

Harry Gwala District Municipality

MFMA s71 report for the period ending 30 November 2024.



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.

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 30 November 2024.

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 93% below 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.

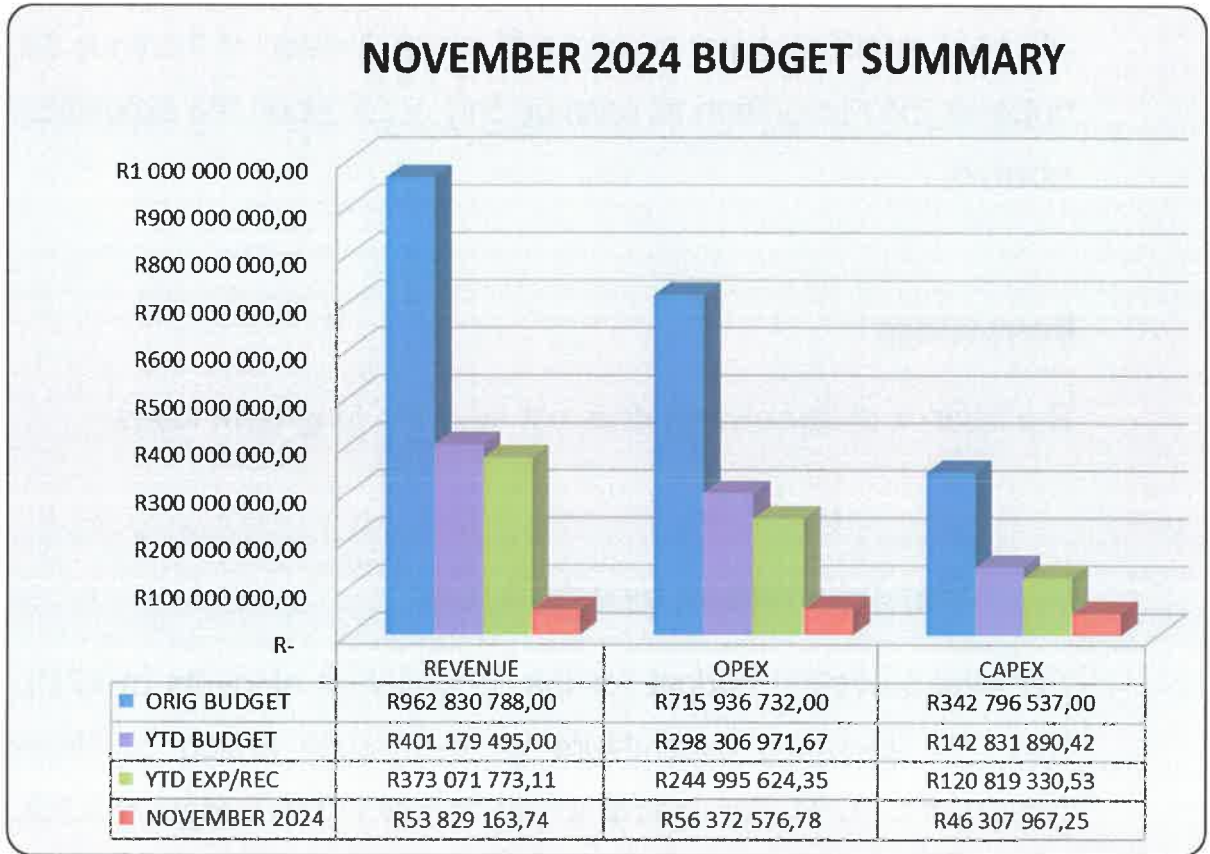
Operating expenditure by vote & type

The total operating budget for the current year amounts to R715, 9m. The YTD Operating expenditure for the month ended 30 November amounted to R244, 9m against a year to date (YTD) budget of R298, 3m. The actual YTD expenditure represented 82% 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 R120, 8million against year to date budget of R142, 48million, or 85% 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 November 2024 was R259, 1million. Refer to the table below for cash and cash equivalent register for more detail on the cash position.

CASH AND INVESTMENT REGISTER AS AT 30 NOVEMBER 2024

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
	Yrs/Months							
R thousands								
Municipality								
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	1 163	9	-	-	1 172
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	34 343	192	(33 276)	-	1 259
FIRST NATIONAL BANK	M	ADMIN CALL	Fixed	219	1	-	-	220
FIRST NATIONAL BANK	M	FIXED DEPOSIT	Fixed	30 794	327	(10 656)	35 000	55 466
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	1 142	6	-	-	1 148
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	68 017	366	-	-	68 383
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	1 895	10	-	-	1 905
FIRST NATIONAL BANK	M	FIXED DEPOSIT	Fixed	1 219	7	-	-	1 225
NEDBANK	M	CALL ACCOUNT	Fixed	103	13	(20 754)	20 637	-
FNB BANK	M	FIXED DEPOSIT	Fixed	50 508	726	-	-	51 234
FNB BANK	M	FIXED DEPOSIT	Fixed	22 500	752	(23 252)	-	-
STANDARD BANK	M	FIXED DEPOSIT	Fixed	54 216	793	-	-	55 009
NEDBANK	M	FIXED DEPOSIT	Fixed	33 465	275	(33 741)	-	(0)
FNB BANK	M	CURRENT ACCOUNT	Fixed	49 125	-	(27 039)	-	22 086
Municipality sub-total				348 712	3 475	(148 716)	55 637	259 108
TOTAL INVESTMENTS AND INTEREST				348 712	3 475	(148 716)	55 637	259 108

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 30 November 2024 was R 368, 7million. Conditional Grants amounting to R 163, 8million and the equitable share is R 204, 9million. One grant received in the month ending 30 November 2024.

Transfers Recognised – Operating

One operational grant received for the month of November 2024 namely:

Expanded Public Works Programme- R 2 007 000

Spending on Grants

Spending on grants amounted to R120, 8million or 85% for the month ending November 2024.

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 - M05 November

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	72 568	71 195	71 195	7 325	33 705	29 685	4 041	14%	71 195
Investment revenue	21 988	17 435	17 435	3 552	12 901	7 264	5 636	78%	17 435
Transfers and subsidies - Operational	477 532	532 623	532 623	936	214 032	221 926	(7 895)	(0)	532 623
Other own revenue	19 807	17 721	17 721	1 331	7 317	7 384	(67)	-1%	-
Total Revenue (excluding capital transfers and contributions)	591 685	638 975	638 975	13 145	267 955	266 239	1 716	1%	638 975
Employee costs	256 039	273 607	273 607	20 440	104 195	114 004	(9 809)	-9%	273 607
Remuneration of Councilors	6 932	8 606	8 606	918	3 228	3 586	(358)	-10%	8 606
Depreciation and amortisation	236 930	101 837	101 837	-	-	42 432	(42 432)	-100%	101 837
Interest	2	115	115	-	-	48	(48)	-100%	115
Inventory consumed and bulk purchases	33 598	36 810	36 810	2 928	12 387	15 337	(2 951)	-19%	36 810
Transfers and subsidies	-	6 700	6 700	-	-	2 792	(2 792)	-100%	6 700
Other expenditure	255 958	288 262	288 262	32 066	125 186	120 110	5 076	4%	288 262
Total Expenditure	789 459	715 937	715 937	56 373	244 996	298 308	(53 313)	-18%	715 937
Surplus/(Deficit)	(197 574)	(76 962)	(76 962)	(43 228)	22 960	(32 069)	55 029	-172%	(76 962)
Transfers and subsidies - capital (monetary allocations)	332 319	318 124	323 656	40 685	105 117	133 268	(28 151)	-21%	323 656
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	134 745	241 161	246 694	(2 543)	128 076	101 199	26 877	27%	246 694
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	134 745	241 161	246 694	(2 543)	128 076	101 199	26 877	27%	246 694
Capital expenditure & funds sources									
Capital expenditure	309 604	322 312	342 797	46 306	120 819	136 857	(16 038)	-12%	342 797
Capital transfers recognised	298 048	276 944	281 929	38 535	105 480	116 017	(10 537)	-9%	281 929
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	11 555	45 368	60 868	7 773	15 339	20 841	(5 501)	-26%	60 868
Total sources of capital funds	309 604	322 312	342 797	46 306	120 819	136 857	(16 038)	-12%	342 797
Financial position									
Total current assets	243 572	208 559	193 806	-	279 114	-	-	-	193 806
Total non current assets	2 997 178	3 446 319	3 456 804	-	3 117 957	-	-	-	3 466 804
Total current liabilities	135 087	124 097	124 097	-	163 374	-	-	-	124 097
Total non current liabilities	30 536	29 399	29 399	-	30 536	-	-	-	29 399
Community wealth/Equity	3 262 762	3 501 382	3 501 382	-	3 203 201	-	-	-	3 501 382
Cash flows									
Net cash from (used) operating	1 801 216	326 348	337 254	-	628 585	140 522	(488 063)	-347%	337 254
Net cash from (used) investing	(309 604)	(322 312)	(342 797)	-	(74 511)	(142 832)	(68 321)	46%	(342 797)
Net cash from (used) financing	(355)	(2 969)	(2 969)	-	-	(1 237)	(1 237)	100%	(2 969)
Cash/cash equivalents at the month/year end	1 615 896	152 288	142 709	763 504	763 504	147 674	(615 830)	-417%	200 918
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	-	-	-	-	-	-	-	-	-
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

