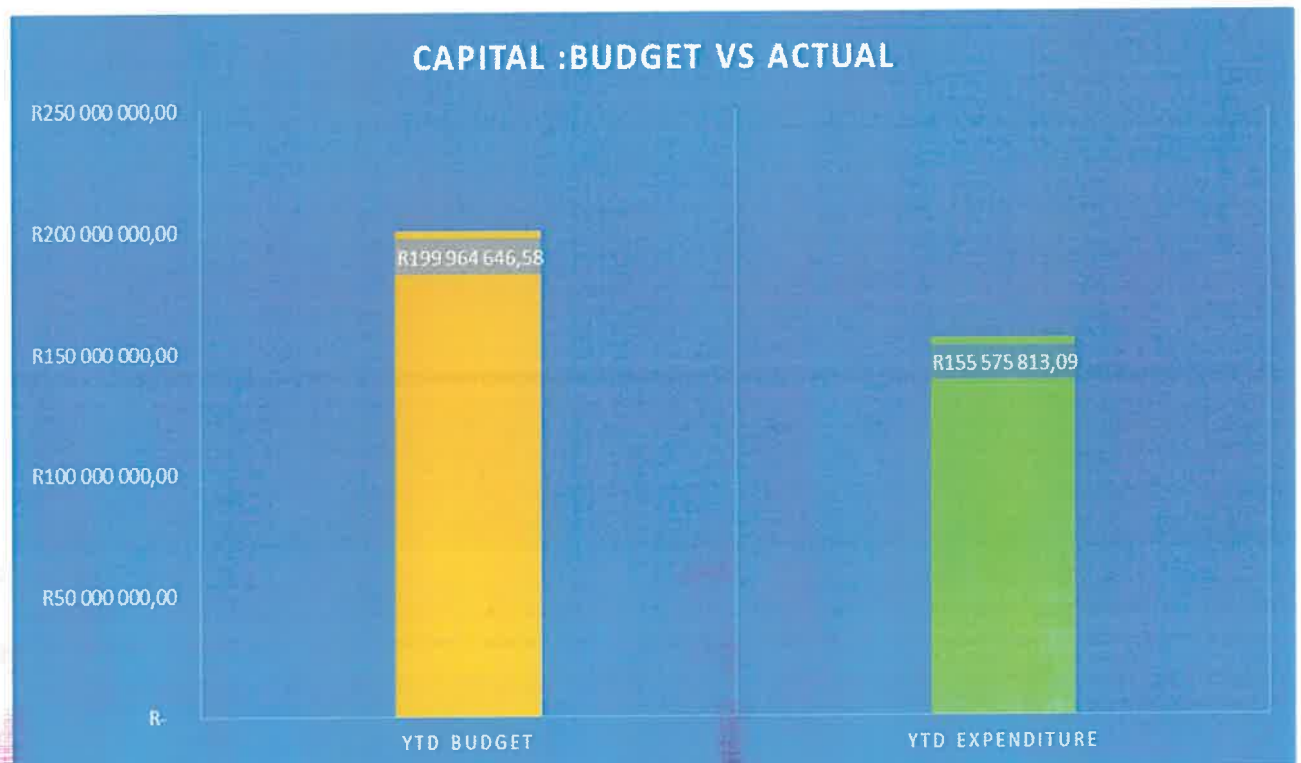


Table C6 displays the financial position of the municipality as at 31 January 2025.

DC43 Harry Gwala - Table C6 Consolidated Monthly Budget Statement - Financial Position - M07 January

Description	2023/24	Budget Year 2024/25			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>					
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	209 430	139 694	139 694	392 070	139 694
Trade and other receivables from exchange transactions	12 036	29 605	29 605	15 683	29 605
Receivables from non-exchange transactions	2 312	2 311	2 311	2 312	2 311
Current portion of non-current receivables	-	-	-	-	-
Inventory	858	759	759	866	759
VAT	19 164	36 188	21 436	20 474	21 436
Other current assets	(229)	2	2	(234)	2
<b>Total current assets</b>	<b>243 572</b>	<b>208 559</b>	<b>193 806</b>	<b>431 171</b>	<b>193 806</b>
<b>Non current assets</b>					
Investments					
Investment property	-	-	-	-	-
Property, plant and equipment	2 996 864	3 444 846	3 465 330	3 152 440	3 465 330
Biological assets					
Living and non-living resources					
Heritage assets					
Intangible assets	313	1 473	1 473	313	1 473
Trade and other receivables from exchange transactions	-	-	-	-	-
Non-current receivables from non-exchange transactions	-	-	-	-	-
Other non-current assets	0	0	0	0	0
<b>Total non current assets</b>	<b>2 997 178</b>	<b>3 446 319</b>	<b>3 466 804</b>	<b>3 152 754</b>	<b>3 466 804</b>
<b>TOTAL ASSETS</b>	<b>3 240 750</b>	<b>3 654 878</b>	<b>3 660 610</b>	<b>3 583 925</b>	<b>3 660 610</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft	-	-	-	-	-
Financial liabilities	12 806	8 006	8 006	12 806	8 006
Consumer deposits	3 179	3 522	3 522	3 392	3 522
Trade and other payables from exchange transactions	86 935	86 542	86 542	60 597	86 542
Trade and other payables from non-exchange transactions	10 500	1 483	1 483	111 769	1 483
Provision	16 385	17 142	17 142	16 385	17 142
VAT	5 282	7 402	7 402	10 208	7 402
Other current liabilities	-	-	-	-	-
<b>Total current liabilities</b>	<b>135 087</b>	<b>124 097</b>	<b>124 097</b>	<b>215 158</b>	<b>124 097</b>
<b>Non current liabilities</b>					
Financial liabilities	(0)	-	-	(0)	-
Provision	30 536	29 399	29 399	30 536	29 399
Long term portion of trade payables	-	-	-	-	-
Other non-current liabilities	-	-	-	-	-
<b>Total non current liabilities</b>	<b>30 536</b>	<b>29 399</b>	<b>29 399</b>	<b>30 536</b>	<b>29 399</b>
<b>TOTAL LIABILITIES</b>	<b>165 623</b>	<b>153 496</b>	<b>153 496</b>	<b>245 694</b>	<b>153 496</b>
<b>NET ASSETS</b>	<b>3 075 127</b>	<b>3 501 382</b>	<b>3 507 114</b>	<b>3 338 231</b>	<b>3 507 114</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated surplus/(deficit)	3 262 762	3 501 382	3 501 382	3 338 231	3 501 382
Reserves and funds	-	-	-	-	-
Other	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>3 262 762</b>	<b>3 501 382</b>	<b>3 501 382</b>	<b>3 338 231</b>	<b>3 501 382</b>

Table C7 below display the Cash Flow Statement for the period ending 31 January 2025.

DC43 Harry Gwala - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M07 January

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
<b>R thousands</b>									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates	6	-	-	-	-	-	-	-	-
Service charges	62 324	62 194	62 194	5 365	42 611	36 280	6 331	17%	62 194
Other revenue	1 805 797	68 324	86 092	171 948	867 022	50 220	816 801	1626%	86 092
Transfers and Subsidies - Operational	473 045	512 493	512 493	-	374 948	298 955	75 993	25%	512 493
Transfers and Subsidies - Capital	326 130	318 124	323 856	-	255 714	188 916	66 798	35%	323 856
Interest	21 988	18 053	18 053	2 709	16 447	10 531	5 916	56%	18 053
Dividends	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Suppliers and employees	(888 412)	(652 698)	(668 307)	(74 106)	(559 283)	(389 846)	169 437	-43%	(668 307)
Interest	-	(142)	(142)	-	-	(83)	(83)	100%	(142)
Transfers and Subsidies	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>1 800 878</b>	<b>326 348</b>	<b>334 239</b>	<b>105 916</b>	<b>997 459</b>	<b>194 973</b>	<b>(802 486)</b>	<b>-412%</b>	<b>334 239</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Capital assets	(309 604)	(322 312)	(342 797)	(9 222)	(155 576)	(199 965)	(44 389)	22%	(342 797)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(309 604)</b>	<b>(322 312)</b>	<b>(342 797)</b>	<b>(9 222)</b>	<b>(155 576)</b>	<b>(199 965)</b>	<b>(44 389)</b>	<b>22%</b>	<b>(342 797)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	(355)	(569)	(569)	-	-	(332)	332	-100%	(569)
<b>Payments</b>									
Repayment of borrowing	-	(2 400)	(2 400)	-	-	(1 400)	(1 400)	100%	(2 400)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(355)</b>	<b>(2 969)</b>	<b>(2 969)</b>	<b>-</b>	<b>-</b>	<b>(1 732)</b>	<b>(1 732)</b>	<b>100%</b>	<b>(2 969)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>1 490 920</b>	<b>1 067</b>	<b>(11 527)</b>	<b>96 694</b>	<b>841 883</b>	<b>(6 724)</b>			<b>(11 527)</b>
Cash/cash equivalents at beginning:	124 641	151 221	151 221	954 620	209 430	151 221			209 430
Cash/cash equivalents at month/year end:	1 615 561	152 288	139 694	1 051 313	1 051 313	144 497			197 903

**PART 2 – SUPPORTING DOCUMENTATION**

**2.1 Debtors Analysis**

The table presented below summarises the Debtors Age Analysis as at 31 January 2025.

