

CITY OF MATLOSANA

Date submitted: 2024/08/15

Author of the item: Lesego Moloke

Attached hereto an item for you to consider in terms of the Delegation of Powers and Functions, delegated power serial number .....

HEAD OF DIVISION: H.S. Rossouw
SIGNED: [Signature]
DATE: 2024/08/15

Received by Deputy Director: Administration

Date and Time: .....

Signature: .....

Table with columns for Director Name, Date, and COMMENTS. Includes entries for Director: Corporate Support (15/8/2024, Report noted), Chief Financial Officer (15/07/24, STI - July 2024 (Mo)), and Director: Local Economic Development.

MUNICIPAL MANAGER approved

[Signature]
SIGNATURE

15/08/2024
DATE

Items will not be considered by the Municipal Manager unless the following signatures are reflecting: Director of Relevant department, Chief Financial Officer and Director: Corporate Services

PROVINCIAL EXECUTIVE REPRESENTATIVE

SIGNATURE

DATE

# **CITY OF MATLOSANA**



## **MONTHLY BUDGET STATEMENT S71 MONTHLY REPORT: 31 JULY 2024**

# MONTHLY BUDGET STATEMENT FOR THE MONTH ENDED ON 31 JULY 2024

## TABLE OF CONTENTS

### PART 1

1. Executive summary .....	3
1.1 Performance summary.....	3
2. In - year budget statement.....	15
2.1 Monthly budget statement summary.....	15
2.2 Monthly budget statement financial performance – Revenue.....	16
2.3 Monthly budget statement financial performance – Expenditure per category	18
2.4 Actual capital expenditure per vote and funding source.....	20
2.5 Monthly budget statement cash flow.....	24
2.6 Actual borrowings.....	25

### PART 2

3. In – year budget statement supporting tables and documentations.....	26
3.1 Debtors age analysis.....	26
3.2 Creditors age analysis.....	28
3.3 Investments.....	29
3.4 Allocation received and actual expenditure on allocation received.....	30
3.5 Councillors and employees benefits.....	32
3.6 Other supporting documentations.....	37
Annexure A: Progress on Municipal Debt Relief.....	45
Annexure B: Collection Rate per Ward.....	56
Annexure C: Summary of collections.....	60
Annexure D: Credit Control Actions.....	64
Annexure E: Indigent Report.....	65

## LIST OF TABLES

Table 1: Performance Summary.....
Table 2: Monthly budget statement – Summary.....
Table 3: Monthly budget statement – Revenue per department.....
Table 4: Monthly budget statement - Revenue per source.....
Table 5: Monthly budget statement – Operational expenditure per category.....
Table 6: Monthly budget statement – Operational expenditure per vote.....
Table 7: Monthly budget statement – Capital expenditure per vote.....
Table 8: Monthly budget statement – Capital expenditure per funding source.....
Table 9: Monthly budget statement – Financial Position.....
Table 10: Monthly budget statement – Actual Cash flow.....
Table 11: Monthly budget statement – Actual Borrowings.....
Table 12: Monthly budget statement – Outstanding Debtors.....
Table 13: Monthly budget statement – Creditors age analysis.....
Table 14: Monthly budget statement – Investments.....
Table 15: Monthly budget statement – Transfer and grant receipts.....
Table 16: Monthly budget statement – Transfer and grant expenditure.....
Table 17: Monthly budget statement – Councillors and Employees benefits.....
Table 18: Monthly budget statement – Material Variances.....
Table 19: Monthly budget statement – Financial performance.....
Table 20: Monthly budget statement – Capital expenditure performance.....

## PART 1: IN-YEAR REPORT

### 1. EXECUTIVE SUMMARY ON THE IMPLEMENTATION OF THE BUDGET AND THE FINANCIAL PERFORMANCE OF THE MUNICIPALITY FOR THE PERIOD ENDED ON 31 JULY 2024

#### 1.1 Performance summary

Table 1: Performance summary

Summary statement of Financial Performance					
Description R thousand	YTD Budget 2024/25	July 2024 Actual	YTD Actual 2024/25	Variance Favourable (Unfavourable)	Variance %
Total Revenue (excluding capital transfers and contributions)	355,405	617,742	617,742	262,337	74%
Total Revenue (including capital transfers and contributions)	370,926	617,742	617,742	246,817	67%
Total Operating Expenditure	355,221	135,022	135,022	(220,198)	-62%
<b>SURPLUS/ (DEFICIT).</b>	<b>15,705</b>	<b>482,720</b>	<b>482,720</b>	<b>467,015</b>	

As indicated in Table 1 above, as at 31 July 2024, the billed revenue excluding capital grants amounted to R 617, 742 million that resulted in a favourable outcome of 74% when compared to the YTD Budget of R 355, 405 million. The billed revenue including capital grants amounted to R 617,742 million, resulting in a favourable outcome of 67% when compared the YTD budget of R 370,926 million. Capital grants are recognised in the Statement of Financial Performance monthly as soon as the condition of the grant has been met. Reasons for the variances are articulated in Section 2.2 below.

The Total Operating Expenditure amounted to R 135,022 million and the YTD Budget amounts to R 355,221 million, resulting in a negative variance of 62%. The reasons for the variance are articulated in Section 2.3 below.

The negative revenue is also affected by the following factors:

- The revenue enhancement strategies as reflected in the budget funding plan has not yet been fully realised the anticipated revenue;
- High illegal connections. Implementation of Smart Metering Programme will address this problem. The municipality has also started the anti-tempering project to curb the electricity distribution loss and improve revenue.
- Debtors' book that is increasing due to non-payment of debtors. The municipality has identified top 200 accounts amounting to R 413, 2 million to be collected over the period of three months, in addition to normal monthly collection.

#### **Expenditure**

The operating expenditure for the month ending 31 July 2024 amounts to R135 million and the year to date actual expenditure amounts to R135 million and reflects a negative deviation of 62% when compared with the year to date budget amount of R355 million. The negative deviation is because of cash flow challenges. Spending on most of the items is directly linked with cash flow.

The deviation can be attributed to the following:

- **Interest (-94%):** The underspending is due to the reduction in capital portion on loan repayment which reduces the finance costs, and also the municipality has not taken any new loan. The interest on overdue accounts mainly on Eskom and Midvaal accounts also plays part on the underspending. Journals and closing entries are still being processed to adequately account for all the financial transactions,
- **Bulk Purchases (-100%):** Expenditure is lower due to the outstanding Eskom invoices; it is difficult for the municipality to meet the obligation due to the cash flow challenges.

- **Inventory consumed (77%):** Inventory consumed includes Bulk Water, expenditure is lower due to the outstanding Midvaal invoices, and the Municipality is struggling to meet the obligation due to cash flow challenges.
- **Contracted services (-89%):** Mainly on Security service, repair and maintenance of fleet, repair and maintenance of buildings and equipment and Asset Register administration. Low spending than initially planned due to cash flow challenges.
- **Operational cost (-80%):** less spending due to cash flow challenges.

**The following measures have been put in place in terms of unnecessary expenditure and Credit control.**

- Strict monitoring in terms of spending of non-essential items, which led to savings on other expenditure line items.
- The process is unfolding for electrical department to enhance credit control with the fleet purchased to assist them.

The payment rate should be accelerated, as the financial stability of the municipality is dependent on them.