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) - M05 November

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 %	
R thousands									
Revenue - Functional									
<i>Governance and administration</i>	490 123	510 213	510 213	3 805	219 284	212 589	6 695	3%	510 213
Executive and council	-	-	-	-	-	-	-	-	-
Finance and administration	490 123	510 213	510 213	3 805	219 284	212 589	6 695	3%	510 213
Internal audit	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>	42	17	17	-	10	7	3	40%	17
Community and social services	42	17	17	-	10	7	3	40%	17
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	-	21 530	29 543	-	-	9 972	(9 972)	-100%	29 543
Planning and development	-	21 530	29 543	-	-	9 972	(9 972)	-100%	29 543
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	434 040	425 338	423 058	50 024	153 778	176 939	(23 161)	-13%	423 058
Energy sources	-	-	-	-	-	-	-	-	-
Water management	420 226	409 956	407 676	48 782	147 952	170 530	(22 578)	-13%	407 676
Waste water management	13 814	15 382	15 382	1 242	5 827	6 409	(582)	-9%	15 382
Waste management	-	-	-	-	-	-	-	-	-
<i>Other</i>	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	924 204	957 098	962 831	53 829	373 072	399 507	(26 436)	-7%	962 831
Expenditure - Functional									
<i>Governance and administration</i>	282 513	328 884	327 142	31 135	117 600	136 566	(18 965)	-14%	327 142
Executive and council	30 252	45 410	45 410	2 530	15 283	18 921	(3 638)	-19%	45 410
Finance and administration	243 702	271 416	271 116	28 008	98 972	113 053	(14 081)	-12%	271 116
Internal audit	8 559	12 058	10 616	597	3 346	4 591	(1 246)	-27%	10 616
<i>Community and public safety</i>	19 285	24 662	24 662	1 340	6 911	10 276	(3 365)	-33%	24 662
Community and social services	19 285	24 662	24 662	1 340	6 911	10 276	(3 365)	-33%	24 662
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	294 606	175 539	176 981	3 959	31 141	73 574	(42 433)	-58%	176 981
Planning and development	294 606	175 539	176 981	3 959	31 141	73 574	(42 433)	-58%	176 981
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	193 055	186 601	186 901	19 938	89 343	77 788	11 554	15%	186 901
Energy sources	-	-	-	-	-	-	-	-	-
Water management	192 868	185 665	185 985	19 923	89 270	77 398	11 872	15%	185 965
Waste water management	187	937	937	15	73	390	(318)	-81%	937
Waste management	-	-	-	-	-	-	-	-	-
<i>Other</i>	-	250	250	-	-	104	(104)	-100%	250
Total Expenditure - Functional	789 459	715 937	715 937	56 373	244 996	298 308	(53 313)	-18%	715 937
Surplus/ (Deficit) for the year	134 745	241 161	246 894	(2 543)	128 076	101 199	26 877	0,26558731	246 894

This table assess the revenue by department and then the expenditure for the period ending 30 November 2024. Revenue receipts in November have largely constituted of service charges which is water and sanitation. The overall budgeted revenue cash receipt for the month of November is 13% against original budget.

Expenditure by standard classification presents the expenditures by the departments. Water Services Department has the largest expenditure for the month of November 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 R33, 1million.

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) - M05 November

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
R thousands									
Revenue by Vote									
Vote 01 - Summary Council	-	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	489 676	509 775	509 775	3 725	219 034	212 406	6 628	3,1%	509 775
Vote 04 - Summary Corporate Services	418	387	387	-	161	161	0	0,1%	387
Vote 05 - Summary Social Services & Development Planning	42	21 547	21 547	-	10	8 978	(8 968)	-99,9%	21 547
Vote 06 - Summary Infrastructure Services	348 937	343 279	349 012	41 825	115 335	143 750	(28 414)	-19,8%	349 012
Vote 07 - Summary Water Services	85 131	82 110	82 110	8 280	38 531	34 213	4 319	12,6%	82 110
Vote 15 - Other	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	924 204	957 098	962 831	53 829	373 072	399 507	(26 436)	-6,6%	962 831
Expenditure by Vote									
Vote 01 - Summary Council	15 581	21 342	21 342	1 506	8 866	8 893	(26)	-0,3%	21 342
Vote 02 - Summary Municipal Manager	23 229	27 993	27 993	1 622	10 477	11 664	(1 187)	-10,2%	27 993
Vote 03 - Summary Budget And Treasury Office	97 677	105 423	105 423	7 027	27 336	43 926	(16 590)	-37,8%	105 423
Vote 04 - Summary Corporate Services	93 168	106 417	106 417	7 715	42 396	44 341	(1 944)	-4,4%	106 417
Vote 05 - Summary Social Services & Development Planning	56 417	88 372	88 372	3 071	19 900	36 822	(16 922)	-46,0%	88 372
Vote 06 - Summary Infrastructure Services	257 942	125 796	125 796	2 268	17 691	52 415	(34 724)	-66,2%	125 796
Vote 07 - Summary Water Services	245 444	240 594	240 594	33 163	118 329	100 248	18 082	18,0%	240 594
Vote 15 - Other	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	789 459	715 937	715 937	56 373	244 996	298 308	(53 313)	-17,9%	715 937
Surplus/ (Deficit) for the year	134 745	241 161	246 894	(2 543)	128 076	101 199	26 877	26,6%	246 894

Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 30 November 2024.

DC43 Harry Gwala - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

Description	Budget Year 2024/25								
	2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue									
Exchange Revenue									
Service charges - Electricity							-		
Service charges - Water	59 302	56 944	56 944	6 088	28 068	23 726	4 341	18%	56 944
Service charges - Waste Water Management	13 256	14 252	14 252	1 237	5 638	5 938	(300)	-5%	14 252
Service charges - Waste management							-		
Sale of Goods and Rendering of Services	178	663	663	51	64	276	(212)	-77%	663
Interest earned from Receivables	16 536	16 655	16 655	1 280	6 288	6 940	(651)	-9%	16 655
Interest from Current and Non Current Assets	21 988	17 435	17 435	3 552	12 901	7 264	5 636	78%	17 435
Licence and permits							-		
Operational Revenue	1 241	404	404	-	179	168	10	6%	404
Non-Exchange Revenue									
Property rates							-		
Surcharges and Taxes							-		
Fines, penalties and forfeits	478	-	-	-	786	-	786	#DN/0!	-
Licence and permits							-		
Transfers and subsidies - Operational	477 532	532 623	532 623	936	214 032	221 926	(7 895)	-4%	532 623
Interest	-	-	-	-	-	-	-		-
Fuel Levy							-		
Operational Revenue	-	-	-	-	-	-	-		-
Gains on disposal of Assets	-	-	-	-	-	-	-		-
Other Gains	1 374	-	-	-	-	-	-		-
Discontinued Operations							-		
Total Revenue (excluding capital transfers and contributions)	591 885	638 975	638 975	13 145	267 955	266 239	1 716	1%	638 975
Expenditure By Type									
Employee related costs	256 039	273 607	273 607	20 440	104 195	114 004	(9 809)	-9%	273 607
Remuneration of councillors	6 932	8 606	8 606	918	3 228	3 586	(358)	-10%	8 606
Bulk purchases - electricity	-	-	-	-	-	-	-		-
Inventory consumed	33 598	36 810	36 810	2 928	12 387	15 337	(2 951)	-19%	36 810
Debt impairment	10 796	-	-	-	-	-	-		-
Depreciation and amortisation	236 930	101 837	101 837	-	-	42 432	(42 432)	-100%	101 837
Interest	2	115	115	-	-	48	(46)	-100%	115
Contracted services	122 694	152 097	151 807	20 580	65 602	63 335	2 267	4%	151 807
Transfers and subsidies	-	6 700	6 700	-	-	2 792	(2 792)	-100%	6 700
Irrecoverable debts written off	29 995	31 908	31 908	-	7 999	13 295	(5 296)	-40%	31 908
Operational costs	91 283	104 257	104 547	11 506	51 585	43 480	8 105	19%	104 547
Losses on Disposal of Assets	1 190	-	-	-	-	-	-		-
Other Losses	-	-	-	-	-	-	-		-
Total Expenditure	789 459	715 937	715 937	56 373	244 996	298 308	(53 313)	-18%	715 937
Surplus/(Deficit)									
Transfers and subsidies - capital (monetary allocations)	332 319	318 124	323 856	40 685	105 117	133 268	(28 151)	(0)	323 856
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	(0)	-
Surplus/(Deficit) after capital transfers & contributions	134 745	241 161	246 894	(2 543)	128 076	101 199	26 877	0	246 894
Income Tax							-		
Surplus/(Deficit) after income tax	134 745	241 161	246 894	(2 543)	128 076	101 199	26 877	0	246 894
Share of Surplus/Deficit attributable to Joint Venture							-		
Share of Surplus/Deficit attributable to Minorities							-		
Surplus/(Deficit) attributable to municipality	134 745	241 161	246 894	(2 543)	128 076	101 199	26 877	0	246 894
Share of Surplus/Deficit attributable to Associate							-		
Intercompany/Parent subsidiary transactions							-		
Surplus/ (Deficit) for the year	134 745	241 161	246 894	(2 543)	128 076	101 199	26 877	0	246 894