**Table 2.1.1: Debtors Age Analysis by Income Source**

DC43 Harry Gwala - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January

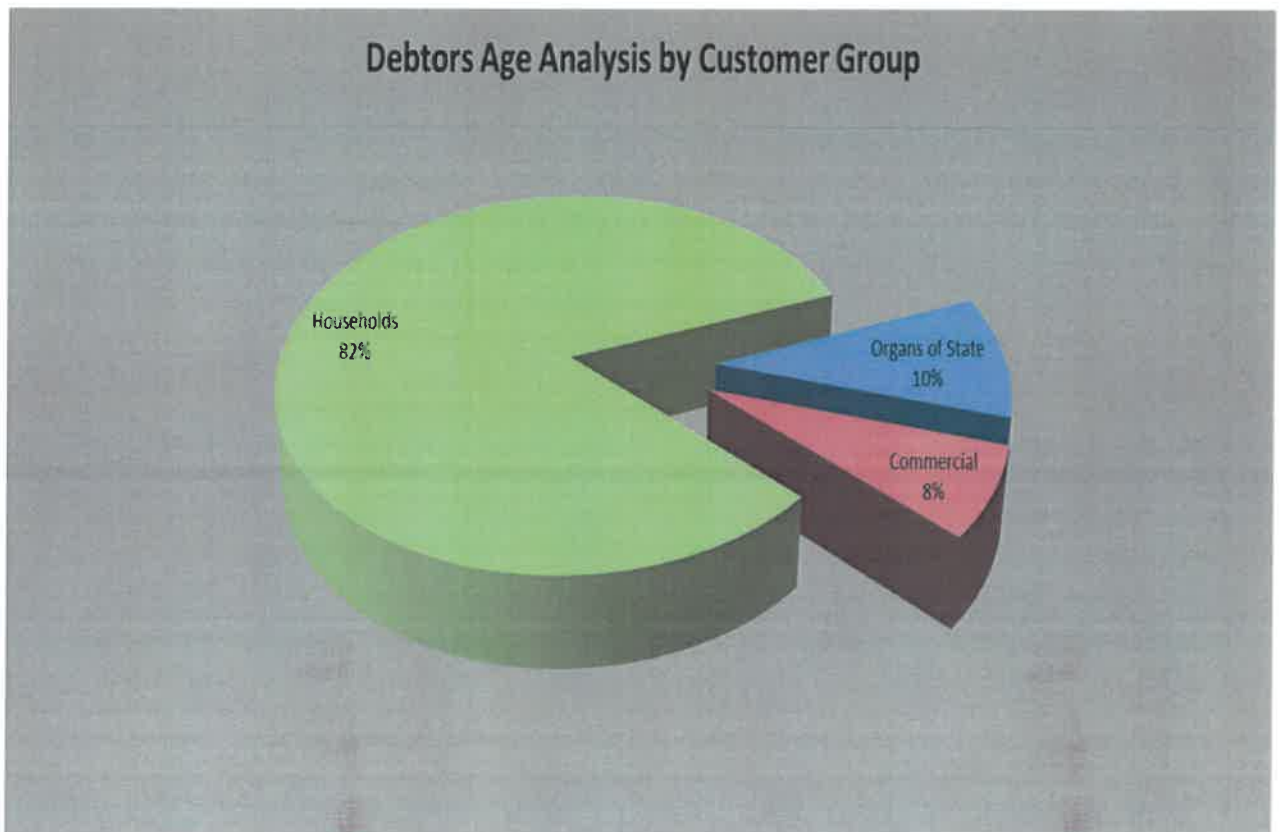
Description	Budget Year 2024/25									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
<b>R thousands</b>										
<b>Debtors Age Analysis By Income Source</b>										
Trade and Other Receivables from Exchange Transactions - Water	4 944	3 749	3 195	2 648	2 454	2 516	13 293	119 736	152 535	140 647
Trade and Other Receivables from Exchange Transactions - Electricity									-	-
Receivables from Non-exchange Transactions - Property Rates									-	-
Receivables from Exchange Transactions - Waste Water Management	1 931	1 465	1 248	1 034	959	983	5 193	46 776	59 590	54 945
Receivables from Exchange Transactions - Waste Management									-	-
Receivables from Exchange Transactions - Property Rental Debtors									-	-
Interest on Arrear Debtor Accounts	826	627	534	443	410	421	2 222	20 015	25 497	23 510
Recoverable unauthorised, irregular, fruitless and wasteful expenditure									-	-
Other									-	-
<b>Total By Income Source</b>	<b>7 702</b>	<b>5 840</b>	<b>4 978</b>	<b>4 125</b>	<b>3 823</b>	<b>3 919</b>	<b>20 708</b>	<b>186 527</b>	<b>237 623</b>	<b>219 103</b>
<b>2023/24 - totals only</b>	<b>9650201</b>	<b>4868763</b>	<b>4241655</b>	<b>3922594</b>	<b>3592276</b>	<b>4033347</b>	<b>33618363</b>	<b>169192663</b>	<b>253 320</b>	<b>234 559</b>
<b>Debtors Age Analysis By Customer Group</b>										
Organs of State	4 732	2 998	1 860	1 126	939	795	5 477	6 388	24 316	14 726
Commercial	764	445	440	364	294	614	1 747	12 950	17 618	15 969
Households	2 206	2 397	2 678	2 635	2 591	2 509	13 484	167 189	195 689	188 408
Other									-	-
<b>Total By Customer Group</b>	<b>7 702</b>	<b>5 840</b>	<b>4 978</b>	<b>4 125</b>	<b>3 823</b>	<b>3 919</b>	<b>20 708</b>	<b>186 527</b>	<b>237 623</b>	<b>219 103</b>

The municipal consumer debt is currently decreasing as the municipality implementing amnesty and installing prepaid meters as it has a direct impact on municipal cash flows.

### Chart 2: Debtors Age Analysis by Customer Group

The information presented in the chart above ranks total debt owed to the municipality from highest to the lowest,

- ✓ Households: 82%
- ✓ Government 10%
- ✓ Business 8%



The chart above shows that for each debtor type the amounts owing to the municipality have increased on a year to year basis.

The table that follows below unpacks the revenue receipts per Local Municipality in the District