**Progress in terms of Financial Plan**

The revenue enhancement strategies as reflected in the Financial Plan has not yet been fully implemented and realised the anticipated revenue. The Municipality must on a monthly basis, consider the status with regards to the implementation of the Financial Plan.

Below is the progress report for the month ending 31 July 2024.

# FINANCIAL PLAN MONTHLY PROGRESS



## provincial treasury

Department:  
Provincial Treasury  
North West Provincial Government  
Republic of South Africa

### **MONTHLY PROGRESS REPORTING**

### **2024/25 ADOPTED FINANCIAL PLAN**

### **CITY OF MATLOSANA LOCAL MUNICIPALITY (NW403)**

**31 JULY 2024**

Introduction

1. Operating Revenue

Revenue Enhancement Measures

Priority Area	Focus Area	Operating Revenue Activities	Time Frame (as disclosed on the adopted financial plan)	Achievements / Non-achievements	Reasons for Non-achievements	Remedial Actions to address non-achievements
Housing Development Revenue Enhancement Director: Planning & Human Settlements	Occupancy Audit to ensure collection Expected Inflow R30 million	Audit households in the following areas: Khuma Ext. 5, 7, 8, 9 & 11 Kanana Ext. 14 Tigane Ext. 5 & 6 to ensure that the correct occupants are billed for services	01/07/2024 – 30/06/2025	NOT ACHIEVED		
Housing Development Revenue Enhancement Director: Planning & Human Settlements	Land Expected Inflow R63,277,200	Proclamation of additional 13 020 stands and to be billed  Kanana Extension 5 Kanana Extension 16 Jouberton Extension 31 Jouberton Extension 34 Sunny Side Tigane Extension 7 Tigane Extension 8 (Income expected only from Basic Service Charges)	01/07/2024-30/06/2025	NOT ACHIEVED		



<p><b>Housing Development</b> <b>Director: Planning &amp; Human Settlements</b></p>	<p><b>Land - Expected inflow – R29,534,220</b></p>	<p>Proclamation of additional 6,077 stands to be billed Alabama Extension 5 Kanana extension 14 Kanana Extension 15 (Income expected only from basic services charges)</p>	<p>01/07/2024–30/06/2025</p>	<p>Income of <b>R1,269,262.00</b> received from Sale of Stands from 01/07/2024–31/07/2024.</p>	<p>This is an ongoing process of Sale of Stands</p>	<p>The department is continuously enforcing adherence to the conditions of Sale, in order to ensure that the target will be reached by end of 204/2025 financial year</p>
<p><b>Housing Development</b> <b>Director: Planning &amp; Human Settlements</b></p>	<p><b>Land – Expected Inflow R35,327,242</b></p>	<p>Disposal of 205 serviced/ subserviced Municipal owned land for Residential, Commercial &amp; Industrial Developments</p>	<p>01/07/2024–30/06/2025</p>	<p>NOT ACHIEVED</p>		
<p><b>Electricity</b> <b>Director Technical Services/ Assistant Director</b></p>	<p><b>Electricity loss reduction by 18%</b> <b>Expected Inflow R2 Million</b> <b>Expected Inflow R2 Million</b></p>	<p><b>2024/25 FY 630</b></p> <ul style="list-style-type: none"> <li>• Audits on all bypassed meters</li> <li>• Revenue improvement and reduction of technical loss through Medium voltage Network refurbishment &amp; upgrading</li> </ul>	<p>01/07/2024–30/06/2025</p>			

	<b>Expected Inflow R250 Million</b>	<ul style="list-style-type: none"> <li>•Replacement of non-functional meters</li> <li>•Replacement of LPU conventional meters with smart meters</li> <li>•Conversion of conventional meters to prepaid/smart meters for all consumers</li> </ul> <p>Expected inflow due to implementation of disconnection &amp; connection on those in arrears.</p>	01/07/2024– 30/06/2025			
<b>FAAN MEIENTJES NATURE RESERVE</b>  <b>Director Community Services/ Assistant Director: Parks and Cemeteries</b>	<b>Land Expected Inflow R250 Million</b>  <b>Expected Inflow R5 000</b>  <b>Expected Inflow R15 000</b>  <b>On Line Booking System</b>  <b>Midweek specials (Chalets and caravan sites) Expected Inflow R20 000</b>	<p>Open swimming pool to the public</p> <p>Selling of braai wood</p> <p>Curio Shop</p> <p>Consumers to book on line to cut down on paper</p> <p>To attract midweek booking and visits</p>	01/08/2024 - 31/03/2025 (Seasonal)  01/07/2024 - 30/06/2025  01/07/2024 - 30/06/2025  01/07/2024 - 30/06/2025	The swimming pool pumps must still be fixed  Not achieved  Not done  Not done  Not done	The budget was closed  Vote has not been created  No budget  No network at Faan Mentjies  Not yet advertised	To be done from September 2024 until March 2024  The Department will request Finance to create a vote. To be budgeted for during 2025/2026  To request data to install wi-fi  To request Marketing to advertise on all Council social media platforms

	Events in collaboration with Friends of FMNR <b>Expected Inflow R20 000</b>	Awareness of a Nature Reserve	01/07/2024 - 30/06/2025	Cyclists had an event on 13 July 2024. Income received was R5 338-00 which was transferred into the correct vote.		
Culling of Excess Game <b>Expected Inflow R570 000</b>	Species control	Every 2 years	Game counting done	Awaiting the recommendations from Centurion Academy	Culling will take place as soon as report has been received from Centurion Academy	
<b>CEMETERIES</b> Director Community Services/ Assistant Director: Parks and Cemeteries	Land <b>Expected Inflow R5 000</b>  <b>Expected Inflow R1 000</b>	Create a Beautified Hero's Acre  Selling of flowers and wreaths at the main gate  Utilization of software system for Cemeteries	01/07/2024 - 30/06/2025  01/07/2024 – 30/06/2025  01/07/2024 – 30/06/2025	Not done  Not done  Meeting was held with Finance on 29 July 2024 System not updated and a refresher course not done by Clerical Assistants	Trees are in a dormant stage  Flowers are not growing due to winter season  Refresher course has not been given to Clerical Assistants	Trees will be planted once they are in a good state  Flowers will be sold from October  The Department will arrange with Data Section to speed up the Refresher course and update the system

<b>PARKS</b> Director Community Services/ Assistant Director: Parks and Cemeteries	Land Expected Inflow R5 000	Selling of pot plants and fruit trees	01/07/2024 - 30/06/2025	Not done	Due to shortage of black plastics to pot indoor plants	Budget is open – will be done in October 2024
<b>CLEANSING</b> Director Community Services/ Assistant Director: Cleancing	Businesses in CBD, Townships, Businesses from home and new Housing Complexes	Charge the correct tariffs for the service rendered.	01/07/2024- 30/06/2025	None	Due to Supervisors not having transport	The Department will identify specific days to rotate the Cleancing Combi to cover all areas.  Note books will be handed out to Drivers to write down bins collected from Business Areas in order to quantify them
<b>Debt collection and Recovery</b> AD N Gouwe	Debt Collection Expected Inflow R250 million	Utilize internal debt collectors	01/07/2024 - 30/06/2025	NOT ACHIEVED		
<b>Renewal enhancement</b> DD O Kgoete/AD N Kegakilwe	Billing Expected Inflow R5 million	To provide amnesty to 4500 additional customers in the entire Kosh area.	01/07/2024 - 30/06/2025	NOT ACHIEVED		
<b>Renewal enhancement</b>	Billing Expected Inflow	Incorporate all proclaimed site Establishment or	01/07/2024 - 30/06/2025	NOT ACHIEVED		