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 - M05 November

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
R thousands									
Multi-Year expenditure appropriation									
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	749	5 610	4 325	1 285	30%	12 480
Vote 05 - Summary Social Services & Development Planning	986	5 640	5 640	-	-	2 350	(2 350)	-100%	5 640
Vote 06 - Summary Infrastructure Services	78 007	122 732	118 076	13 296	27 580	50 558	(22 977)	-45%	118 076
Vote 07 - Summary Water Services	226 226	184 460	206 600	32 262	87 630	79 626	8 004	10%	206 600
Vote 15 - Other	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	309 604	322 312	342 797	46 308	120 819	136 857	(16 038)	-12%	342 797
Total Capital Expenditure	309 604	322 312	342 797	46 308	120 819	136 857	(16 038)	-12%	342 797
Capital Expenditure - Functional Classification									
Governance and administration	4 385	14 205	17 205	749	5 610	6 294	(684)	-11%	17 205
Executive and council	-	-	-	-	-	-	-	-	-
Finance and administration	4 385	14 205	17 205	749	5 610	6 294	(684)	-11%	17 205
Internal audit	-	-	-	-	-	-	-	-	-
Community and public safety	986	600	600	-	-	250	(250)	-100%	600
Community and social services	986	600	600	-	-	250	(250)	-100%	600
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	60 631	121 210	115 421	13 296	24 179	49 582	(25 403)	-51%	115 421
Planning and development	60 631	121 210	115 421	13 296	24 179	49 582	(25 403)	-51%	115 421
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	243 602	186 297	209 570	32 262	91 030	80 731	10 299	13%	209 570
Energy sources	-	-	-	-	-	-	-	-	-
Water management	178 637	176 093	185 775	30 329	77 874	74 761	3 093	4%	185 775
Waste water management	64 965	10 204	23 796	1 934	13 156	5 951	7 206	121%	23 796
Waste management	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	309 604	322 312	342 797	46 308	120 819	136 857	(16 038)	-12%	342 797
Funded by:									
National Government	298 048	276 629	274 647	38 535	105 480	115 014	(9 534)	-8%	274 647
Provincial Government	-	-	6 967	-	-	871	(871)	-100%	6 967
District Municipality	-	315	315	-	-	131	(131)	-100%	315
Transfers recognised - capital	298 048	276 944	281 929	38 535	105 480	116 017	(10 537)	-9%	281 929
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	11 555	45 368	60 868	7 773	15 339	20 841	(5 501)	-26%	60 868
Total Capital Funding	309 604	322 312	342 797	46 308	120 819	136 857	(16 038)	-12%	342 797

As alluded to above, the capital expenditure programme for the period ending 30 November 2024 was R120, 8m which represents 85% of capital expenditure against year to date budget of R142, 8million.

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

Chart 1: 2024/2025 CAPEX

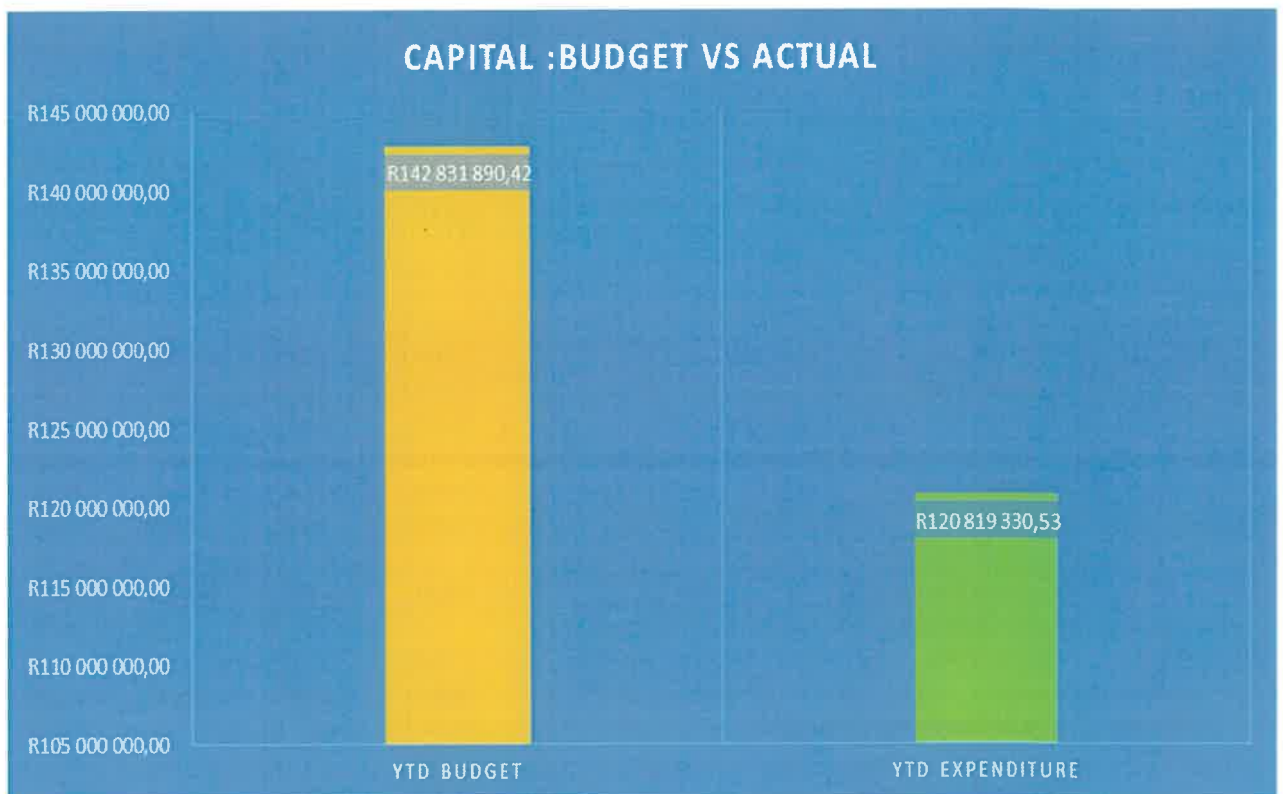


Table C6 displays the financial position of the municipality as at 30 November 2024.

DC43 Harry Gwala - Table C6 Consolidated Monthly Budget Statement - Financial Position - M05 November

Description	2023/24	Budget Year 2024/25			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash and cash equivalents	209 430	139 694	139 694	238 254	139 694
Trade and other receivables from exchange transactions	12 036	29 605	29 605	9 413	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	28 501	21 436
Other current assets	(229)	2	2	(231)	2
Total current assets	243 572	208 559	193 806	279 114	193 806
Non current assets					
Investments					
Investment property	–	–	–	–	–
Property, plant and equipment	2 996 864	3 444 846	3 465 330	3 117 683	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
Total non current assets	2 997 178	3 446 319	3 466 804	3 117 997	3 466 804
TOTAL ASSETS	3 240 750	3 654 878	3 660 610	3 397 111	3 660 610
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Financial liabilities	12 806	8 006	8 006	12 806	8 006
Consumer deposits	3 179	3 522	3 522	3 358	3 522
Trade and other payables from exchange transactions	86 935	86 542	86 542	62 102	86 542
Trade and other payables from non-exchange transactions	10 500	1 483	1 483	60 116	1 483
Provision	16 385	17 142	17 142	16 385	17 142
VAT	5 282	7 402	7 402	8 607	7 402
Other current liabilities	–	–	–	–	–
Total current liabilities	135 087	124 097	124 097	163 374	124 097
Non current liabilities					
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	–	–	–	–	–
Total non current liabilities	30 536	29 399	29 399	30 536	29 399
TOTAL LIABILITIES	165 623	153 496	153 496	193 910	153 496
NET ASSETS	3 075 127	3 501 382	3 507 114	3 203 201	3 507 114
COMMUNITY WEALTH/EQUITY					
Accumulated surplus/(deficit)	3 075 127	3 501 382	3 507 114	3 203 201	3 507 114
Reserves and funds	–	–	–	–	–
Other	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	3 075 127	3 501 382	3 507 114	3 203 201	3 507 114

Table C7 below display the Cash Flow Statement for the period ending 30 November 2024.

DC43 Harry Gwala - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M05 November

Description	2023/24	Budget Year 2024/25						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates	6	-	-	-	-	-		-
Service charges	62 324	62 194	62 194	26 563	25 914	649	3%	62 194
Other revenue	1 805 797	68 324	86 092	530 309	35 872	494 437	1378%	86 092
Transfers and Subsidies - Operational	473 045	512 493	512 493	208 095	213 539	(4 544)	-2%	512 493
Transfers and Subsidies - Capital	326 130	318 124	323 856	157 762	134 940	22 822	17%	323 856
Interest	21 988	18 053	18 053	9 348	7 522	1 827	24%	18 053
Dividends								
Payments								
Suppliers and employees	(888 074)	(652 698)	(665 292)	(304 392)	(277 205)	27 187	-10%	(665 292)
Interest	-	(142)	(142)	-	(59)	(59)	100%	(142)
Transfers and Subsidies	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES	1 801 216	326 348	337 254	628 585	140 522	(488 063)	-347%	337 254
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	(309 604)	(322 312)	(342 797)	(74 511)	(142 832)	(68 321)	48%	(342 797)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(309 604)	(322 312)	(342 797)	(74 511)	(142 832)	(68 321)	48%	(342 797)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans								
Borrowing long term/refinancing								
Increase (decrease) in consumer deposits	(355)	(569)	(569)	-	(237)	237	-100%	(569)
Payments								
Repayment of borrowing	-	(2 400)	(2 400)	-	(1 000)	(1 000)	100%	(2 400)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(355)	(2 969)	(2 969)	-	(1 237)	(1 237)	100%	(2 969)
NET INCREASE/ (DECREASE) IN CASH HELD	1 491 257	1 067	(8 512)	554 074	(3 547)			(8 512)
Cash/cash equivalents at beginning:	124 641	151 221	151 221	209 430	151 221			209 430
Cash/cash equivalents at month/year end:	1 615 898	152 288	142 709	763 504	147 674			200 918

PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtors Analysis

The table presented below summarises the Debtors Age Analysis as at 30 November 2024.