### Revenue receipts per Area

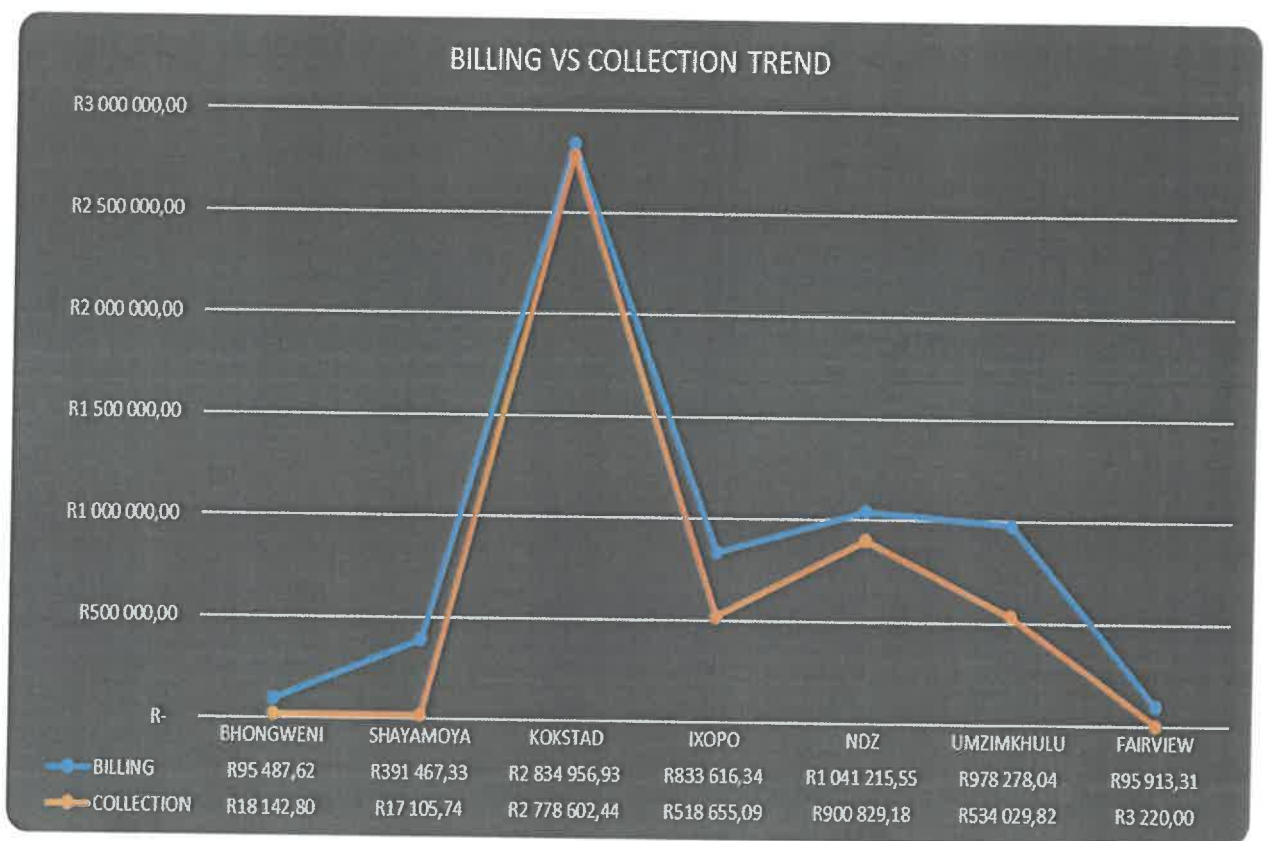
AREA	AMOUNT		
		JANUARY 2025	DECEMBER 2024
Unallocated receipts	R 61 108	1%	2%
Bhongweni	R 18 143	0%	0%
Shayamoya	R 17 106	0%	0%
Kokstad	R 2 778 602	58%	54%
Ixopo	R 518 655	11%	17%
NDZ	R 900 829	19%	9%
Umzimkulu	R 534 030	11%	14%
Fairview	R 3 220	0%	0%
<b>TOTAL RECEIPTS INCL VAT</b>	<b>R 4 831 693</b>	100%	100%

The table above presents the cash receipts from consumer debtors in each of the detailed areas as well as the comparative receipts for the previous month. The total cash collected for January 2025 is R4, 8million. The collection for prepaid in the month of January is R 1, 276,939. Total cash collected including prepaid for the month ending 31 January 2025 is R 6,108,632.

**BILLING VS COLLECTION**

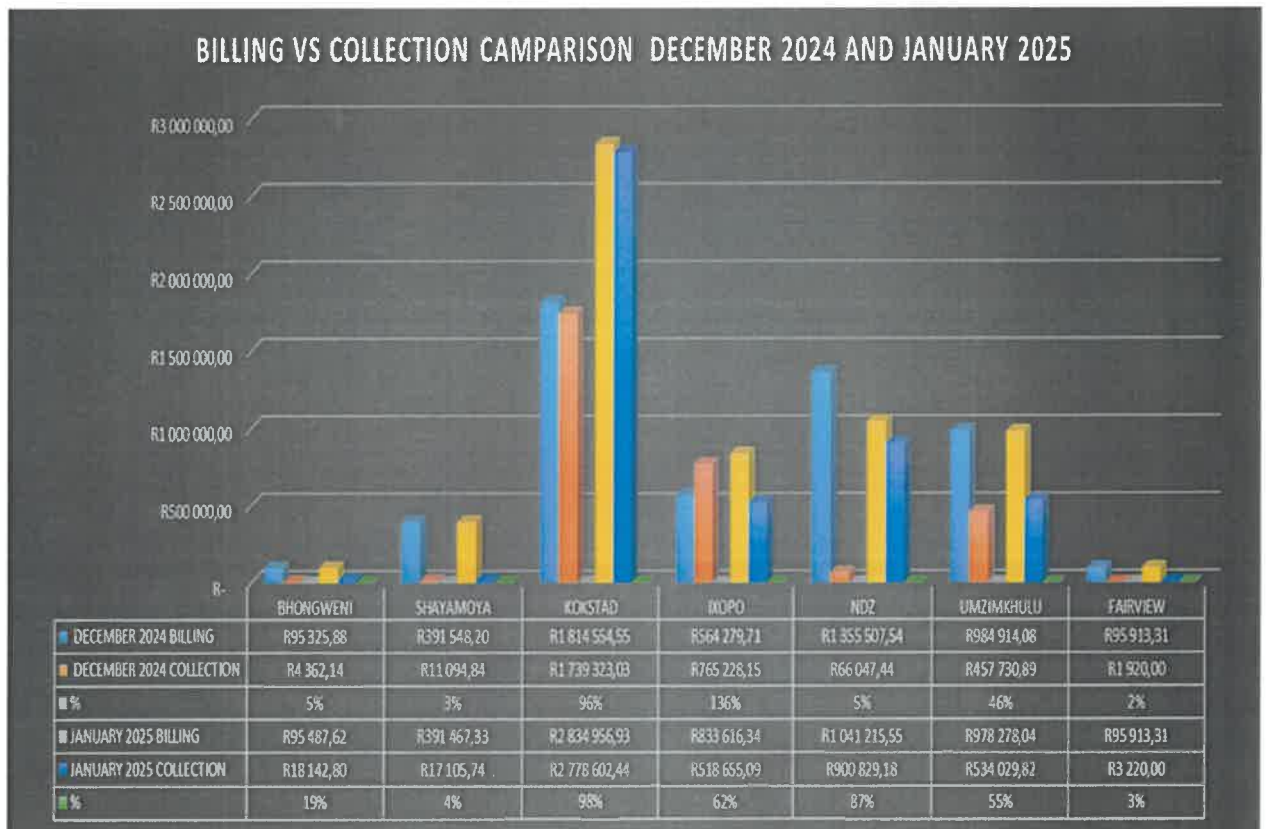
Billing vs Collection trend for January 2025

The chart that follows below shows the comparison between billing and collection trend for the period ending 31 January 2025



### BILLING VS COLLECTION (COMPARISON BETWEEN DECEMBER AND JANUARY 2025)

The chart that follows below shows the comparison between billing and collection for the period ending 31 December and January 2025





### **Debtors age analysis per service**

The municipality's total outstanding debtors amounted to R 237,622,523 as at 31 January 2025 compared with the R 234,893,548 as at 31 December 2024. Current debt represents 4% of the total outstanding debt compared with the 4% of December 2024; 30 days and older debt 2% compared with the 3% for December 2024; 60 days and older debt 2% compared with the 2% of December 2024; and 90 days 2% compared with the 2% of December 2024; 120 days to History and older 90% compared with the 90% for December 2024.

Current debt increased with R 2,728,975 to R 237,622,523 in the month ending 31 January compared with the R 234,893,548 as at 31 December 2024; 30 days + debt decreased with R 295,476; 60 days + decreased with R 148,004; 90 days + debt decreased with R 312,157 and 120 + days and older debt as at 31 January 2025 has increased with R 2,958,562 to R 214,977,499 compared with the R 212,018,937 for December 2024.

### **Debtors age analysis per debtor type**

Business debtors owes the municipality R 17,127,419 (7%); Municipal debtors R 1,283,843 (1%); domestic debtors R 187,012,630 (79%); Government accounts R 23,008,288 (10%); Indigent debtors R 3,247,039 (1%); Deceased R 1,188,609 (1%) and other debtors R 4,754,695 (2%) of the total outstanding debt of R 237,622,523.

## 2.2 Creditors Analysis

Table SC presents the aged creditors as at 31 January 2025

DC43 Harry Gwala - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January

Description	Budget Year 2024/25								Total
	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	
<b>R thousands</b>									
<b>Creditors Age Analysis By Customer Type</b>									
Bulk Electricity	-	-	-	-	-	-	-	-	-
Bulk Water									-
PAYE deductions									-
VAT (output less input)									-
Pensions / Retirement deductions									-
Loan repayments									-
Trade Creditors	359	64	10	274	-	-	-	-	<b>707</b>
Auditor General									-
Other									-
Medical Aid deductions									-
<b>Total By Customer Type</b>	<b>359</b>	<b>64</b>	<b>10</b>	<b>274</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>707</b>

## 2.3 Investment Portfolio Analysis

The following information presents the cash at bank and short term investments balances broken down per investment type as at 31 January 2025.