DD O Kgoete/AD N Kegakilwe	R15 million	developed properties in to the municipal billing system				
Renueue enhancement DD O Kgoete/AD N Kegakilwe	Billing/Property Rates Expected Inflow R5 million	Reconcile Current Valuation and Billing system to identify discrepancies for accurate billing	01/07/2024-31/06/2025	NOT ACHIEVED		
Renueue enhancement DD O Kgoete/AD N Kegakilwe	Billing Expected Inflow R25 million	Investigate and identify government properties that where left out during separation of Department of Public works and Department of Agriculture that still owes Municipality	01/07/2024-31/06/2025	NOT ACHIEVED		
Renueue enhancement DD O Kgoete/AD N Kegakilwe	Billing Expected Inflow R35 million	Conduct Billing Audit called Operation Reabala to cleanse and verify all our meters within the entire Kosh	01/07/2024-31/06/2025	NOT ACHIEVED		
Renueue enhancement DD O Kgoete/AD N Kegakilwe	Billing Expected Inflow R8 million	Erect a new VIP Grave Site for reasonable fee for revenue generation	01/07/2024-31/06/2025	NOT ACHIEVED		
Renueue enhancement DD O Kgoete/AD N Kegakilwe	Billing Expected Inflow R12 million	Tariff Restructure Review and Restructuring	01/11/2024-28/02/2025	NOT ACHIEVED		

DD O Kgoete/AD N Kegakilwe							
Renueue enhancement	Billing Expected Inflow R5 million	Customer Billing Data cleansing and Integration with the property and GIS	01/11/2024- 28/02/2025	NOT ACHIEVED			
DD O Kgoete/AD N Kegakilwe							
Renueue enhancement	Billing Expected Inflow R4 million	Development of best practice procedure and staffing requirement to enhance customers care and operation	01/07/2024- 31/06/2025	NOT ACHIEVED			
DD O Kgoete/AD N Kegakilwe							
Revenue enhancement	Traffic Expected Inflow R4 million	Intensify Traffic law enforcement( Such as Road Block and Impounding cars)	01/07/2024- 31/06/2025	NOT ACHIEVED			
Director: Public Safety							

1. Operating Expenditure

Cost Cutting Measures	Time Frame (as disclosed on the adopted financial plan)	Achievements / Non-achievements	Reasons for Non-achievements	Remedial Actions to address non-achievements
<p><b>Wet fuel – Savings: R5 Million CFO</b> Reducing Over expenditure on Wet Fuel from R 550 000 per week to R450 000</p>	<p>01/07/2024–30/06/2025</p>	<p>NOT ACHIEVED</p>		
<p><b>Repairs and maintenance Savings: R30 Million CFO/Director Technical/DD Technical/ AD Technical</b>  Consolidate all repair and maintenance costs to a central vote number at Mechanical Services. Reallocation of 80% of all maintenance votes towards replacement of fleet through lease to buy contract option. Provide R80 million to commence with replacement of old fleet with lease of new fleet. This process will eliminate the repairs and maintenance of the current old fleet. Fleet also to fit the tracking devices on the municipal fleet to reduce the unnecessary</p>	<p>01/07/2024–30/06/2025</p>	<p>NOT ACHIEVED</p>		

movement of fleet. This process will save the municipality on overtime and fuel management.					
<b>Travelling and subsistence Saving: R600 000</b> Cutting unnecessarily travelling and accommodation (Office of the CFO and Municipal Manager have jointly issued moratorium to suspend all non-essential travelling and accommodation for the whole financial year).	01/07/2024-30/06/2025		NOT ACHIEVED		
<b>Cash Flow Management</b> Establish Cash Flow management team to priorities on prudent municipal spending	01/07/2024-01/06/2025		NOT ACHIEVED		
<b>Overtime All Managers Saving: R30 Million</b> Cutting on the unnecessary overtime	01/07/2024-01/06/2025		NOT ACHIEVED		
<b>Installation of Tracking devices Director Technical/Assistant Director Fleet Saving: R5 Million</b> Installation of Tracking devices on all our vehicle to eliminate municipal vehicle abuse <b>Director Technical/Assistant Director Fleet Saving: R15 Million</b>	01/09/2024-30/06/2025  01/07/2024-30/06/2025		NOT ACHIEVED		



<p>Development of best practice and institutionalize control on municipal vehicles against abuse of fuel ( Provide Training)</p> <p><b>Full Utilization of Municipal Garage</b>  <b>Savings: R25 Million</b>  Ideal utilization and optimization of Municipal garage instead of out-sourcing of all municipal fleet</p>	<p>01/07/2024-30/06/2025</p>			
<p><b>Consultants CFO</b>  <b>Savings: R6 Million</b>  Reduction of Consultants cost in phases over MTRF Period</p>	<p>01/07/2024-31/06/2025</p>	<p>NOT ACHIEVED</p>		
<p><b>Alternative Energy AD: N Gouwe</b>  <b>Savings: R10 Million</b>  Reduce Provision of paraffin from 2 x 20 Litres per person per month to 1 x 20 Litres per person per month</p>	<p>01/07/2024-31/06/2025</p>	<p>NOT ACHIEVED</p>		
<p><b>Contracted Services Dir Corporate/Ass Dir Admin Corp</b>  <b>Savings: R519,920 pa and R42,660 pm</b>  To review operational contract to scale down their services and support on the following expenditure items:</p>	<p>01/07/2024-31/06/2025</p>	<p>No cost</p>	<p>Reducing almost excessive spending on printing/copy</p>	<p>R42,660 pm on R519,920 pa</p>

<ul style="list-style-type: none"> <li>Hire charges - reduce printing and photocopy machine from 101 to 58 number of stand-alone high-volume devices and replace 34 desktop devices machines in order to decrease copy production and costs. Agenda is now sent electronically to Councilors to reduce printing costs.</li> </ul>				
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## Cash management

Bank Balances	R 7,614,010
Call Investments	R 164,753,408
<b>Cash and Cash Investments</b>	<b>R 172 367 418</b>

## ANNEXURE F

Investment Portfolio: 31 July 2024

City of Matlosana

INSTITUTION	INTEREST RATE	JULY 2024	EXPLANATION
<b>Call Investment</b>			
ABSA: 3854	4,15%	27 992 712,90	WSIG
ABSA: 5047	7,05%	2 117 550,75	INEP
ABSA: 6177	8,00%	35 550 336,15	MIG
ABSA: 2264	7,05%	37 059 054,59	own (Eskom)
ABSA: 4682	7,90%	7 572 268,23	NDPG
ABSA: 4063	7,05%	2 832 390,09	EEDSM
ABSA: 1223	8,00%	2 101 009,26	Auction
ABSA: 5203	8,90%	15 430 719,80	own (Salaries)
INVESTEC	8,00%	8 409 365,77	own
FNB	8,00%	25 688 000,51	COVID
<b>TOTAL Call Investment</b>		<b>164 753 408,05</b>	

**Note:** The R102 million Call investment is ring-fenced for Conditional Grants

### Collection Rate & Outstanding Debtors

<b>Total Outstanding Debtors</b>	<b>R 9,280,895,234</b>
Debtors: Government	R 132,519,972
Debtors: Business	R 735,033,676
Debtors: Household	R 8,413,341,587

**Note:** The detailed Debtors Age analysis is outlined on Table 12. The collection rate for the month ending 31 July 2024 is 66%.