Table 2.1.1: Debtors Age Analysis by Income Source

DC43 Harry Gwala - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November

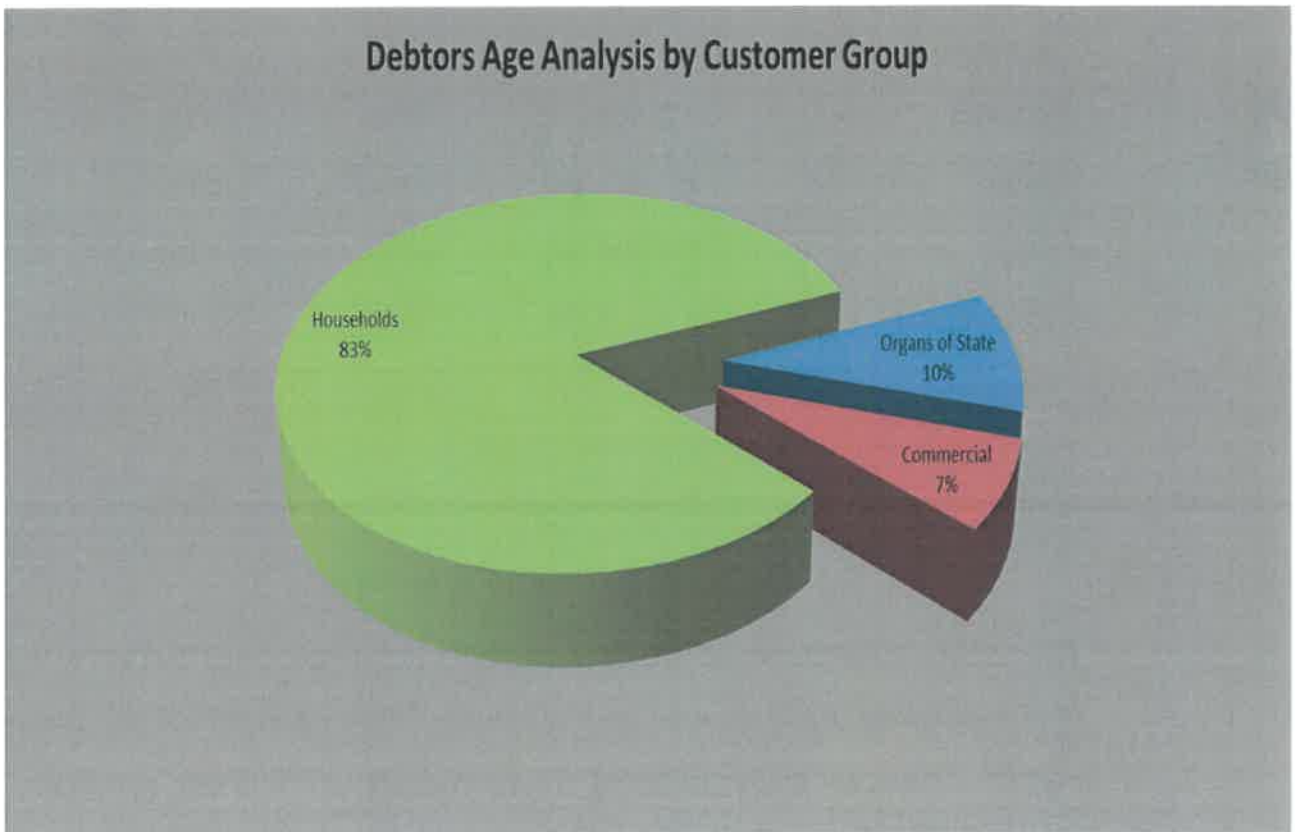
Description	Budget Year 2024/25									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
R thousands										
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	5 235	4 201	2 839	2 853	2 950	2 751	10 734	117 568	149 130	136 856
Trade and Other Receivables from Exchange Transactions - Electricity									-	-
Receivables from Non-exchange Transactions - Property Rates									-	-
Receivables from Exchange Transactions - Waste Water Management	2 045	1 641	1 109	1 114	1 152	1 075	4 194	45 253	57 584	52 789
Receivables from Exchange Transactions - Waste Management									-	-
Receivables from Exchange Transactions - Property Rental Debtors									-	-
Interest on Arrear Debtor Accounts	875	702	474	477	493	450	1 794	19 363	24 639	22 587
Recoverable unauthorised, irregular, fruitless and wasteful expenditure									-	-
Other									-	-
Total By Income Source	8 155	6 544	4 422	4 444	4 596	4 286	16 722	182 184	231 353	212 232
2023/24 - totals only	7849119	5234021	4666427	3622533	14477570	3700918	30264961	177866394	247 682	229 932
Debtors Age Analysis By Customer Group										
Organs of State	4 480	3 365	1 098	1 671	1 994	1 634	1 810	6 124	22 176	13 233
Commercial	844	445	733	311	286	369	1 786	12 392	17 166	15 144
Households	2 831	2 734	2 591	2 462	2 315	2 283	13 127	163 668	192 011	183 854
Other									-	-
Total By Customer Group	8 155	6 544	4 422	4 444	4 596	4 286	16 722	182 184	231 353	212 232

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: 83%
- ✓ Government 10%
- ✓ Business 7%



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

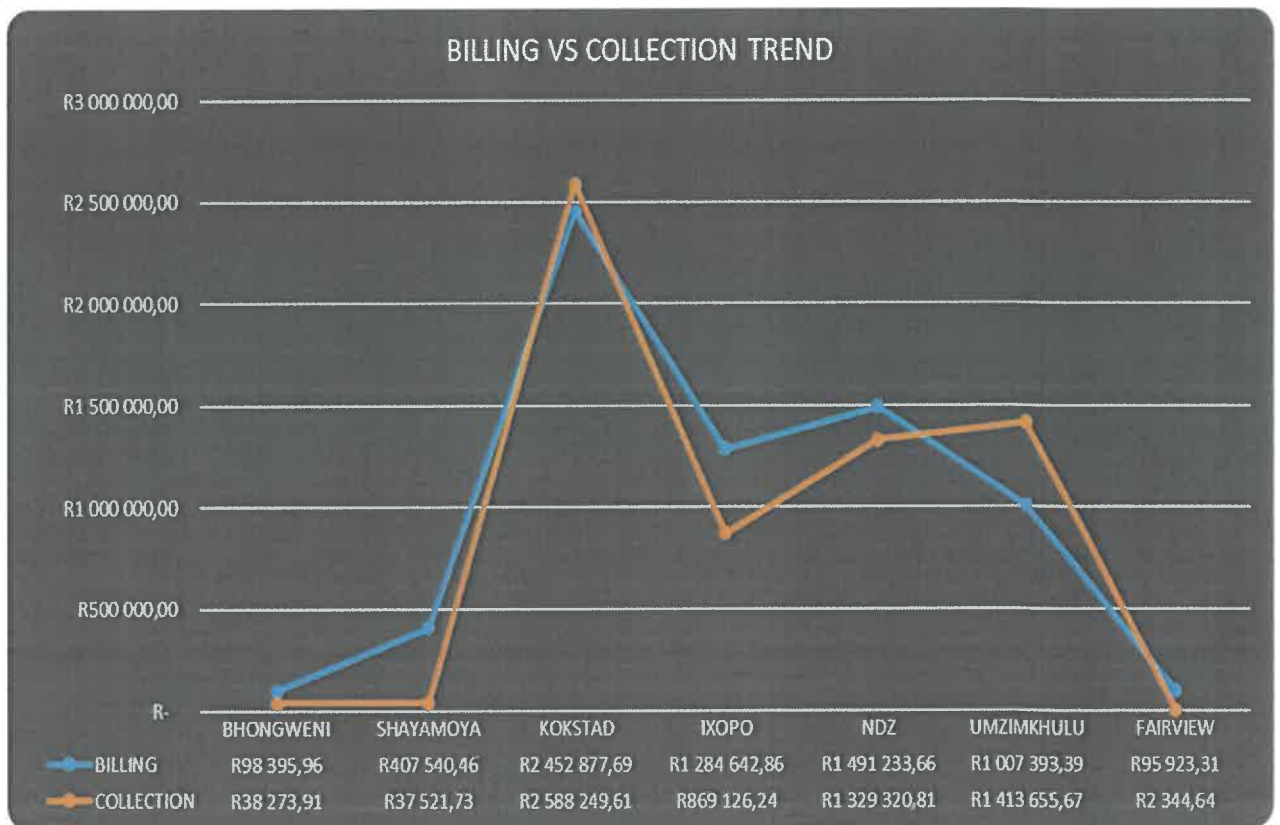
AREA	AMOUNT	NOVEMBER	OCTOBER
		2024	2024
Unallocated receipts	R 145 539	2%	3%
Bhongweni	R 38 274	1%	0%
Shayamoya	R 37 522	1%	0%
Kokstad	R 2 588 250	40%	40%
Ixopo	R 869 126	14%	12%
NDZ	R 1 329 321	21%	17%
Umzimkulu	R 1 413 656	22%	27%
Fairview	R 2 345	0%	0%
TOTAL RECEIPTS INCL VAT	R 6 424 032	100%	100%

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 November 2024 is R6, 4million. The collection for prepaid in the month of November is R 1, 216,802. Total cash collected including prepaid for the month ending 30 November 2024 is R 7,640,834.