## Cash and Bank Balances (Investments)

### Monthly budget statement- Investment Portfolio

CASH AND INVESTMENT REGISTER AS AT 31 JANUARY 2025

Investments by maturity Name of institution & investment ID	Period of Investment Yes/Months	Type of investment	Variable or Fixed interest rate	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
<b>Municipality</b>								
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	1 178	6	-	-	1 184
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	79 456	402	(3 632)	-	76 226
FIRST NATIONAL BANK	M	ADMIN CALL	Fixed	24 221	90	-	-	24 312
FIRST NATIONAL BANK	M	FIXED DEPOSIT	Fixed	55 819	344	(6 800)	-	49 363
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	1 154	6	-	-	1 160
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	83 314	435	-	-	83 749
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	1 915	10	-	-	1 925
FIRST NATIONAL BANK	M	FIXED DEPOSIT	Fixed	1 232	6	-	-	1 238
FNB BANK	M	FIXED DEPOSIT	Fixed	51 234	722	-	-	51 956
FNB BANK	M	FIXED DEPOSIT	Fixed	22 000	-	-	-	22 000
FNB BANK	M	FIXED DEPOSIT	Fixed	22 000	-	-	-	22 000
FNB BANK	M	FIXED DEPOSIT	Fixed	22 000	203	(22 203)	-	-
STANDARD BANK	M	FIXED DEPOSIT	Fixed	55 115	-	-	-	55 115
FNB BANK	M	CURRENT ACCOUNT	Fixed	6 433	-	(3 197)	-	3 236
<b>Municipality sub-total</b>				<b>427 070</b>	<b>2 224</b>	<b>(35 831)</b>	<b>-</b>	<b>393 463</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>				<b>427 070</b>	<b>2 224</b>	<b>(35 831)</b>	<b>-</b>	<b>393 463</b>

## 2.4 Allocation and Grant receipts and Expenditure

Table SC 6 displays information relating to grant receipts.

DC43 Harry Gwala - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M07 January

Description	2023/24	Budget Year 2024/25							Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>									
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	477 532	512 493	512 493	12 110	390 088	298 955	91 133	30,5%	512 493
Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	-	-	-
Equitable Share	463 631	491 837	491 837	-	368 878	286 905	81 973	26,6%	491 837
Expanded Public Works Programme Integrated Grant	5 823	4 460	4 460	1 233	3 121	2 602	519	20,0%	4 460
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant	1 200	1 200	1 200	47	371	700	(329)	-47,0%	1 200
Municipal Disaster Relief Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	4 487	12 498	12 498	10 830	16 898	7 291	9 608	131,8%	12 498
Rural Road Asset Management Systems Grant	2 391	2 498	2 498	-	819	1 457	(638)	-43,8%	2 498
Water Services Infrastructure Grant	-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>	-	130	130	-	-	76	(76)	-100,0%	130
Capacity Building and Other Grants	-	130	130	-	-	76	(76)	-100,0%	130
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>	-	20 000	20 000	-	-	11 667	(11 667)	-100,0%	20 000
Specify (Add grant description)	-	20 000	20 000	-	-	11 667	(11 667)	-100,0%	20 000
<b>Other grant providers:</b>	-	-	-	-	-	-	-	-	-
Chemical Industry Seta	-	-	-	-	-	-	-	-	-
Parent Municipality	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	<b>477 532</b>	<b>532 623</b>	<b>532 623</b>	<b>12 110</b>	<b>390 088</b>	<b>310 697</b>	<b>79 391</b>	<b>25,6%</b>	<b>532 623</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	332 319	318 124	315 844	34 188	139 305	184 717	(45 412)	-24,6%	315 844
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	242 319	218 124	215 844	25 781	105 427	126 384	(20 956)	-16,6%	215 844
Neighbourhood Development Partnership Grant	-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant	-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant	-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant	90 000	100 000	100 000	8 407	33 878	58 333	(24 456)	-41,9%	100 000
<b>Provincial Government:</b>	-	-	8 013	-	-	3 005	(3 005)	-100,0%	8 013
Infrastructure Grant	-	-	8 013	-	-	3 005	(3 005)	-100,0%	8 013
<b>District Municipality:</b>	-	-	-	-	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>	-	-	-	-	-	-	-	-	-
[insert description]	-	-	-	-	-	-	-	-	-
Human Settlement Re-development Programme	-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	<b>332 319</b>	<b>318 124</b>	<b>323 856</b>	<b>34 188</b>	<b>139 305</b>	<b>187 722</b>	<b>(48 417)</b>	<b>-25,8%</b>	<b>323 856</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>809 852</b>	<b>850 747</b>	<b>856 480</b>	<b>46 298</b>	<b>529 393</b>	<b>498 419</b>	<b>30 974</b>	<b>6,2%</b>	<b>856 480</b>

It is clear from the chart above that the bulk of the grants received by the municipality are from the National Treasury.

Table SC7 track the expenditure on Conditional grant funding.

DC43 Harry Gwala - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M07 January

Description	2023/24	Budget Year 2024/25							Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>									
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
National Government:	680 056	632 656	632 656	33 601	277 751	369 051	(91 300)	-24,7%	632 656
Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	-	-	-
Equitable Share	662 032	608 896	608 896	32 302	262 297	355 191	(92 894)	-26,2%	608 896
Expanded Public Works Programme Integrated Grant	7 177	7 751	7 751	743	4 850	4 521	329	7,3%	7 751
Local Government Financial Management Grant	1 200	1 012	1 012	53	465	591	(125)	-21,2%	1 012
Municipal Disaster Relief Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	7 569	12 498	12 498	503	9 425	7 291	2 134	29,3%	12 498
Rural Road Asset Management Systems Grant	2 079	2 498	2 498	-	713	1 457	(745)	-51,1%	2 498
Water Services Infrastructure Grant	-	-	-	-	-	-	-	-	-
Provincial Government:	-	1 400	1 400	-	-	817	(817)	-100,0%	1 400
Capacity Building and Other Grants	-	1 400	1 400	-	-	817	(817)	-100,0%	1 400
District Municipality:	-	5 587	5 587	-	-	3 259	(3 259)	-100,0%	5 587
Specify (Add grant description)	-	5 587	5 587	-	-	3 259	(3 259)	-100,0%	5 587
Other grant providers:	-	-	-	-	-	-	-	-	-
Chemical Industry Seta	-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>	<b>680 056</b>	<b>639 643</b>	<b>639 643</b>	<b>33 601</b>	<b>277 751</b>	<b>373 127</b>	<b>(95 376)</b>	<b>-25,6%</b>	<b>639 643</b>
<b>Capital expenditure of Transfers and Grants</b>									
National Government:	298 048	276 629	274 647	9 071	139 064	160 624	(21 560)	-13,4%	274 647
Local Government Financial Management Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	214 739	189 673	187 690	3 159	103 678	109 899	(6 220)	-5,7%	187 690
Regional Bulk Infrastructure Grant	-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant	83 310	86 957	86 957	5 913	35 386	50 725	(15 339)	-30,2%	86 957
Provincial Government:	-	-	6 967	-	-	2 613	(2 613)	-100,0%	6 967
Infrastructure Grant	-	-	6 967	-	-	2 613	(2 613)	-100,0%	6 967
District Municipality:	-	315	315	-	-	184	(184)	-100,0%	315
Specify (Add grant description)	-	315	315	-	-	184	(184)	-100,0%	315
Other grant providers:	-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>	<b>298 048</b>	<b>276 944</b>	<b>281 929</b>	<b>9 071</b>	<b>139 064</b>	<b>163 420</b>	<b>(24 356)</b>	<b>-14,9%</b>	<b>281 929</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>978 105</b>	<b>916 587</b>	<b>921 572</b>	<b>42 672</b>	<b>416 815</b>	<b>536 547</b>	<b>(119 732)</b>	<b>-22,3%</b>	<b>921 572</b>

2.5 Councillor and Staff Benefits

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

DC43 Harry Gwala - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M07 January