### Creditors

<b>Total Outstanding Creditors</b>	<b>R 4,237,852,390</b>
ESKOM	R 2,204,490,958
Midvaal	R 1,911,697,487
Trade Creditors	R 110,600,807
Business Connexion	R 10,958,574
Auditor General	R 104,565

**Note:** The detailed Creditors Age analysis is outlined on Table 13

### Capital Grants Expenditure

#### 31 JULY 2024 CAPITAL GRANTS EXPENDITURE

GRANT DESCRIPTION	BUDGET 2024/25	July Expenditure Incl VAT 2024/25	YTD ACTUALS VAT Incl	YTD BUDGET	YTD % Incl VAT
MIG	107 163 799	2 197 513	2 197 513	8 930 317	2,05
NDPG	26 162 000	-	-	2 180 167	-
INEP	2 924 000	-	-	243 667	-
WSIG	50 000 000	-	-	4 166 667	-
<b>TOTAL</b>	<b>186 249 799</b>	<b>2 197 513</b>	<b>2 197 513</b>	<b>15 520 817</b>	<b>1,18</b>

Total Capital grants budget amounts to R 186 million. Total expenditure for the month ending 31 July 2024 amounts to R 2,2 million, and the year-to-date actual expenditure amounts to R 2,2 million representing 1,18% of the total Capital Grants budget.

The detailed reasons for underspending are outlined below Table 8

## 2. IN – YEAR BUDGET STATEMENT MAIN TABLE

2.1 **Monthly budget statement summary.** The table below provides a high- level summary of the Municipal's financial performance, capital expenditure, financial position, cash flow, debtors and creditors analysis

**TABLE 2: Monthly Budget Statement Summary**

NW403 City Of Matlosana - Table C1 Monthly Budget Statement Summary - M01 July

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	507 434	593 684	593 684	94 292	94 292	49 474	44 819	91%	593 684
Service charges	2 034 348	2 350 095	2 350 095	188 139	188 139	195 841	(7 703)	-4%	2 350 095
Investment revenue	10 302	10 239	10 239	8	8	853	(845)	-99%	10 239
Transfers and subsidies - Consortium	599 343	657 797	657 797	267 259	267 259	54 816	212 443	0	657 797
Other own revenue	741 245	653 045	653 045	68 044	68 044	54 420	13 623	25%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>3 892 672</b>	<b>4 264 861</b>	<b>4 264 861</b>	<b>617 742</b>	<b>617 742</b>	<b>355 405</b>	<b>262 337</b>	<b>74%</b>	<b>4 264 861</b>
Employee costs	773 739	794 682	794 682	60 738	60 738	66 224	(5 486)	-8%	794 682
Remuneration of Councillors	39 838	46 107	46 107	2 601	2 601	3 842	(1 242)	-32%	46 107
Depreciation and amortisation	316 085	411 098	411 098	-	-	34 258	(34 258)	-100%	411 098
Interest	844	10 144	10 144	49	49	845	(796)	-94%	10 144
Inventory consumed and bulk purchases	1 063 521	1 359 301	1 359 301	64 355	64 355	113 275	(48 920)	-43%	1 359 301
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	1 639 182	1 641 309	1 641 309	7 279	7 279	136 776	(129 497)	-95%	1 641 309
<b>Total Expenditure</b>	<b>3 833 210</b>	<b>4 262 641</b>	<b>4 262 641</b>	<b>135 022</b>	<b>135 022</b>	<b>355 221</b>	<b>(220 198)</b>	<b>-62%</b>	<b>4 262 641</b>
<b>Surplus/(Deficit)</b>	<b>59 461</b>	<b>2 220</b>	<b>2 220</b>	<b>482 720</b>	<b>482 720</b>	<b>184</b>	<b>482 536</b>	<b>261863%</b>	<b>2 220</b>
Transfers and subsidies - capital (monetary allocations)	145 400	186 250	186 250	-	-	15 521	(15 521)	-100%	186 250
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>204 862</b>	<b>188 470</b>	<b>188 470</b>	<b>482 720</b>	<b>482 720</b>	<b>15 705</b>	<b>467 015</b>	<b>2974%</b>	<b>188 470</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>204 862</b>	<b>188 470</b>	<b>188 470</b>	<b>482 720</b>	<b>482 720</b>	<b>15 705</b>	<b>467 015</b>	<b>2974%</b>	<b>188 470</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>161 716</b>	<b>236 250</b>	<b>236 250</b>	<b>1 911</b>	<b>1 911</b>	<b>19 687</b>	<b>(17 777)</b>	<b>-90%</b>	<b>236 250</b>
Capital transfers recognised	154 532	186 250	186 250	1 911	1 911	15 521	(13 610)	-88%	186 250
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	7 184	50 000	50 000	-	-	4 167	(4 167)	-100%	50 000
<b>Total sources of capital funds</b>	<b>161 716</b>	<b>236 250</b>	<b>236 250</b>	<b>1 911</b>	<b>1 911</b>	<b>19 687</b>	<b>(17 777)</b>	<b>-90%</b>	<b>236 250</b>
<b>Financial position</b>									
Total current assets	2 440 700	845 690	845 690	-	3 072 106	-	-	-	845 690
Total non current assets	5 299 162	3 849 405	3 849 405	-	5 301 072	-	-	-	3 849 405
Total current liabilities	5 166 368	3 454 318	3 454 318	-	5 317 307	-	-	-	3 454 318
Total non current liabilities	14 769	81 274	81 274	-	14 427	-	-	-	81 274
Community wealth/Equity	2 589 233	971 033	971 033	-	3 041 669	-	-	-	971 033
<b>Cash flows</b>									
Net cash from (used) operating	2 024 822	(119 057)	(119 057)	641 054	641 054	(9 922)	(650 976)	6561%	(119 057)
Net cash from (used) investing	(156 780)	(236 250)	(236 250)	(1 911)	(1 911)	(19 687)	(17 777)	90%	(236 250)
Net cash from (used) financing	(2 065)	(4 800)	(4 800)	-	-	(400)	(400)	100%	(4 800)
<b>Cash/cash equivalents at the month/year end</b>	<b>1 761 204</b>	<b>(452 786)</b>	<b>(452 786)</b>	<b>703 502</b>	<b>703 502</b>	<b>(122 688)</b>	<b>(826 190)</b>	<b>673%</b>	<b>(295 748)</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	356 629	212 892	174 273	8 537 101	-	-	-	-	9 280 895
<b>Creditors Age Analysis</b>									
Total Creditors	349 562	324 909	181 774	3 381 608	-	-	-	-	4 237 852

## 2.2 Monthly Budget Statement – Financial Performance (Revenue per department)

### Actual operating revenue per source

The actual operating revenue per department is set out in Table 3 below. From table 1 it is clear that year to date actual operating revenue amounts to R 618 million and compares favourably with the pro rata budgeted figure of R 371 million a positive variance of R 247 million for the month ending 31 July 2024.