BILLING VS COLLECTION

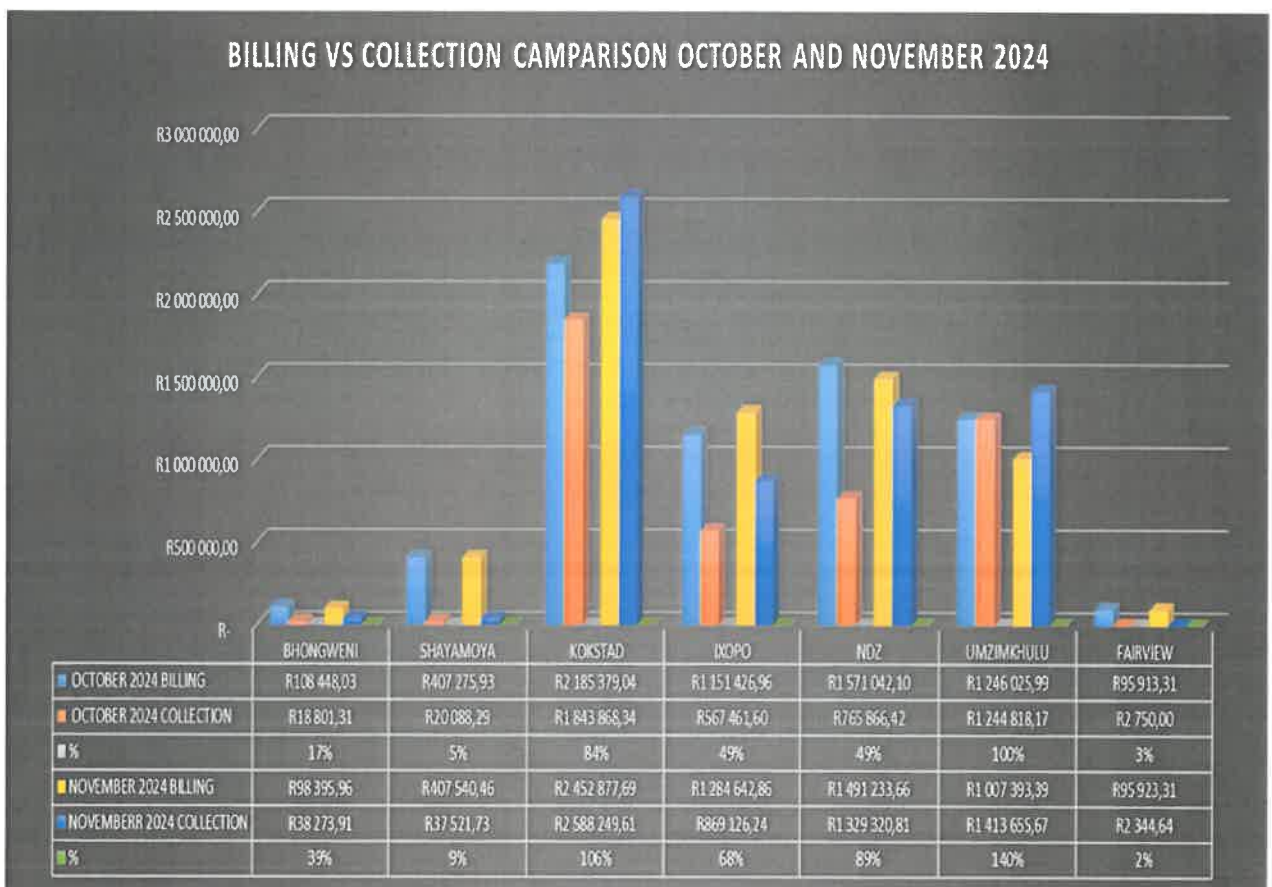
Billing vs Collection trend for November 2024

The chart that follows below shows the comparison between billing and collection trend for the period ending 30 November 2024



BILLING VS COLLECTION (COMPARISON BETWEEN OCTOBER AND NOVEMBER 2024)

The chart that follows below shows the comparison between billing and collection for the period ending 30 November 2024



Debtors age analysis per service

The municipality's total outstanding debtors amounted to R 231,353,242 as at 30 November 2024 compared with the R 229,623,488 as at 31 October 2024. Current debt represents 4% of the total outstanding debt compared with the 4% of October 2024; 30 days and older debt 3% compared with the 3% for October 2024; 60 days and older debt 2% compared with the 2% of October 2024; and 90 days 2% compared with the 2% of October 2024; 120 days to History and older 90% compared with the 90% for October 2024.

Current debt increased with R 1,729,773 to R 231,353,260 in the month ending 30 November compared with the R 229,623,488 as at 31 October 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 30 November 2024 has increased with R 2,356,048 to R 208,423,086 compared with the R 206,058,038 for October 2024.

Debtors age analysis per debtor type

Business debtors owes the municipality R 16,712,107 (7%); Municipal debtors R 1,197,973 (1%); domestic debtors R 184,337,309 (80%); Government accounts R 20,642,458 (9%); Indigent debtors R 2,247,272 (1%); Deceased R 1,171,276 (1%) and other debtors R 5,044,866 (2%) of the total outstanding debt of R 231,353,260.

2.2 Creditors Analysis

Table SC presents the aged creditors as at 30 November 2024

DC43 Harry Gwala - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 November

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	
R thousands									
Creditors Age Analysis By Customer Type									
Bulk Electricity									-
Bulk Water									-
PAYE deductions									-
VAT (output less input)									-
Pensions / Retirement deductions									-
Loan repayments									-
Trade Creditors	1 257	36		1 031					2 324
Auditor General									-
Other									-
Medical Aid deductions									-
Total By Customer Type	1 257	36	-	1 031	-	-	-	-	2 324

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 30 November 2024.

Cash and Bank Balances (Investments)

Monthly budget statement- Investment Portfolio

CASH AND INVESTMENT REGISTER AS AT 30 NOVEMBER 2024

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
	Yrs/Months							
R thousands								
Municipality								
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	1 163	9	-	-	1 172
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	34 343	192	(33 276)	-	1 259
FIRST NATIONAL BANK	M	ADMIN CALL	Fixed	219	1	-	-	220
FIRST NATIONAL BANK	M	FIXED DEPOSIT	Fixed	30 794	327	(10 655)	35 000	55 466
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	1 142	6	-	-	1 148
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	68 017	366	-	-	68 383
FIRST NATIONAL BANK	M	CALL ACCOUNT	Fixed	1 895	10	-	-	1 905
FIRST NATIONAL BANK	M	FIXED DEPOSIT	Fixed	1 219	7	-	-	1 225
NEDBANK	M	CALL ACCOUNT	Fixed	103	13	(20 754)	20 637	-
FNB BANK	M	FIXED DEPOSIT	Fixed	50 508	726	-	-	51 234
FNB BANK	M	FIXED DEPOSIT	Fixed	22 500	752	(23 252)	-	-
STANDARD BANK	M	FIXED DEPOSIT	Fixed	54 216	793	-	-	55 009
NEDBANK	M	FIXED DEPOSIT	Fixed	33 465	275	(33 741)	-	(0)
FNB BANK	M	CURRENT ACCOUNT	Fixed	49 125	-	(27 039)	-	22 086
Municipality sub-total				348 712	3 475	(148 716)	55 637	259 108
TOTAL INVESTMENTS AND INTEREST				348 712	3 475	(148 716)	55 637	259 108

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 - M05 November

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
RECEIPTS:									
Operating Transfers and Grants									
National Government:	477 532	512 493	512 493	936	214 032	213 539	493	0,2%	512 493
Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	-	-	-
Equitable Share	463 631	491 837	491 837	-	204 932	204 932	(0)	0,0%	491 837
Expanded Public Works Programme Integrated Grant	5 623	4 460	4 460	-	1 888	1 658	30	1,6%	4 460
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant	1 200	1 200	1 200	117	323	500	(177)	-35,3%	1 200
Municipal Disaster Relief Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	4 487	12 498	12 498	-	6 069	5 208	861	16,5%	12 498
Rural Road Asset Management Systems Grant	2 391	2 498	2 498	819	819	1 041	(221)	-21,3%	2 498
Water Services Infrastructure Grant	-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-	-
Provincial Government:	-	130	130	-	-	54	(54)	-100,0%	130
Capacity Building and Other Grants	-	130	130	-	-	54	(54)	-100,0%	130
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-	-
District Municipality:	-	20 000	20 000	-	-	8 333	(8 333)	-100,0%	20 000
Specify (Add grant description)	-	20 000	20 000	-	-	8 333	(8 333)	-100,0%	20 000
Other grant providers:	-	-	-	-	-	-	-	-	-
Chemical Industry Sets	-	-	-	-	-	-	-	-	-
Parent Municipality	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	477 532	532 623	532 623	936	214 032	221 926	(7 895)	-3,6%	532 623
Capital Transfers and Grants									
National Government:	332 319	318 124	315 844	40 685	105 117	132 266	(27 150)	-20,5%	315 844
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	242 319	218 124	215 844	24 894	79 646	90 600	(10 954)	-12,1%	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	15 791	25 470	41 667	(16 196)	-38,9%	100 000
Provincial Government:	-	-	8 013	-	-	1 002	(1 002)	-100,0%	8 013
Infrastructure Grant	-	-	8 013	-	-	1 002	(1 002)	-100,0%	8 013
District Municipality:	-	-	-	-	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
[insert description]	-	-	-	-	-	-	-	-	-
Human Settlement Re-development Programme	-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	332 319	318 124	323 856	40 685	105 117	133 268	(28 151)	-21,1%	323 856
TOTAL RECEIPTS OF TRANSFERS & GRANTS	809 852	850 747	856 480	41 621	319 149	355 194	(36 046)	-10,1%	856 480