Summary of Employee and Councillor remuneration	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	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>									
Basic Salaries and Wages	4 586	4 658	4 658	418	3 006	2 717	289	11%	4 658
Pension and UIF Contributions	133	578	578	2	28	337	(308)	-92%	578
Medical Aid Contributions	33	197	197	1	3	115	(112)	-98%	197
Cellphone Allowance	547	566	566	43	302	330	(28)	-8%	566
Other benefits and allowances	1 633	2 607	2 607	137	1 093	1 521	(427)	-28%	2 607
<b>Sub Total - Councillors</b>	<b>6 932</b>	<b>8 606</b>	<b>8 606</b>	<b>601</b>	<b>4 433</b>	<b>5 020</b>	<b>(587)</b>	<b>-12%</b>	<b>8 606</b>
<b>% Increase</b>		<b>24,1%</b>	<b>24,1%</b>						<b>24,1%</b>
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	5 777	4 759	4 759	369	3 139	2 776	362	13%	4 759
Pension and UIF Contributions	-	4	4	-	-	2	(2)	-100%	4
Medical Aid Contributions	48	51	51	4	28	30	(2)	-6%	51
Performance Bonus	55	181	181	-	69	106	(36)	-34%	181
Motor Vehicle Allowance	1 056	918	918	87	711	536	175	33%	918
Cellphone Allowance	110	119	119	8	66	69	(3)	-4%	119
Housing Allowances	394	336	336	30	307	196	111	56%	336
Other benefits and allowances	259	299	299	21	177	174	3	2%	299
Payments in lieu of leave	-	384	384	-	-	224	(224)	-100%	384
<b>Sub Total - Senior Managers of Municipality</b>	<b>7 699</b>	<b>7 052</b>	<b>7 052</b>	<b>539</b>	<b>4 497</b>	<b>4 114</b>	<b>384</b>	<b>9%</b>	<b>7 052</b>
<b>% Increase</b>		<b>-8,4%</b>	<b>-8,4%</b>						<b>-8,4%</b>
<b>Other Municipal Staff</b>									
Basic Salaries and Wages	148 363	154 317	154 317	13 310	91 416	90 018	1 397	2%	154 317
Pension and UIF Contributions	22 634	24 096	24 096	2 019	13 791	14 056	(266)	-2%	24 096
Medical Aid Contributions	10 905	11 412	11 412	996	6 431	6 657	(226)	-3%	11 412
Overtime	21 207	22 092	22 092	1 997	13 468	12 887	581	5%	22 092
Performance Bonus	10 668	10 909	10 909	629	5 943	6 364	(421)	-7%	10 909
Motor Vehicle Allowance	19 940	23 900	23 900	791	5 679	13 942	(8 263)	-59%	23 900
Cellphone Allowance	1 086	1 316	1 316	97	661	768	(107)	-14%	1 316
Housing Allowances	652	784	784	52	379	458	(79)	-17%	784
Other benefits and allowances	6 044	7 716	7 716	505	3 294	4 501	(1 207)	-27%	7 716
Payments in lieu of leave	1 020	657	657	64	1 089	383	705	184%	657
Long service awards	1 312	1 277	1 277	160	356	745	(389)	-52%	1 277
Post-retirement benefit obligations	4 175	-	-	-	-	-	-	-	-
Acting and post related allowance	335	235	235	27	149	137	12	9%	235
<b>Sub Total - Other Municipal Staff</b>	<b>248 340</b>	<b>258 713</b>	<b>258 713</b>	<b>20 646</b>	<b>142 655</b>	<b>150 917</b>	<b>(8 262)</b>	<b>-5%</b>	<b>258 713</b>
<b>% Increase</b>		<b>4,2%</b>	<b>4,2%</b>						<b>4,2%</b>
<b>Total Parent Municipality</b>	<b>262 971</b>	<b>274 370</b>	<b>274 370</b>	<b>21 787</b>	<b>151 586</b>	<b>160 051</b>	<b>(8 465)</b>	<b>-5%</b>	<b>274 370</b>
		<b>4,3%</b>	<b>4,3%</b>						<b>4,3%</b>
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>									
<b>Board Members of Entities</b>									
Basic Salaries and Wages	-	320	320	-	-	187	(187)	-100%	320
<b>Sub Total - Executive members Board</b>	<b>-</b>	<b>320</b>	<b>320</b>	<b>-</b>	<b>-</b>	<b>187</b>	<b>(187)</b>	<b>-100%</b>	<b>320</b>
<b>% Increase</b>		<b>#DIV/0!</b>	<b>#DIV/0!</b>						<b>#DIV/0!</b>
<b>Other Staff of Entities</b>									
Basic Salaries and Wages	-	7 400	7 400	-	-	4 317	(4 317)	-100%	7 400
Pension and UIF Contributions	-	23	23	-	-	13	(13)	-100%	23
Payments in lieu of leave	-	50	50	-	-	29	(29)	-100%	50
Acting and post related allowance	-	50	50	-	-	29	(29)	-100%	50
<b>Sub Total - Other Staff of Entities</b>	<b>-</b>	<b>7 523</b>	<b>7 523</b>	<b>-</b>	<b>-</b>	<b>4 388</b>	<b>(4 388)</b>	<b>-100%</b>	<b>7 523</b>
<b>% Increase</b>		<b>#DIV/0!</b>	<b>#DIV/0!</b>						<b>#DIV/0!</b>
<b>Total Municipal Entities</b>	<b>-</b>	<b>7 843</b>	<b>7 843</b>	<b>-</b>	<b>-</b>	<b>4 575</b>	<b>(4 575)</b>	<b>-100%</b>	<b>7 843</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>262 971</b>	<b>282 213</b>	<b>282 213</b>	<b>21 787</b>	<b>151 586</b>	<b>164 626</b>	<b>(13 040)</b>	<b>-8%</b>	<b>282 213</b>
<b>% increase</b>		<b>7,3%</b>	<b>7,3%</b>						<b>7,3%</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>256 039</b>	<b>273 287</b>	<b>273 287</b>	<b>21 185</b>	<b>147 152</b>	<b>159 419</b>	<b>(12 266)</b>	<b>-8%</b>	<b>273 287</b>

## 2.6 Material Variances to the SDBIP

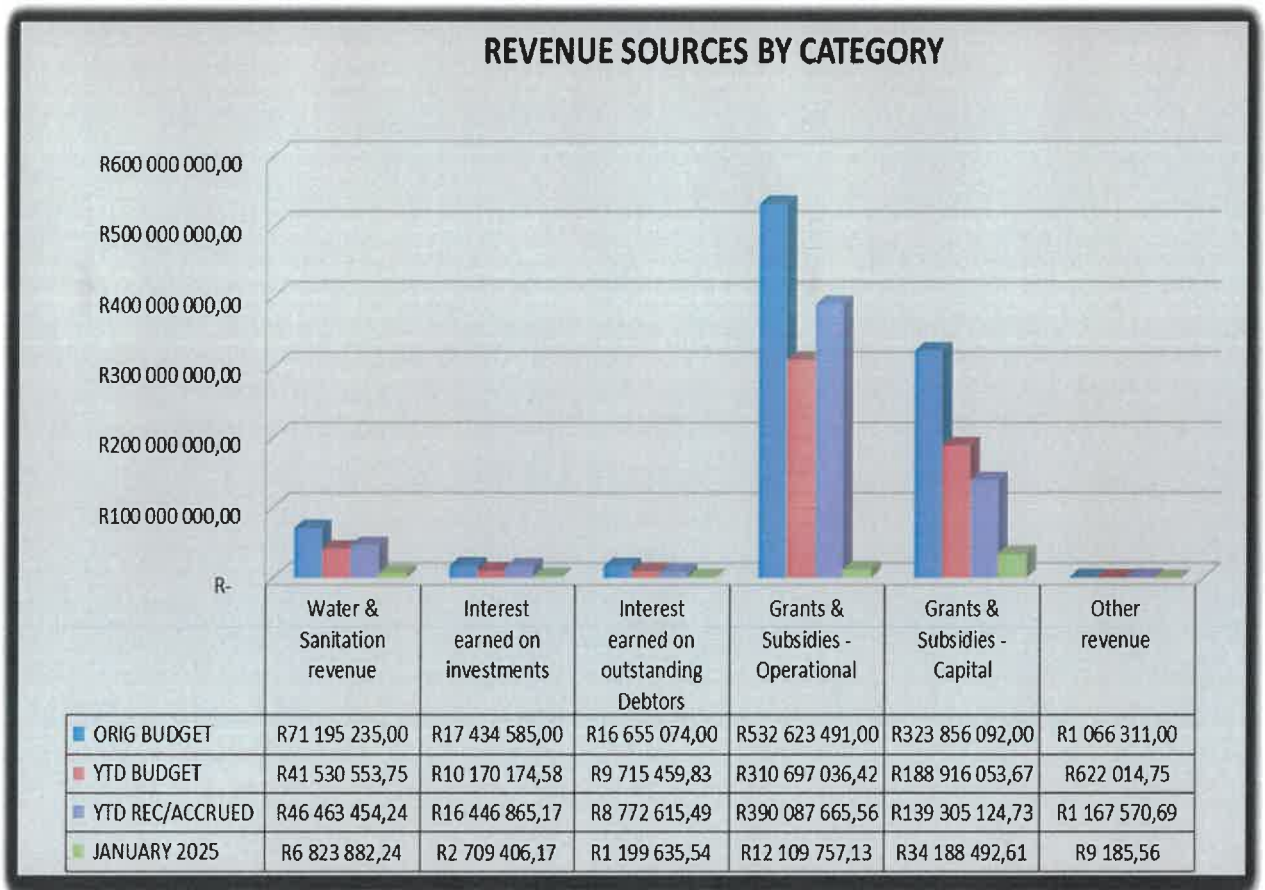
The following section analyses material variances between the actual targets as at 31 January 2025 and the budget for the same period. This report analyses each major component under following headings;

- ✓ Revenue by Source
- ✓ Operational Expenditure by Type, and
- ✓ Capital Expenditure
- ✓ Financial Position
- ✓ Cash Flows

### REVENUE

The chart displays a comparison between the 2024/25 financial year revenue budget and the performance against this budget as depicted in the form of Year to date (YTD) Actual figures. It should be emphasised that the information presented relates to "performance" rather than "cash movements" in terms of the revenue items listed below. This accounting principle relating to municipal performance is best illustrated in the analysis that follows.