**TABLE 3: ACTUAL REVENUE PER SOURCE FOR THE PERIOD ENDING 31 JULY 2024**

NW403 City Of Matlosana - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

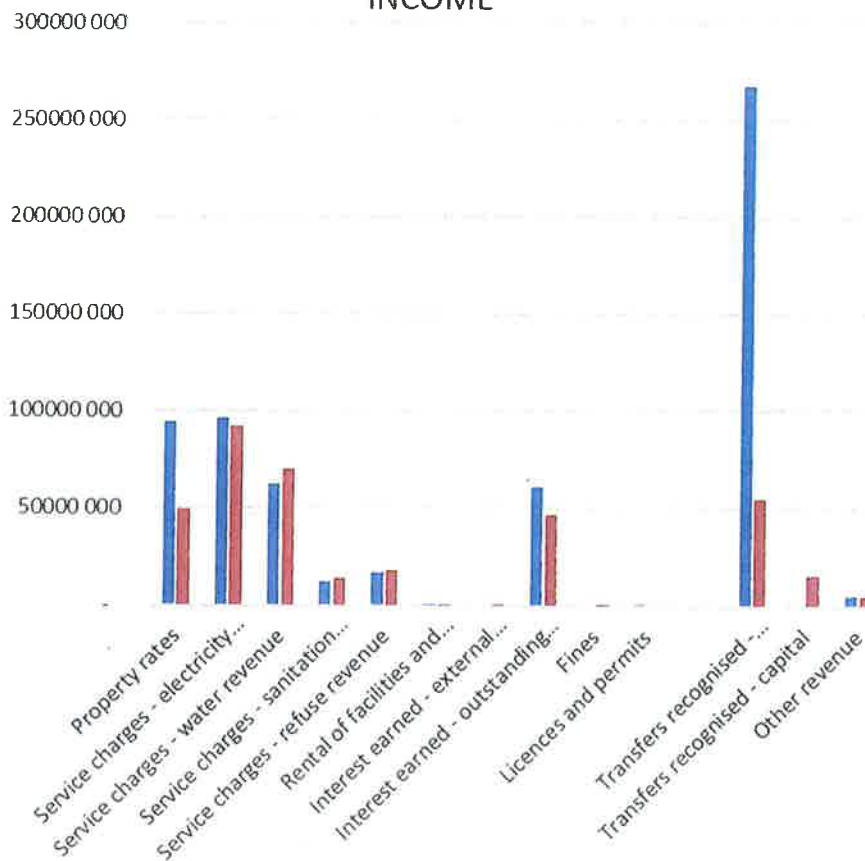
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		972 816	1 109 136	1 109 136	95 975	95 975	92 428	3 547	4%	1 109 136
Service charges - Water		718 628	845 005	845 005	62 508	62 506	70 417	(7 911)	-11%	845 005
Service charges - Waste Water Management		145 700	176 453	176 453	12 509	12 509	14 704	(2 195)	-15%	176 453
Service charges - Waste management		197 202	219 500	219 500	17 148	17 148	18 292	(1 143)	-8%	219 500
Sale of Goods and Rendering of Services		10 253	9 805	9 805	1 210	1 210	817	393	48%	9 805
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		604 702	508 205	508 205	55 716	55 716	42 350	13 365	32%	508 205
Interest from Current and Non Current Assets		10 302	10 239	10 239	8	8	853	(845)	-99%	10 239
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		9 091	9 857	9 857	852	852	821	31	4%	9 857
Licence and permits		7 828	7 427	7 427	764	764	619	146	24%	7 427
Operational Revenue		52 704	51 084	51 084	3 584	3 584	4 257	(673)	-16%	51 084
<b>Non-Exchange Revenue</b>										
Property rates		507 434	593 684	593 684	94 292	94 292	49 474	44 819	91%	593 684
Surcharges and Taxes		-	150	150	-	-	13	(13)	-100%	150
Fines, penalties and forfeits		3 828	11 711	11 711	473	473	976	(503)	-52%	11 711
Licence and permits		-	50	50	-	-	4	(4)	-100%	50
Transfers and subsidies - Operational		599 343	657 797	657 797	267 259	267 259	54 816	212 443	388%	657 797
Intrest		52 761	54 756	54 756	5 417	5 417	4 563	854	19%	54 756
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		78	-	-	27	27	-	27	#DIV/0!	-
<b>Discontinued Operations</b>										
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>3 892 672</b>	<b>4 264 861</b>	<b>4 264 861</b>	<b>617 742</b>	<b>617 742</b>	<b>355 405</b>	<b>262 337</b>	<b>74%</b>	<b>4 264 861</b>
Transfers and subsidies - capital (monetary allocations)		145 400	186 250	186 250	-	-	15 521	(15 521)	(0)	186 250
<b>Total Revenue (Including capital transfers)</b>		<b>4 038 072</b>	<b>4 451 111</b>	<b>4 451 111</b>	<b>617 742</b>	<b>617 742</b>	<b>370 926</b>	<b>246 817</b>	<b>-26%</b>	<b>4 451 111</b>

**TABLE 4: ACTUAL REVENUE PER DEPARTMENT FOR THE PERIOD ENDING 31 JULY 2024**

NW403 City Of Matlosana - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M01 July

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		1 300 911	1 424 034	1 424 034	380 021	380 021	118 669	261 351	220%	1 424 034
Executive and council		3 126	1 430	1 430	434	434	119	314	264%	1 430
Finance and administration		1 297 785	1 422 603	1 422 603	379 587	379 587	118 550	261 037	220%	1 422 603
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		47 186	69 283	69 283	3 458	3 458	5 774	(2 316)	-40%	69 283
Community and social services		3 138	3 872	3 872	218	218	323	(105)	-32%	3 872
Sport and recreation		5 367	15 834	15 834	1	1	1 319	(1 319)	-100%	15 834
Public safety		30 908	39 399	39 399	3 129	3 129	3 283	(154)	-5%	39 399
Housing		7 773	10 179	10 179	110	110	848	(738)	-87%	10 179
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		40 239	25 872	25 872	597	597	2 156	(1 559)	-72%	25 872
Planning and development		9 520	11 554	11 554	568	568	963	(395)	-41%	11 554
Road transport		30 559	14 209	14 209	3	3	1 184	(1 181)	-100%	14 209
Environmental protection		161	109	109	26	26	9	17	191%	109
<i>Trading services</i>		2 618 981	2 901 971	2 901 971	231 647	231 647	241 831	(10 184)	-4%	2 901 971
Energy sources		1 048 422	1 167 622	1 167 622	101 819	101 819	97 302	4 517	5%	1 167 622
Water management		1 012 387	1 092 663	1 092 663	87 073	87 073	91 055	(3 982)	-4%	1 092 663
Waste water management		174 182	253 895	253 895	12 841	12 841	21 158	(8 317)	-39%	253 895
Waste management		383 991	387 791	387 791	29 914	29 914	32 316	(2 402)	-7%	387 791
<i>Other</i>	4	30 754	29 951	29 951	2 020	2 020	2 496	(476)	-19%	29 951
<b>Total Revenue - Functional</b>	2	4 038 072	4 451 111	4 451 111	617 742	617 742	370 926	246 817	67%	4 451 111