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 - M04 October

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	680 056	632 656	632 656	43 487	192 844	263 608	(70 764)	-26,8%	632 656
Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	-	-	-
Equitable Share	662 032	608 896	608 896	42 250	180 029	253 708	(73 679)	-29,0%	608 896
Expanded Public Works Programme Integrated Grant	7 177	7 751	7 751	731	3 369	3 230	139	4,3%	7 751
Local Government Financial Management Grant	1 200	1 012	1 012	53	318	422	(104)	-24,7%	1 012
Municipal Disaster Relief Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	7 569	12 498	12 498	453	8 415	5 208	3 208	61,6%	12 498
Rural Road Asset Management Systems Grant	2 079	2 498	2 498	-	713	1 041	(328)	-31,5%	2 498
Water Services Infrastructure Grant	-	-	-	-	-	-	-	-	-
Provincial Government:	-	1 400	1 400	-	-	583	(583)	-100,0%	1 400
Capacity Building and Other Grants	-	1 400	1 400	-	-	583	(583)	-100,0%	1 400
District Municipality:	-	5 587	5 587	-	-	2 328	(2 328)	-100,0%	5 587
Specify (Add grant description)	-	5 587	5 587	-	-	2 328	(2 328)	-100,0%	5 587
Other grant providers:	-	-	-	-	-	-	-	-	-
Chemical Industry Seta	-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:	680 056	639 643	639 643	43 487	192 844	266 519	(73 676)	-27,6%	639 643
Capital expenditure of Transfers and Grants									
National Government:	298 048	276 629	274 647	38 535	105 480	115 014	(9 534)	-8,3%	274 647
Local Government Financial Management Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	214 739	189 673	187 690	28 442	83 318	78 782	4 536	5,8%	187 690
Regional Bulk Infrastructure Grant	-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant	83 310	86 957	86 957	10 094	22 162	36 232	(14 070)	-38,8%	86 957
Provincial Government:	-	-	6 967	-	-	871	(871)	-100,0%	6 967
Infrastructure Grant	-	-	6 967	-	-	871	(871)	-100,0%	6 967
District Municipality:	-	315	315	-	-	131	(131)	-100,0%	315
Specify (Add grant description)	-	315	315	-	-	131	(131)	-100,0%	315
Other grant providers:	-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants	298 048	276 944	281 929	38 535	105 480	116 017	(10 537)	-9,1%	281 929
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	978 105	916 587	921 572	82 022	298 324	382 536	(84 212)	-22,0%	921 572

2.5 Councillor and Staff Benefits

Table SC8 presents the expenditure of councillor and staff benefits at 30 November 2024.

DC43 Harry Gwala - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M04 October

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
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	4 586	4 658	4 658	614	2 171	1 941	230	12%	4 658
Pension and UIF Contributions	133	578	578	25	25	241	(215)	-89%	578
Medical Aid Contributions	33	197	197	0	1	82	(81)	-88%	197
Cellphone Allowance	547	566	566	43	216	236	(20)	-8%	566
Other benefits and allowances	1 633	2 607	2 607	235	815	1 086	(272)	-25%	2 607
Sub Total - Councillors	6 932	8 606	8 606	918	3 228	3 586	(358)	-10%	8 606
% increase		24,1%	24,1%						24,1%
Senior Managers of the Municipality									
Basic Salaries and Wages	5 777	4 759	4 759	458	2 291	1 983	309	16%	4 759
Pension and UIF Contributions	-	4	4	-	-	2	(2)	-100%	4
Medical Aid Contributions	48	51	51	4	20	21	(1)	-6%	51
Performance Bonus	55	181	181	-	69	76	(6)	-8%	181
Motor Vehicle Allowance	1 056	918	918	100	511	383	128	33%	918
Cellphone Allowance	110	119	119	10	49	49	(1)	-2%	119
Housing Allowances	394	336	336	46	231	140	91	65%	336
Other benefits and allowances	259	299	299	25	130	125	6	5%	299
Payments in lieu of leave	-	384	384	-	-	160	(160)	-100%	384
Sub Total - Senior Managers of Municipality	7 699	7 052	7 052	643	3 301	2 938	363	12%	7 052
% increase		-8,4%	-8,4%						-8,4%
Other Municipal Staff									
Basic Salaries and Wages	148 363	154 317	154 317	13 048	64 494	64 299	195	0%	154 317
Pension and UIF Contributions	22 634	24 096	24 096	1 969	9 765	10 040	(275)	-3%	24 096
Medical Aid Contributions	10 905	11 412	11 412	898	4 537	4 755	(218)	-5%	11 412
Overtime	21 207	22 092	22 092	1 960	9 532	9 205	327	4%	22 092
Performance Bonus	10 668	10 909	10 909	384	4 290	4 545	(256)	-6%	10 909
Motor Vehicle Allowance	19 940	23 900	23 900	697	4 113	9 959	(5 846)	-59%	23 900
Cellphone Allowance	1 086	1 316	1 316	96	467	549	(81)	-15%	1 316
Housing Allowances	652	784	784	55	273	327	(54)	-17%	784
Other benefits and allowances	6 044	7 716	7 716	443	2 324	3 215	(891)	-28%	7 716
Payments in lieu of leave	1 020	657	657	189	833	274	559	204%	657
Long service awards	1 312	1 277	1 277	37	166	532	(366)	-69%	1 277
Post-retirement benefit obligations	4 175	-	-	-	-	-	-	-	-
Acting and postrelated allowance	335	235	235	21	101	98	3	3%	235
Sub Total - Other Municipal Staff	248 340	258 713	258 713	19 797	100 894	107 798	(6 904)	-6%	258 713
% increase		4,2%	4,2%						4,2%
Total Parent Municipality	262 971	274 370	274 370	21 358	107 423	114 322	(6 899)	-6%	274 370
		4,3%	4,3%						4,3%
Unpaid salary, allowances & benefits in arrears:									
Board Members of Entities									
Basic Salaries and Wages	-	320	320	-	-	133	(133)	-100%	320
Sub Total - Executive members Board	-	320	320	-	-	133	(133)	-100%	320
% increase		#DIV/0!	#DIV/0!						#DIV/0!
Other Staff of Entities									
Basic Salaries and Wages	-	7 400	7 400	-	-	3 083	(3 083)	-100%	7 400
Pension and UIF Contributions	-	23	23	-	-	10	(10)	-100%	23
Payments in lieu of leave	-	50	50	-	-	21	(21)	-100%	50
Acting and postrelated allowance	-	50	50	-	-	21	(21)	-100%	50
Sub Total - Other Staff of Entities	-	7 523	7 523	-	-	3 135	(3 135)	-100%	7 523
% increase		#DIV/0!	#DIV/0!						#DIV/0!
Total Municipal Entities	-	7 843	7 843	-	-	3 268	(3 268)	-100%	7 843
TOTAL SALARY, ALLOWANCES & BENEFITS	262 971	282 213	282 213	21 358	107 423	117 590	(10 167)	-9%	282 213
% Increase		7,3%	7,3%						7,3%
TOTAL MANAGERS AND STAFF	256 039	273 287	273 287	20 440	104 195	113 871	(9 675)	-8%	273 287

2.6 Material Variances to the SDBIP

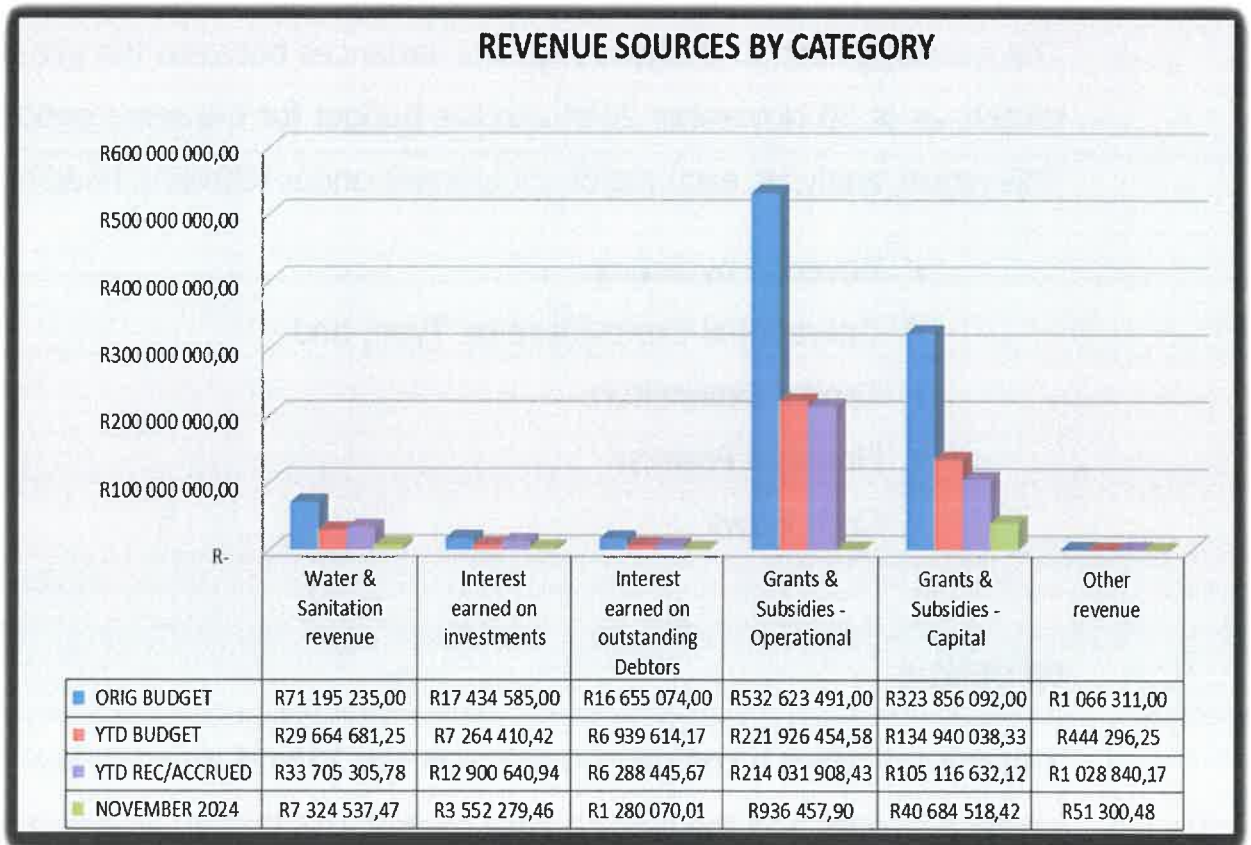
The following section analyses material variances between the actual targets as at 30 November 2024 and the budget for the same period. This report analyses each major component under following headings;

- ✓ 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 30 November 2024 was R33, 7million against a year to date **budget** of R29, 6million which is 114 per cent of year to date budget.