**Chart 3: Revenue Analysis**



### Water & Sanitation Charges

The year to date **actual** water & sanitation charges (**billing**) as at 31 January 2025 was R46, 4million against a year to date **budget** of R41, 5million which is 112 per cent of year to date budget.



### **Interest Earned on External Investments**

The interest earned on external investments year to date actual is R16, 4m against year to budget of R10, 1m representing overperformance of 62 per cent of the year to date budget.

### **Transfers Recognised - Operational**

The operational grants revenue of R310million against a year to date budget of R390million is largely attributable to the YTD equitable share received.

### **Transfers Recognised – Capital**

The total capital budget for the current year amounts to R323, 8million. The YTD actual on capital amounts to R139, 3million, or 78% of the planned expenditure. Capital expenditure is mainly funded by means of National grants.

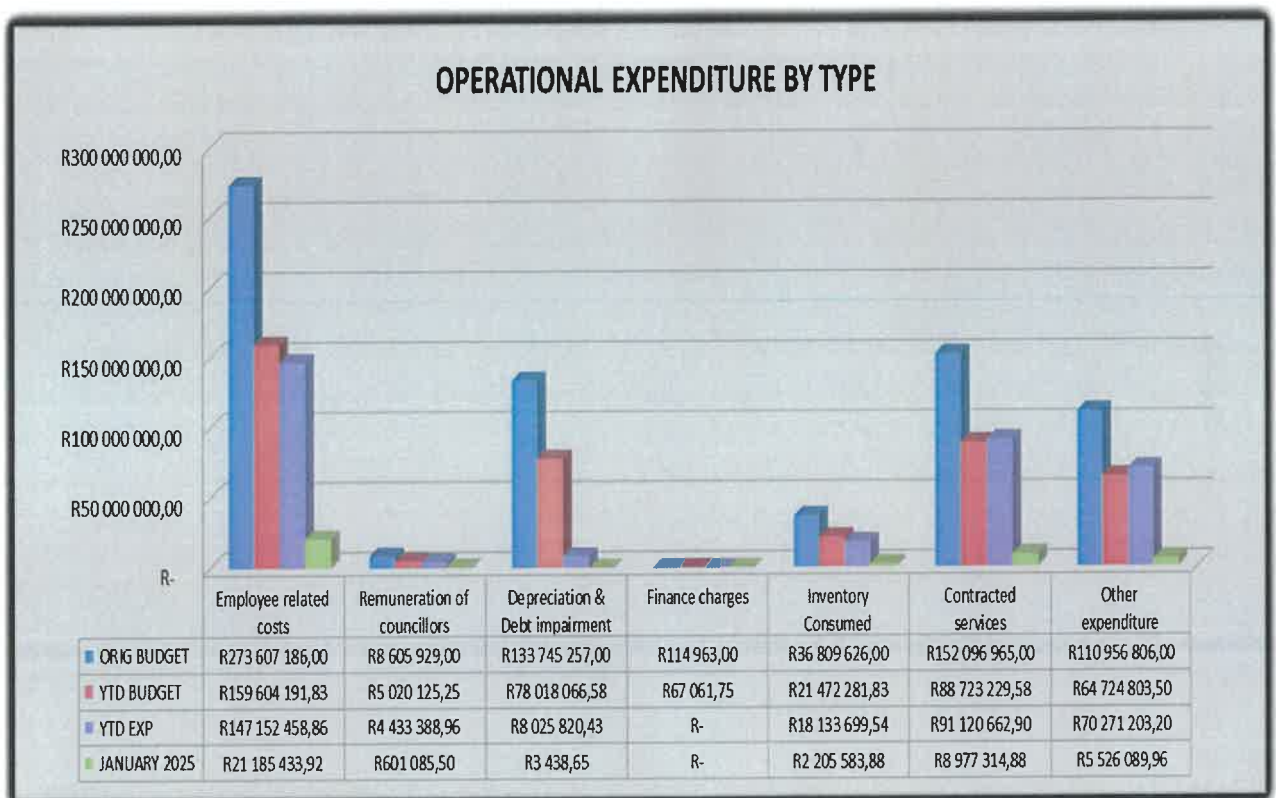
### **Other Revenue**

The YTD performance of other revenue is R 1, 1m against YTD budget of R 622 015 which is made up of tender documents and clearance certificates.

## OPERATIONAL EXPENDITURE

The chart below presents the YTD operational expenditure movements against the YTD budgets. An analysis of each expenditure line item category is discussed below.

**Chart 4: 2024/25 financial year Opex**



### Employee Related Costs

The YTD actual for employee related costs is R147, 1million against a YTD budget of R159, 6million which is 92% of the YTD budget.

## **Remuneration of Councillors**

The remuneration of councillor's year to date expenditure is at R4, 4m against a YTD budget of R5m representing 88% of the year to date budget.

## **Finance Charges**

The YTD budget for finance charges is R67 062. There was no movement in the month ending January 2024.

## **Inventory Consumed**

The inventory consumed has the original budget of R36, 8m. The year to date expenditure for inventory is R18, 1m against a YTD budget of R21, 4million representing 84 per cent expenditure of the year to date budget.

## **Contracted Services**

The original budget for contracted services is R 152million. The year to date expenditure for Contracted Services is R91, 1m against a YTD budget of R88, 7million representing 103 per cent of planned expenditure.

### **Other Expenditure**

The YTD expenditure for operating costs was at R70, 2million against a YTD budget of R 64, 7million or 109 per cent and expenditure for the month of January 2025 is R 5, 5million.

### **Performance assessment**

The Performance Assessment Report will be available on the fourth quarter in terms of Sec 52 (d) of the Municipal Finance Management Act.

### **Actual and revised targets for cash receipts**

DC43 Harry Gwala - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M07 January