**INCOME**



- **Property Rates (91%):** Property rates have realised more revenue due to the rates that have been raised for the full year in respect to Government Departments and the Farms who pay their accounts annually. The amount is raised in full during July month as opposed to monthly instalments. The variance is expected to stabilise as the year progresses.
- **Service charges – Electricity revenue (-4%):** Less revenue billed on electricity than initially anticipated. The reduction on this line item can be attributed to illegal connections and customers converting to solar. The municipality has appointed a service provider who will be installing Anti tempering meters in the households in order to reduce illegal connections. The work is expected to commence in July 2024. The budget on this line item was reduced during the Adjustment Budget.
- **Service charges – Refuse revenue (-6%):** Less revenue billed as the anticipated increase on the refuse revenue has not materialised. Process of reconciling the valuation roll and the financial system on an ongoing basis to ensure that all properties within City of Matlosana are correctly billed for refuse collection.
- **Interest earned from receivables (32%) more:** The variance is as a result of the debtors' book that is increasing due to non-payment of debtors. The increase in the debtors result in an increase interest charges.



## 2.3 Monthly Budget Statement – Financial Performance (Expenditure per category)

### Actual operating expenditure per category

The actual operating expenditure per vote is set out in Table 5 below. The operating expenditure for the month of July 2024 amounts to R 135 million and the year to date actual operating expenditure amounts to R 135 million. There is an unfavourable deviation of 62% when the year to date operating expenditure of R 135 million is compared with year to date budget of R 355 million.

**TABLE 5: ACTUAL OPERATIONAL EXPENDITURE PER CATEGORY FOR THE PERIOD ENDING 31 JULY 2024**

NW403 City Of Matlosana - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

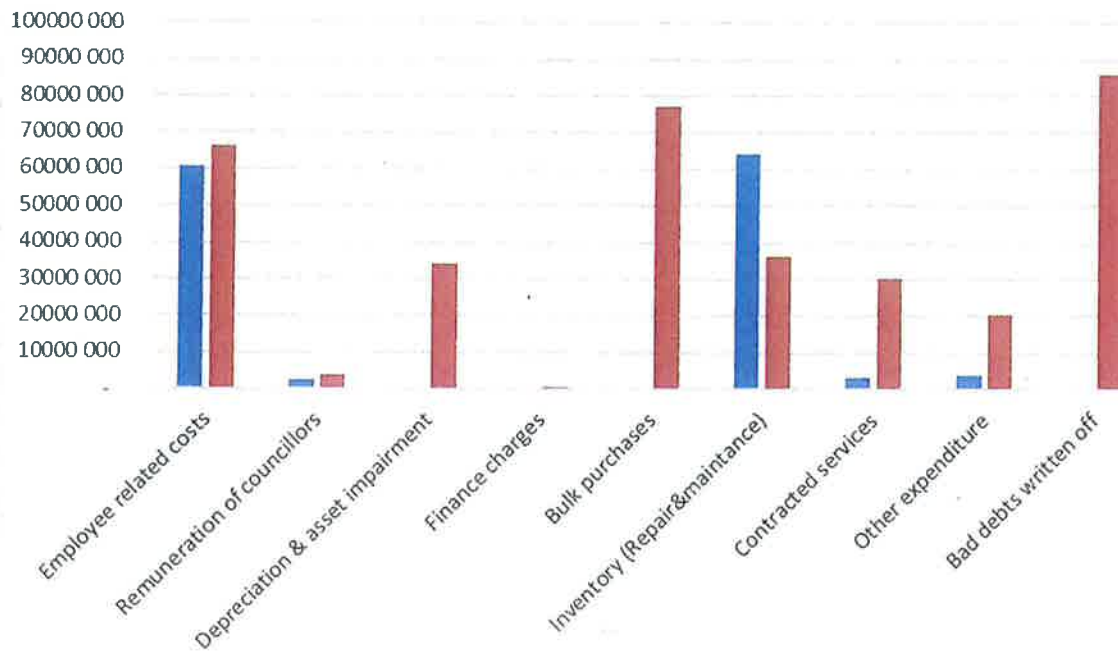
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Expenditure By Type</b>										
Employee related costs		773 739	794 682	794 682	60 738	60 738	66 224	(5 486)	-8%	794 682
Remuneration of councillors		39 838	46 107	46 107	2 601	2 601	3 842	(1 242)	-32%	46 107
Bulk purchases - electricity		678 947	925 000	925 000	304	304	77 083	(76 779)	-100%	925 000
Inventory consumed		384 575	434 301	434 301	64 051	64 051	36 192	27 859	77%	434 301
Debt impairment		-	1 030 323	1 030 323	-	-	85 860	(85 860)	-100%	1 030 323
Depreciation and amortisation		316 085	411 098	411 098	-	-	34 258	(34 258)	-100%	411 098
Interest		844	10 144	10 144	49	49	845	(796)	-94%	10 144
Contracted services		305 434	363 508	363 508	3 242	3 242	30 292	(27 051)	-89%	363 508
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		1 109 459	-	-	-	-	-	-	-	-
Operational costs		220 326	247 478	247 478	4 038	4 038	20 623	(16 586)	-80%	247 478
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		3 963	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>3 833 210</b>	<b>4 262 641</b>	<b>4 262 641</b>	<b>135 022</b>	<b>135 022</b>	<b>355 221</b>	<b>(220 198)</b>	<b>-62%</b>	<b>4 262 641</b>

**TABLE 6: ACTUAL OPERATIONAL EXPENDITURE PER VOTE FOR THE PERIOD ENDING 31 JULY 2024**

**NW403 City Of Matlosana - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M01 July**

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		719 696	844 795	844 795	22 210	22 210	70 400	(48 190)	-68%	844 795
Executive and council		372 768	406 791	406 791	12 942	12 942	33 899	(20 957)	-62%	406 791
Finance and administration		340 871	431 329	431 329	8 845	8 845	35 944	(27 099)	-75%	431 329
Internal audit		6 058	6 675	6 675	422	422	556	(134)	-24%	6 675
<b>Community and public safety</b>		335 039	396 428	396 428	20 396	20 396	33 036	(12 639)	-38%	396 428
Community and social services		80 218	118 842	118 842	3 797	3 797	9 904	(6 107)	-62%	118 842
Sport and recreation		88 764	110 728	110 728	5 520	5 520	9 227	(3 708)	-40%	110 728
Public safety		147 660	146 357	146 357	10 995	10 995	12 196	(1 201)	-10%	146 357
Housing		18 287	20 337	20 337	85	85	1 695	(1 610)	-95%	20 337
Health		109	164	164	-	-	14	(14)	-100%	164
<b>Economic and environmental services</b>		256 489	282 671	282 671	7 370	7 370	23 556	(16 186)	-69%	282 671
Planning and development		56 958	72 417	72 417	4 190	4 190	6 035	(1 845)	-31%	72 417
Road transport		198 201	207 945	207 945	3 071	3 071	17 329	(14 258)	-82%	207 945
Environmental protection		1 331	2 309	2 309	109	109	192	(83)	-43%	2 309
<b>Trading services</b>		2 504 850	2 711 346	2 711 346	84 121	84 121	225 946	(141 824)	-63%	2 711 346
Energy sources		1 263 700	1 516 662	1 516 662	3 729	3 729	126 389	(122 660)	-97%	1 516 662
Water management		764 309	724 760	724 760	66 683	66 683	60 397	6 287	10%	724 760
Waste water management		228 015	252 336	252 336	5 789	5 789	21 028	(15 239)	-72%	252 336
Waste management		248 826	217 589	217 589	7 920	7 920	18 132	(10 212)	-56%	217 589
<b>Other</b>		17 137	27 400	27 400	925	925	2 283	(1 358)	-59%	27 400
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>3 833 210</b>	<b>4 262 641</b>	<b>4 262 641</b>	<b>135 022</b>	<b>135 022</b>	<b>355 221</b>	<b>(220 198)</b>	<b>-62%</b>	<b>4 262 641</b>
<b>Surplus/ (Deficit) for the year</b>		<b>204 862</b>	<b>188 470</b>	<b>188 470</b>	<b>482 720</b>	<b>482 720</b>	<b>15 705</b>	<b>467 015</b>	<b>29,73862</b>	<b>188 470</b>