Interest Earned on External Investments

The interest earned on external investments year to date actual is R12, 9m against year to budget of R7, 2m representing overperformance of 78 per cent of the year to date budget.

Transfers Recognised - Operational

The operational grants revenue of R214million against a year to date budget of R221, 9million 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 R105, 1million, or 78% of the planned expenditure. Capital expenditure is mainly funded by means of National grants.

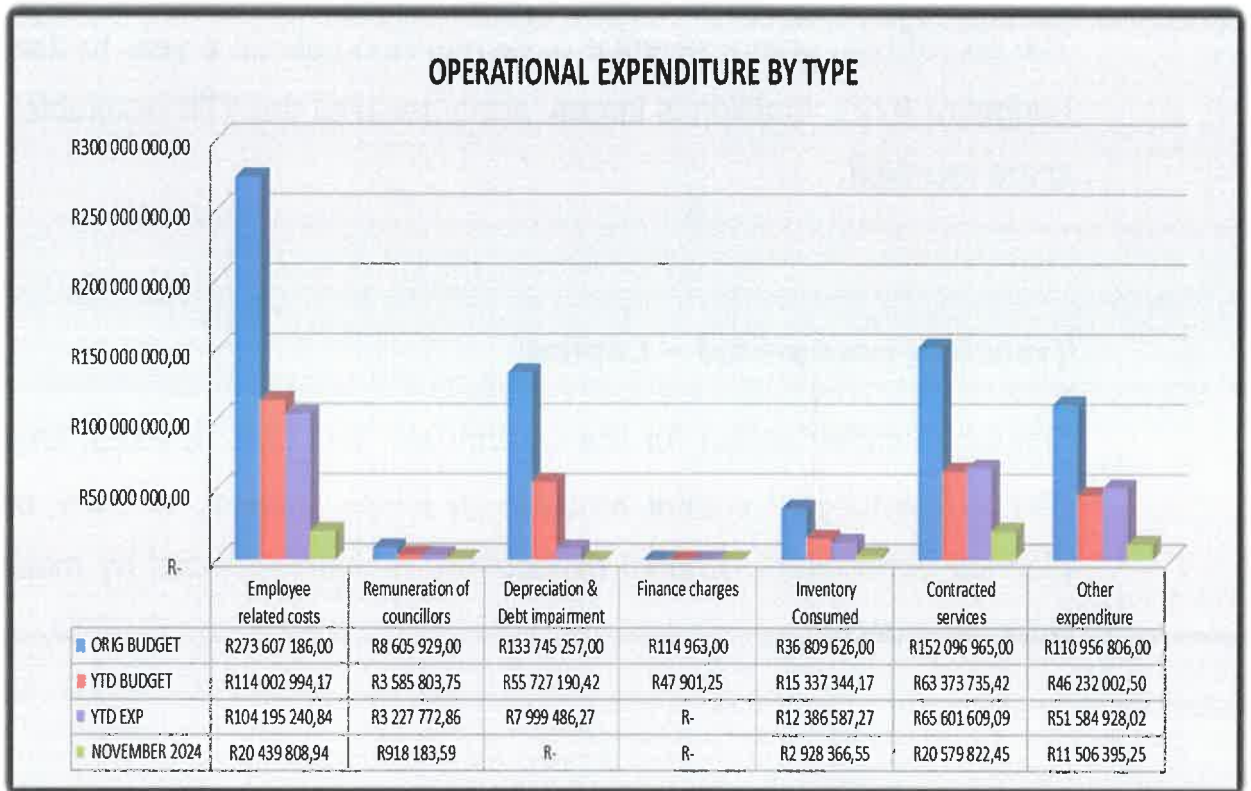
Other Revenue

The YTD performance of other revenue is R 1m against YTD budget of R 444 296 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 R104, 1million against a YTD budget of R114million which is 91% of the YTD budget.

Remuneration of Councillors

The remuneration of councillor's year to date expenditure is at R3, 2m against a YTD budget of R3, 5m representing 90% of the year to date budget.

Finance Charges

The YTD budget for finance charges is R47 901. There was no movement in the month ending November 2024.

Inventory Consumed

The inventory consumed has the original budget of R36, 8m. The year to date expenditure for inventory is R12, 3m against a YTD budget of R15, 3million representing 81 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 R65, 6m against a YTD budget of R63, 3million representing 104 per cent of planned expenditure. Contracted Services overspent by 4 per cent against what was anticipated.

Other Expenditure

The YTD expenditure for operating costs was at R51, 5million against a YTD budget of R 46, 2million or 112 per cent and expenditure for the month of November 2024 is R 11, 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 - M04 October

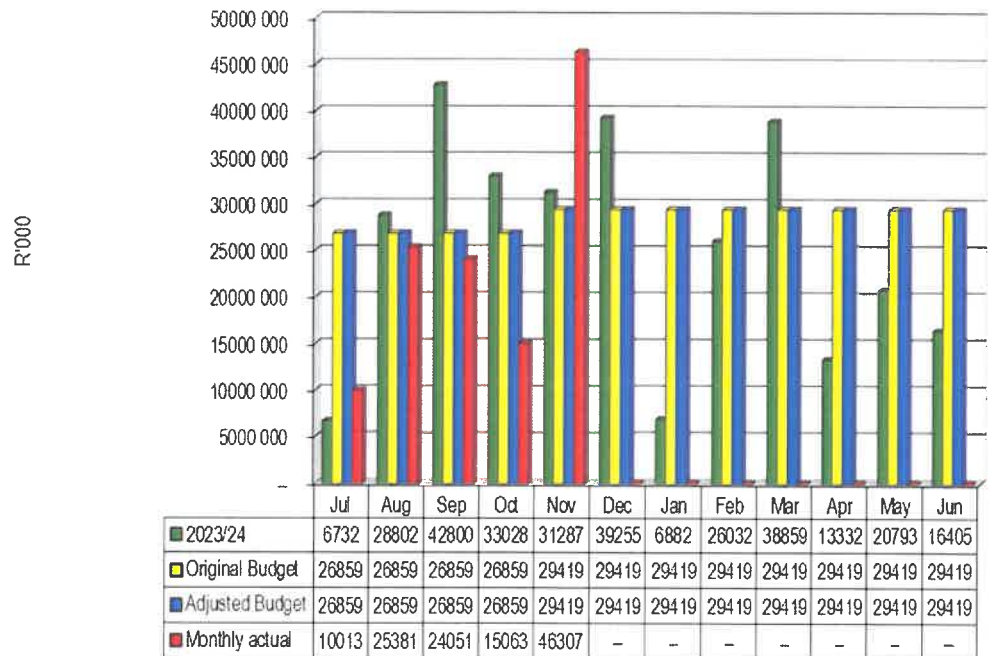
R thousands	Description	Budget Year 2024/25												2024/25 Medium Term Revenue & Expenditure Framework		
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Budget	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
	Cash Receipts By Source															
	Property rates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Service charges - Electricity revenue															
	Service charges - Water revenue	7 440	5 500	6 413	4 205	-	4 136	4 136	4 136	4 136	4 136	1 259	49 632	57 392	60 204	
	Service charges - Waste Water Management	596	1 123	631	666	-	1 047	1 047	1 047	1 047	1 047	3 276	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	-	1 504	1 504	1 504	1 504	1 504	(322)	18 053	17 170	17 996	
	Interest earned - outstanding debtors	-	0	-	-	-	-	-	-	-	-	(0)	-	-	-	-
	Dividends received															
	Fines, penalties and forfeits	-	-	69	717	-	-	-	-	-	-	(766)	-	-	-	-
	Transfers and Subsidies - Operational	204 932	4 063	-	-	-	42 708	42 708	42 708	42 708	42 708	47 252	512 493	551 650	588 066	
	Other revenue	116 275	69 008	248 324	95 916	-	7 174	7 174	7 174	7 174	7 174	(486 477)	86 092	66 516	71 406	
	Cash Receipts by Source	330 855	80 933	258 028	105 399	-	56 569	56 569	56 569	56 569	56 569	(435 799)	678 832	705 044	751 671	
	Other Cash Flows by Source															
	Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	80 718	-	39 487	37 547	-	26 988	26 988	26 988	26 988	26 988	4 166	323 856	314 221	343 324	
	Increase (decrease) in consumer deposits	-	-	-	-	-	(47)	(47)	(47)	(47)	(47)	(265)	(569)	(604)	(640)	
	Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Cash Receipts by Source	411 573	80 933	297 525	142 946	-	83 510	83 510	83 510	83 510	83 510	(431 918)	1 002 119	1 018 661	1 094 355	
	Cash Payments by Type															
	Employee related costs	21 247	19 687	12 730	31 494	-	22 801	22 801	22 801	22 801	22 801	51 645	273 607	289 914	307 166	
	Remuneration of councillors	330	310	316	313	-	717	717	717	717	717	3 034	8 606	9 122	9 670	
	Interest	-	-	-	-	-	12	12	12	12	12	71	142	150	158	
	Acquisitions - water & other inventory	-	-	-	-	-	2 590	2 590	2 590	2 590	2 590	15 540	31 081	32 510	34 103	
	Contracted services	-	-	-	-	-	14 528	14 528	14 528	14 528	14 528	87 168	174 337	200 140	217 336	
	Other expenditure	34 484	60 932	66 297	48 955	-	13 555	13 555	13 555	13 555	13 555	(129 397)	162 862	154 054	160 865	
	Cash Payments by Type	56 062	80 929	79 343	80 763	-	54 203	54 203	54 203	54 203	54 203	28 121	650 434	685 891	729 317	
	Other Cash Flows/Payments by Type															
	Capital assets	10 014	25 382	24 052	15 064	-	28 566	28 566	28 566	28 566	28 566	96 887	342 797	300 903	324 437	
	Repayment of borrowing	-	-	-	-	-	200	200	200	200	200	1 200	2 400	2 400	2 400	
	Other Cash Flows/Payments	350	950	1 828	4 168	-	1 250	1 250	1 250	1 250	1 250	204	15 000	15 000	15 000	
	Total Cash Payments by Type	66 425	107 260	105 223	99 995	-	84 219	84 219	84 219	84 219	84 219	126 412	1 010 631	1 004 194	1 071 155	
	NET INCREASE/(DECREASE) IN CASH HELD	345 148	(26 327)	192 302	42 951	-	(709)	(709)	(709)	(709)	(709)	(558 330)	(8 512)	14 467	23 200	23 200
	Cash/cash equivalents at the month/year beginning:	209 430	554 579	528 251	720 554	763 504	763 504	762 086	761 376	760 667	759 958	759 248	209 430	200 918	215 386	215 386
	Cash/cash equivalents at the month/year end:	554 579	528 251	720 554	763 504	763 504	762 795	762 086	761 376	760 667	759 248	200 918	200 918	215 386	215 386	238 586