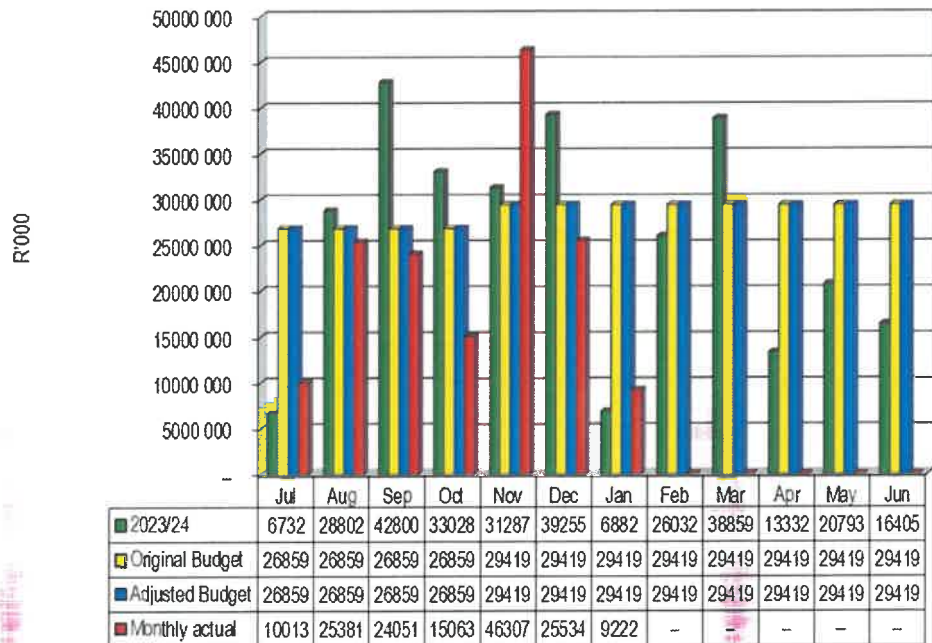
Description	Budget Year 2024/25												2024/25 Medium Term Revenue & Expenditure Framework			
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	
<b>Cash Receipts By Source</b>																
Property rates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - Electricity revenue																
Service charges - Water revenue	7 440	5 500	6 413	4 205	5 867	3 334	4 671	4 136	4 136	4 136	4 136	(4 341)	49 632	57 392	60 204	
Service charges - Waste Water Management	586	1 123	631	666	942	541	694	1 047	1 047	1 047	1 047	3 192	12 562	13 316	13 969	
Service charges - Waste Management																
Rental of facilities and equipment																
Interest earned - external investments	1 623	1 240	2 592	3 894	3 552	837	2 709	1 504	1 504	1 504	1 504	(4 412)	18 053	17 170	17 996	
Interest earned - outstanding debtors	-	0	-	-	-	-	-	-	-	-	-	(0)	-	-	-	-
Fines, penalties and forfeits	-	-	69	717	-	-	-	-	-	-	-	(786)	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services																
Transfers and Subsidies - Operational	204 932	4 063	-	-	2 007	163 946	-	42 708	42 708	42 708	42 708	(33 286)	512 493	551 650	588 036	
Other revenue	116 275	69 008	248 324	95 916	108 129	55 636	171 948	7 174	7 174	7 174	7 174	(808 841)	86 092	65 516	71 406	
<b>Cash Receipts by Source</b>	<b>330 855</b>	<b>80 933</b>	<b>258 028</b>	<b>105 359</b>	<b>120 497</b>	<b>225 294</b>	<b>180 022</b>	<b>56 569</b>	<b>56 569</b>	<b>56 569</b>	<b>56 569</b>	<b>(848 473)</b>	<b>678 832</b>	<b>705 044</b>	<b>751 871</b>	
<b>Other Cash Flows by Source</b>																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	80 718	-	39 497	37 547	-	97 952	-	26 988	26 988	26 988	26 988	(39 810)	323 856	314 221	343 324	
Borrowing long term/financing																
Increase (decrease) in consumer deposits																
Increase (decrease) in non-current receivables																
VAT Control (receipts)																
Decrease (increase) in non-current investments																
<b>Total Cash Receipts by Source</b>	<b>411 573</b>	<b>80 933</b>	<b>297 525</b>	<b>142 946</b>	<b>120 497</b>	<b>323 246</b>	<b>180 022</b>	<b>83 510</b>	<b>83 510</b>	<b>83 510</b>	<b>83 510</b>	<b>(888 663)</b>	<b>1 002 119</b>	<b>1 018 661</b>	<b>1 094 355</b>	
<b>Cash Payments by Type</b>																
Employee related costs	21 247	19 687	12 730	31 494	20 903	179	44 759	22 801	22 801	22 801	22 801	31 406	273 607	269 914	307 186	
Remuneration of councillors	330	310	316	313	518		629	717	717	717	717	3 321	8 606	9 122	9 670	
Interest	-	-	-	-	-	-	-	12	12	12	12	95	142	150	158	
Bulk purchases - Electricity																
Acquisitions - water & other inventory																
Contracted services																
Transfers and subsidies - other municipalities																
Transfers and subsidies - other																
Other expenditure	34 484	60 932	66 297	48 955	93 106	65 202	28 718	15 262	15 262	15 262	15 262	(275 596)	183 147	154 054	160 885	
<b>Cash Payments by Type</b>	<b>56 062</b>	<b>80 929</b>	<b>79 343</b>	<b>80 763</b>	<b>114 528</b>	<b>65 380</b>	<b>74 106</b>	<b>54 454</b>	<b>54 454</b>	<b>54 454</b>	<b>54 454</b>	<b>(115 477)</b>	<b>653 449</b>	<b>685 891</b>	<b>729 317</b>	
<b>Other Cash Flows/Payments by Type</b>																
Capital assets	10 014	25 382	24 052	15 064	46 308	25 534	9 222	28 566	28 566	28 566	28 566	72 955	342 797	300 903	324 437	
Repayment of borrowing	-	-	-	-	-	-	-	200	200	200	200	1 600	2 400	2 400	2 400	
Other Cash Flows/Payments	350	950	1 828	4 168	-	878	1 250	1 250	1 250	1 250	1 250	15 000	15 000	15 000	15 000	
<b>Total Cash Payments by Type</b>	<b>66 425</b>	<b>107 260</b>	<b>105 223</b>	<b>99 995</b>	<b>160 836</b>	<b>91 792</b>	<b>83 328</b>	<b>84 470</b>	<b>84 470</b>	<b>84 470</b>	<b>84 470</b>	<b>(99 095)</b>	<b>1 013 648</b>	<b>1 004 194</b>	<b>1 071 155</b>	
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>345 148</b>	<b>(26 327)</b>	<b>192 302</b>	<b>42 951</b>	<b>(40 339)</b>	<b>231 454</b>	<b>96 694</b>	<b>(961)</b>	<b>(961)</b>	<b>(961)</b>	<b>(961)</b>	<b>(849 568)</b>	<b>(11 527)</b>	<b>14 467</b>	<b>23 200</b>	
Cash/cash equivalents at the month/year beginning:	209 430	554 579	528 251	720 554	763 504	723 166	954 620	1 051 313	1 050 353	1 049 392	1 048 432	1 047 471	209 430	197 903	212 371	
Cash/cash equivalents at the month/year end:	554 579	528 251	720 554	763 504	723 166	954 620	1 051 313	1 049 392	1 048 432	1 047 471	197 903	197 903	212 371	212 371	235 571	

## Capital Expenditure Trend

DC43 Harry Gwala - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M07 January

Month	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>									
<b>Monthly expenditure performance trend</b>									
July	6 733	26 859	26 859	10 014	10 014	26 859	16 846	62,7%	3%
August	28 802	26 859	26 859	25 382	25 382	53 719	28 337	52,8%	7%
September	42 801	26 859	26 859	24 052	24 052	80 578	56 526	70,2%	7%
October	33 028	26 859	26 859	15 064	15 064	107 437	92 373	86,0%	4%
November	31 288	29 420	29 420	46 308	46 308	136 857	90 549	66,2%	14%
December	39 255	29 420	29 420	25 534	25 534	166 277	140 743	84,6%	7%
January	6 883	29 420	29 420	9 222	9 222	195 697	186 475	95,3%	3%
February	26 032	29 420	29 420	-	-	225 117	225 117	100,0%	0%
March	38 859	29 420	29 420	-	-	254 537	254 537	100,0%	0%
April	13 333	29 420	29 420	-	-	283 957	283 957	100,0%	-
May	20 793	29 420	29 420	-	-	313 377	313 377	100,0%	-
June	16 406	29 420	29 420	-	-	342 797	342 797	100,0%	-
<b>Total Capital expenditure</b>	<b>304 213</b>	<b>342 797</b>	<b>342 797</b>	<b>155 576</b>					

Chart C1 2024/25 Capital Expenditure Monthly Trend: actual v target



### Capital Expenditure on New Assets by Asset Class

DC43 Harry Gwala - Supporting Table SC13a Consolidated Monthly Budget Statement - capital expenditure on new assets by asset class - M07 January