**EXPENDITURE**



## 2.4 Actual capital expenditure (excluding vat) per vote and funding source

The actual capital expenditure per vote is set out in Table 7 below.

**TABLE 7: ACTUAL CAPITAL EXPENDITURE PER VOTE FOR THE PERIOD ENDING 31 JULY 2024**

NW403 City Of Matlosana - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 July

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		3 614	50 000	50 000	-	-	4 167	(4 167)	-100%	50 000
Executive and council		395	47 000	47 000	-	-	3 917	(3 917)	-100%	47 000
Finance and administration		3 220	3 000	3 000	-	-	250	(250)	-100%	3 000
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		9 372	15 094	15 094	-	-	1 258	(1 258)	-100%	15 094
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		9 141	15 094	15 094	-	-	1 258	(1 258)	-100%	15 094
Public safety		231	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		32 770	12 802	12 802	-	-	1 067	(1 067)	-100%	12 802
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		32 770	12 802	12 802	-	-	1 067	(1 067)	-100%	12 802
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		113 346	153 367	153 367	1 911	1 911	12 781	(10 870)	-85%	153 367
Energy sources		9 738	5 113	5 113	-	-	426	(426)	-100%	5 113
Water management		48 043	35 468	35 468	1 911	1 911	2 956	(1 045)	-35%	35 468
Waste water management		13 006	74 012	74 012	-	-	6 168	(6 168)	-100%	74 012
Waste management		42 558	38 774	38 774	-	-	3 231	(3 231)	-100%	38 774
Other		2 615	4 988	4 988	-	-	416	(416)	-100%	4 988
<b>Total Capital Expenditure - Functional Classification</b>	3	161 716	236 250	236 250	1 911	1 911	19 687	(17 777)	-90%	236 250

**NOTE:** The total capital budget amounts to R 236 million. The expenditure for the month ending 31 July 2024 amounts to R 1,9 million and the year-to-date expenditure as at 31 July 2024 amounts to R 1,9 million.

**TABLE 8: ACTUAL CAPITAL EXPENDITURE PER FUNDING SOURCE FOR THE PERIOD ENDING 31 JULY 2024**

**NW403 City Of Matlosana - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 July**

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Funded by:</b>										
National Government		154 302	186 250	186 250	1 911	1 911	15 521	(13 610)	-88%	186 250
Provincial Government		231	-	-	-	-	-	-	-	-
District Municipality										
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		<b>154 532</b>	<b>186 250</b>	<b>186 250</b>	<b>1 911</b>	<b>1 911</b>	<b>15 521</b>	<b>(13 610)</b>	<b>-88%</b>	<b>186 250</b>
<b>Borrowing</b>	6	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Internally generated funds</b>		<b>7 184</b>	<b>50 000</b>	<b>50 000</b>	<b>-</b>	<b>-</b>	<b>4 167</b>	<b>(4 167)</b>	<b>-100%</b>	<b>50 000</b>
<b>Total Capital Funding</b>		<b>161 716</b>	<b>236 250</b>	<b>236 250</b>	<b>1 911</b>	<b>1 911</b>	<b>19 687</b>	<b>(17 777)</b>	<b>-90%</b>	<b>236 250</b>

**TABLE 9: FINANCIAL POSITION**

**NW403 City Of Matlosana - Table C6 Monthly Budget Statement - Financial Position - M01 July**

Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		64 359	(267 428)	(267 428)	496 492	(267 428)
Trade and other receivables from exchange transactions		(574 874)	741 526	741 526	(423 868)	741 526
Receivables from non-ex change transactions		1 484 318	148 668	148 668	1 545 359	148 668
Current portion of non-current receivables		(17)	29	29	(17)	29
Inventory		38 785	(9 172)	(9 172)	18 623	(9 172)
VAT		1 387 714	195 040	195 040	1 395 104	195 040
Other current assets		40 414	37 026	37 026	40 414	37 026
<b>Total current assets</b>		<b>2 440 700</b>	<b>845 690</b>	<b>845 690</b>	<b>3 072 106</b>	<b>845 690</b>
<b>Non current assets</b>						
Investments						
Investment property		345 682	257 100	257 100	345 682	257 100
Property, plant and equipment		5 570 472	3 581 033	3 581 033	5 572 383	3 581 033
Biological assets						
Living and non-living resources						
Heritage assets		(618 290)	9 941	9 941	(618 290)	9 941
Intangible assets		1 297	1 297	1 297	1 297	1 297
Trade and other receivables from ex change transactions						
Non-current receivables from non-ex change transactions		-	33	33	-	33
Other non-current assets						
<b>Total non current assets</b>		<b>5 299 162</b>	<b>3 849 405</b>	<b>3 849 405</b>	<b>5 301 072</b>	<b>3 849 405</b>
<b>TOTAL ASSETS</b>		<b>7 739 861</b>	<b>4 695 095</b>	<b>4 695 095</b>	<b>8 373 179</b>	<b>4 695 095</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Financial liabilities		(622)	(2 800)	(2 800)	(622)	(2 800)
Consumer deposits		70 574	97 430	97 430	70 752	97 430
Trade and other payables from ex change transactions		3 253 316	2 729 411	2 729 411	3 314 109	2 729 411
Trade and other payables from non-exchange transactions		86 770	42 907	42 907	148 478	42 907
Provision		554 501	587 371	587 371	554 518	587 371
VAT		1 201 829	-	-	1 230 073	-
Other current liabilities		-	-	-	-	-
<b>Total current liabilities</b>		<b>5 166 368</b>	<b>3 454 318</b>	<b>3 454 318</b>	<b>5 317 307</b>	<b>3 454 318</b>
<b>Non current liabilities</b>						
Financial liabilities		14 769	81 274	81 274	14 427	81 274
Provision		-	-	-	-	-
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		-	-	-	-	-
<b>Total non current liabilities</b>		<b>14 769</b>	<b>81 274</b>	<b>81 274</b>	<b>14 427</b>	<b>81 274</b>
<b>TOTAL LIABILITIES</b>		<b>5 181 137</b>	<b>3 535 592</b>	<b>3 535 592</b>	<b>5 331 735</b>	<b>3 535 592</b>
<b>NET ASSETS</b>	2	<b>2 558 724</b>	<b>1 159 502</b>	<b>1 159 502</b>	<b>3 041 444</b>	<b>1 159 502</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		2 589 233	971 033	971 033	3 041 669	971 033
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>2 589 233</b>	<b>971 033</b>	<b>971 033</b>	<b>3 041 669</b>	<b>971 033</b>

**Note:** The financial position as indicated in Table 9 above shows that the Net Assets of the City of Matlosana as at 31 July 2024 amounts to R 3 billion.