Capital Expenditure Trend

DC43 Harry Gwala - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M04 October

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
R thousands									
Monthly expenditure performance trend									
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	-	-	166 277	166 277	100,0%	0%
January	6 883	29 420	29 420	-	-	195 697	195 697	100,0%	0%
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%	-
Total Capital expenditure	304 213	342 797	342 797	120 819					

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 - M04 October

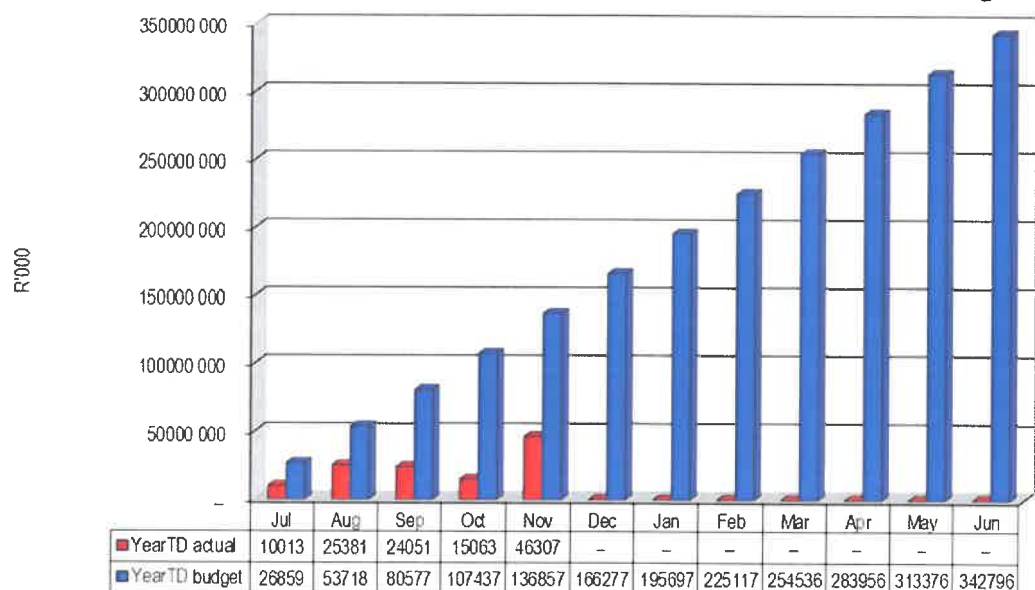
Description	Budget Year 2024/25								
	2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	284 128	282 223	292 330	42 307	108 557	118 658	10 101	8,5%	292 330
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	219 163	270 019	265 834	38 096	93 124	111 787	18 663	16,7%	265 834
Dams and Weirs	24 469	59 786	51 269	4 830	17 545	23 846	6 301	26,4%	51 269
Boreholes	3 346	-	-	-	-	-	-	-	-
Reservoirs	-	-	-	-	-	-	-	-	-
Pump Stations	18 006	29 516	30 516	8 763	19 454	12 423	(7 031)	-56,6%	30 516
Water Treatment Works	-	-	-	-	-	-	-	-	-
Bulk Mains	50 385	95 999	82 765	9 758	19 893	38 147	18 254	47,9%	82 765
Distribution	122 957	84 718	101 284	14 745	36 231	37 370	1 139	3,0%	101 284
Distribution Points	-	-	-	-	-	-	-	-	-
PRV Stations	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	64 965	12 204	26 496	4 211	15 434	6 871	(8 562)	-124,6%	26 496
Pump Station	12 051	1 739	1 234	-	1 234	662	(573)	-86,6%	1 234
Reticulation	52 914	5 217	22 562	1 934	11 922	4 342	(7 580)	-174,6%	22 562
Waste Water Treatment Works	-	2 000	2 700	2 278	2 278	921	(1 357)	-147,3%	2 700
Outfall Sewers	-	-	-	-	-	-	-	-	-
Toilet Facilities	-	3 248	-	-	-	947	947	100,0%	-
Capital Spares	-	-	-	-	-	-	-	-	-
Other assets	-	6 250	6 250	-	-	2 604	2 604	100,0%	6 250
Operational Buildings	-	4 250	4 250	-	-	1 771	1 771	100,0%	4 250
Municipal Offices	-	4 250	4 250	-	-	1 771	1 771	100,0%	4 250
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Staff Housing	-	2 000	2 000	-	-	833	833	100,0%	2 000
Social Housing	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Intangible Assets	-	796	796	-	-	332	332	100,0%	796
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	796	796	-	-	332	332	100,0%	796
Computer Software and Applications	-	796	796	-	-	332	332	100,0%	796
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
Computer Equipment	943	2 000	2 000	-	-	833	833	100,0%	2 000
Computer Equipment	943	2 000	2 000	-	-	833	833	100,0%	2 000
Furniture and Office Equipment	2 306	4 980	4 980	49	1 562	2 075	512	24,7%	4 980
Furniture and Office Equipment	2 306	4 980	4 980	49	1 562	2 075	512	24,7%	4 980
Machinery and Equipment	1 306	2 588	5 588	749	1 499	1 453	(45)	-3,1%	5 588
Machinery and Equipment	1 306	2 588	5 588	749	1 499	1 453	(45)	-3,1%	5 588
Transport Assets	986	600	600	-	-	250	250	100,0%	600
Transport Assets	986	600	600	-	-	250	250	100,0%	600
Total Capital Expenditure on new assets	289 670	299 437	312 544	43 105	111 618	126 205	14 587	11,6%	312 544

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 - M04 October

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	2 245	17 045	23 989	3 203	5 418	7 970	2 552	32,0%	23 989
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	2 245	970	7 937	-	2 215	1 275	(940)	-73,7%	7 937
Dams and Weirs	-	-	-	-	-	-	-	-	-
Bulk Mains	-	-	-	-	-	-	-	-	-
Distribution	2 245	970	7 937	-	2 215	1 275	(940)	-73,7%	7 937
Distribution Points	-	-	-	-	-	-	-	-	-
PRV Stations	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	16 075	16 052	3 203	3 203	6 695	3 492	52,2%	16 052
Pump Station	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Waste Water Treatment Works	-	16 075	16 052	3 203	3 203	6 695	3 492	52,2%	16 052
Machinery and Equipment	-	80	80	-	-	33	33	100,0%	80
Machinery and Equipment	-	80	80	-	-	33	33	100,0%	80
Transport Assets	2 557	4 883	4 183	-	2 598	1 947	(651)	-33,4%	4 183
Transport Assets	2 557	4 883	4 183	-	2 598	1 947	(651)	-33,4%	4 183
Total Capital Expenditure on renewal of existing assets	4 802	22 007	28 252	3 203	8 015	9 950	1 935	19,4%	28 252

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 - M04 October

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	39 357	41 300	41 300	12 168	25 460	17 208	(8 252)	-48,0%	41 300
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	39 357	41 300	41 300	12 168	25 460	17 208	(8 252)	-48,0%	41 300
Dams and Weirs	-	-	-	-	-	-	-	-	-
Boreholes	-	-	-	-	-	-	-	-	-
Reservoirs	19 046	21 800	21 800	4 946	14 647	9 083	(5 564)	-61,3%	21 800
Pump Stations	9 615	10 500	10 500	2 437	5 512	4 375	(1 137)	-28,0%	10 500
Water Treatment Works	-	-	-	-	-	-	-	-	-
PRV Stations	-	-	-	-	-	-	-	-	-
Capital Spares	10 696	9 000	9 000	4 784	5 302	3 750	(1 552)	-41,4%	9 000
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-
Community Assets	87	77	77	-	35	32	(3)	-8,1%	77
Community Facilities	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	87	77	77	-	35	32	(3)	-8,1%	77
Indoor Facilities	87	77	77	-	35	32	(3)	-8,1%	77
Outdoor Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Other assets	4 272	6 212	6 212	237	868	2 588	1 721	66,5%	6 212
Operational Buildings	4 272	6 212	6 212	237	868	2 588	1 721	66,5%	6 212
Municipal Offices	4 272	6 212	6 212	237	868	2 588	1 721	66,5%	6 212
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Computer Equipment	16	70	70	-	21	29	8	27,6%	70
Computer Equipment	16	70	70	-	21	29	8	27,6%	70
Transport Assets	49	350	350	-	3	146	143	98,2%	350
Transport Assets	49	350	350	-	3	146	143	98,2%	350
Land	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	43 781	48 009	48 009	12 405	26 386	20 004	(6 383)	-31,9%	48 009

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 November 2024 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 07/12/2024