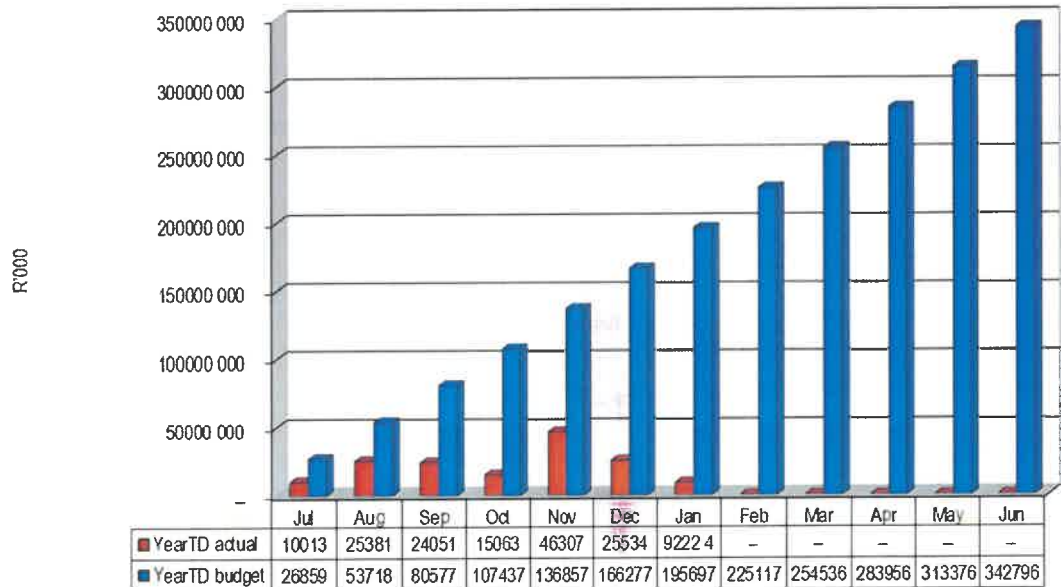
Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	284 128	282 223	292 330	9 222	138 723	168 279	29 556	17,6%	292 330
Roads Infrastructure	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	219 163	270 019	265 834	9 222	118 938	155 800	36 862	23,7%	265 834
<i>Dams and Weirs</i>	24 469	59 786	51 269	-	21 753	31 681	9 928	31,3%	51 269
<i>Boreholes</i>	3 346	-	-	-	-	-	-	-	-
<i>Reservoirs</i>	-	-	-	-	-	-	-	-	-
<i>Pump Stations</i>	18 006	29 516	30 516	137	20 174	17 593	(2 581)	-14,7%	30 516
<i>Water Treatment Works</i>	-	-	-	-	-	-	-	-	-
<i>Bulk Mains</i>	50 385	95 999	82 765	5 913	33 116	50 895	17 779	34,9%	82 765
<i>Distribution</i>	122 857	84 718	101 284	3 173	43 895	55 631	11 737	21,1%	101 284
<i>Distribution Points</i>	-	-	-	-	-	-	-	-	-
<i>PRV Stations</i>	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	64 965	12 204	26 496	-	19 785	12 478	(7 306)	-58,6%	26 496
<i>Pump Station</i>	12 051	1 739	1 234	-	1 234	825	(409)	-49,6%	1 234
<i>Reticulation</i>	52 914	5 217	22 562	-	16 273	9 547	(6 726)	-70,4%	22 562
<i>Waste Water Treatment Works</i>	-	2 000	2 700	-	2 278	1 429	(848)	-59,4%	2 700
<i>Outfall Sewers</i>	-	-	-	-	-	-	-	-	-
<i>Toilet Facilities</i>	-	3 246	-	-	-	677	677	100,0%	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	-	6 250	6 250	-	-	3 646	3 646	100,0%	6 250
Operational Buildings	-	4 250	4 250	-	-	2 479	2 479	100,0%	4 250
<i>Municipal Offices</i>	-	4 250	4 250	-	-	2 479	2 479	100,0%	4 250
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Housing	-	2 000	2 000	-	-	1 167	1 167	100,0%	2 000
<i>Staff Housing</i>	-	2 000	2 000	-	-	1 167	1 167	100,0%	2 000
<i>Social Housing</i>	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	-	796	796	-	-	464	464	100,0%	796
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	796	796	-	-	464	464	100,0%	796
<i>Water Rights</i>	-	-	-	-	-	-	-	-	-
<i>Effluent Licenses</i>	-	-	-	-	-	-	-	-	-
<i>Solid Waste Licenses</i>	-	-	-	-	-	-	-	-	-
<i>Computer Software and Applications</i>	-	796	796	-	-	464	464	100,0%	796
<i>Load Settlement Software Applications</i>	-	-	-	-	-	-	-	-	-
<i>Unspecified</i>	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	943	2 000	2 000	-	-	1 167	1 167	100,0%	2 000
<i>Computer Equipment</i>	943	2 000	2 000	-	-	1 167	1 167	100,0%	2 000
<b>Furniture and Office Equipment</b>	2 306	4 980	4 980	-	1 562	2 905	1 342	46,2%	4 980
<i>Furniture and Office Equipment</i>	2 306	4 980	4 980	-	1 562	2 905	1 342	46,2%	4 980
<b>Machinery and Equipment</b>	1 306	2 588	5 588	-	1 499	2 635	1 136	43,1%	5 588
<i>Machinery and Equipment</i>	1 306	2 588	5 588	-	1 499	2 635	1 136	43,1%	5 588
<b>Transport Assets</b>	986	600	600	-	-	350	350	100,0%	600
<i>Transport Assets</i>	986	600	600	-	-	350	350	100,0%	600
<b>Total Capital Expenditure on new assets</b>	<b>289 670</b>	<b>299 437</b>	<b>312 544</b>	<b>9 222</b>	<b>141 784</b>	<b>179 445</b>	<b>37 661</b>	<b>21,0%</b>	<b>312 544</b>

### Capital Expenditure on Renewal of Existing Assets by Asset Class

DC43 Harry Gwala - Supporting Table SC13b Consolidated Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M07 January

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
<b>R thousands</b>									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	2 245	17 045	23 989	-	9 351	12 547	3 196	25,5%	23 989
Roads Infrastructure	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	2 245	970	7 937	-	2 215	3 178	963	30,3%	7 937
<i>Water Treatment Works</i>	-	-	-	-	-	-	-	-	-
<i>Bulk Mains</i>	-	-	-	-	-	-	-	-	-
<i>Distribution</i>	2 245	970	7 937	-	2 215	3 178	963	30,3%	7 937
<i>Distribution Points</i>	-	-	-	-	-	-	-	-	-
<i>PRV Stations</i>	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	16 075	16 052	-	7 136	9 369	2 233	23,8%	16 052
<i>Pump Station</i>	-	-	-	-	-	-	-	-	-
<i>Reticalation</i>	-	-	-	-	-	-	-	-	-
<i>Waste Water Treatment Works</i>	-	16 075	16 052	-	7 136	9 369	2 233	23,8%	16 052
<i>Outfall Sewers</i>	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>	-	80	80	-	-	47	47	100,0%	80
Machinery and Equipment	-	80	80	-	-	47	47	100,0%	80
<b>Transport Assets</b>	2 557	4 883	4 183	-	3 256	2 586	(670)	-25,9%	4 183
Transport Assets	2 557	4 883	4 183	-	3 256	2 586	(670)	-25,9%	4 183
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>4 802</b>	<b>22 007</b>	<b>28 252</b>	<b>-</b>	<b>12 606</b>	<b>15 179</b>	<b>2 573</b>	<b>17,0%</b>	<b>28 252</b>

Chart C2 2024/25 Capital Expenditure: YTD actual v YTD target





### Expenditure on Repairs and Maintenance by Asset Class

DC43 Harry Gwala - Supporting Table SC13c Consolidated Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M07 January

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
<b>R thousands</b>									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	39 357	41 300	41 300	2 023	31 942	24 092	(7 850)	-32,6%	41 300
Roads Infrastructure	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	39 357	41 300	41 300	2 023	31 942	24 092	(7 850)	-32,6%	41 300
<i>Dams and Weirs</i>	-	-	-	-	-	-	-	-	-
<i>Boreholes</i>	-	-	-	-	-	-	-	-	-
<i>Reservoirs</i>	19 046	21 800	21 800	712	16 218	12 717	(3 501)	-27,5%	21 800
<i>Pump Stations</i>	9 615	10 500	10 500	800	6 774	6 125	(649)	-10,6%	10 500
<i>Water Treatment Works</i>	-	-	-	-	-	-	-	-	-
<i>Bulk Mains</i>	-	-	-	-	-	-	-	-	-
<i>Distribution</i>	-	-	-	-	-	-	-	-	-
<i>Distribution Points</i>	-	-	-	-	-	-	-	-	-
<i>PRV Stations</i>	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	10 696	9 000	9 000	511	8 950	5 250	(3 700)	-70,5%	9 000
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	87	77	77	-	35	45	10	22,9%	77
Community Facilities	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	87	77	77	-	35	45	10	22,9%	77
<i>Indoor Facilities</i>	87	77	77	-	35	45	10	22,9%	77
<i>Outdoor Facilities</i>	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	4 272	6 212	6 212	1 175	2 771	3 624	853	23,5%	6 212
Operational Buildings	4 272	6 212	6 212	1 175	2 771	3 624	853	23,5%	6 212
<i>Municipal Offices</i>	4 272	6 212	6 212	1 175	2 771	3 624	853	23,5%	6 212
<i>Pay/Enquiry Points</i>	-	-	-	-	-	-	-	-	-
<i>Building Plan Offices</i>	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	16	70	70	20	41	41	0	0,0%	70
Computer Equipment	16	70	70	20	41	41	0	0,0%	70
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>	49	350	350	-	3	204	202	98,7%	350
Transport Assets	49	350	350	-	3	204	202	98,7%	350
<b>Total Repairs and Maintenance Expenditure</b>	<b>43 781</b>	<b>48 009</b>	<b>48 009</b>	<b>3 218</b>	<b>34 790</b>	<b>28 005</b>	<b>(6 785)</b>	<b>-24,2%</b>	<b>48 009</b>

## 2.7 Municipal Manager's Quality's Certificate

### Quality Certificate

I, Gamakulu Ma'art Sineke, the Municipal Manager of Harry Gwala District Municipality, hereby certify that-

- The monthly budget statement

For the month of January 2025 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Gamakulu Ma'art Sineke

Municipal Manager of: Harry Gwala District Municipality

Signed \_\_\_\_\_

Date 1 May 2025