The Current Liabilities exceeds the Current Assets with R 2, 3 billion. This is a serious liquidity problem.

## 2.5 Monthly Budget Statement - Cash Flow Statement

Collection rate – collection rate for the month ending 31 July 2024 is 66%.

**TABLE 10: ACTUAL CASH FLOW FOR THE PERIOD ENDING 31 JULY 2024**

NW403 City Of Matlosana - Table C7 Monthly Budget Statement - Cash Flow - M01 July

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		425 672	385 895	385 895	34 310	34 310	32 158	2 152	7%	385 895
Service charges		1 106 466	1 527 562	1 527 562	91 554	91 554	127 297	(35 743)	-28%	1 527 562
Other revenue		2 627 218	82 780	82 780	327 609	327 609	6 898	320 710	4649%	82 780
Transfers and Subsidies - Operational		595 525	657 797	657 797	267 259	267 259	54 816	212 443	388%	657 797
Transfers and Subsidies - Capital		172 541	186 250	186 250	61 708	61 708	15 521	46 187	298%	186 250
Interest		(510)	111 880	111 880	986	986	9 323	(8 337)	-89%	111 880
Dividends										
<b>Payments</b>										
Suppliers and employees		(2 902 091)	(3 071 220)	(3 071 220)	(142 372)	(142 372)	(255 935)	(113 563)	44%	(3 071 220)
Interest										
Transfers and Subsidies										
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>2 024 822</b>	<b>(119 057)</b>	<b>(119 057)</b>	<b>641 054</b>	<b>641 054</b>	<b>(9 922)</b>	<b>(650 976)</b>	<b>6561%</b>	<b>(119 057)</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		(156 780)	(236 250)	(236 250)	(1 911)	(1 911)	(19 687)	(17 777)	90%	(236 250)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(156 780)</b>	<b>(236 250)</b>	<b>(236 250)</b>	<b>(1 911)</b>	<b>(1 911)</b>	<b>(19 687)</b>	<b>(17 777)</b>	<b>90%</b>	<b>(236 250)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits		(2 065)	-	-	-	-	-	-		-
<b>Payments</b>										
Repayment of borrowing		-	(4 800)	(4 800)	-	-	(400)	(400)	100%	(4 800)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(2 065)</b>	<b>(4 800)</b>	<b>(4 800)</b>	<b>-</b>	<b>-</b>	<b>(400)</b>	<b>(400)</b>	<b>100%</b>	<b>(4 800)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>										
Cash/cash equivalents at beginning:		1 865 977	(360 107)	(360 107)	639 143	639 143	(30 009)			(360 107)
Cash/cash equivalents at month/year end:		(104 773)	(92 679)	(92 679)	64 359	64 359	(92 679)			64 359
		1 761 204	(452 786)	(452 786)	703 502	703 502	(122 688)			(295 748)

**NOTE:** The cash and call Investments for the month ending 31 July 2024 amounts to R 172 million that consists of the following:

- Bank balances: R 7,6 million
- Call investments: R 165 million

During the month of July 2024 municipality received the following Grants from National Treasury:

- MIG: R 37,7 million
- NDPG: R 7,9 million
- INEP: R 1 million
- WSIG: R 15 million
- Equitable Share: R 267,3 million

### 2.6 Actual borrowings

The municipality's position on external loans is set out in Table 11 below. The municipality started the 2024/25 financial year with borrowing debt of R 5, 4 million and after repayments of R 342 thousand were made, the total outstanding borrowings as at 31 July 2024 amounts to R 5, 1 million.

**TABLE 11: ACTUAL BORROWING FOR THE PERIOD ENDING 31 JULY 2024**

Borrowing Reference No	Start Date	End Date	Borrowing Period		Lender	Purpose	% Interest Rate (2 dec) Per Annum	Interest Paid This quarter	Opening Balance 01/07/2024	Debt Repaid or Re-deemed	Additional Principal Accrued	Balance at 31/07/2024	
			Original Loan	Years									
103677/1	01/11/2010	01/11/2025			<b>Monthly Payments</b> Development Bank of SA Development Bank of SA Development Bank of SA Development Bank of SA Development Bank of SA Development Bank of SA Development Bank of SA Development Bank of SA Development Bank of SA Development Bank of SA Development Bank of SA Development Bank of SA Development Bank of SA	Acquisition of Other Assets (03)						5 132 099,52	
103677/1	01/11/2010	01/11/2025				Acquisition of Other Assets (03)		49 223,55	5 474 291,10	342 191,58			5 132 099,52
103677/1	01/11/2010	01/11/2025				Acquisition of Other Assets (03)			5 132 099,52				5 132 099,52
103677/1	01/11/2010	01/11/2025				Acquisition of Other Assets (03)			5 132 099,52				5 132 099,52
103677/1	01/11/2010	01/11/2025				Acquisition of Other Assets (03)			5 132 099,52				5 132 099,52
103677/1	01/11/2010	01/11/2025				Acquisition of Other Assets (03)			5 132 099,52				5 132 099,52
103677/1	01/11/2010	01/11/2025				Acquisition of Other Assets (03)			5 132 099,52				5 132 099,52
103677/1	01/11/2010	01/11/2025				Acquisition of Other Assets (03)			5 132 099,52				5 132 099,52
103677/1	01/11/2010	01/11/2025				Acquisition of Other Assets (03)			5 132 099,52				5 132 099,52
103677/1	01/11/2010	01/11/2025				Acquisition of Other Assets (03)			5 132 099,52				5 132 099,52
103677/1	01/11/2010	01/11/2025				Acquisition of Other Assets (03)			5 132 099,52				5 132 099,52
103677/1	01/11/2010	01/11/2025				Acquisition of Other Assets (03)			5 132 099,52				5 132 099,52
103677/1	01/11/2010	01/11/2025				Acquisition of Other Assets (03)			5 132 099,52				5 132 099,52
<b>ANNUITY LOANS</b>													
NW103677/1	1/11/2010	1/11/2025	15	3526978	Development Bank of SA	Provision of Infrastructure	14,75	49 223,55	5 474 291,10	342 191,58	0,00	5 132 099,52	
<b>TOTAL ANNUITIES</b>								49 223,55	5 474 291,10	342 191,58		5 132 099,52	

## **PART 2: SUPPORTING DOCUMENTATION**

### **3. IN -YEAR BUDGET STATEMENT SUPPORTING TABLES AND DOCUMENTATIONS**

#### **3.1 Debtor's age analysis**

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

The municipality's total outstanding debtors amounted to R 9,280,895,234 as at 31 July 2024 compared to R 9,068,863,517 as at 30 June 2024.

Current to 30 days debt amounted to R 356,628,775 as at 31 July 2024 and has increased with R 46,657,487 compared to R 309,971,289 as at 30 June 2024.

31 to 60 days debt increased with R 23,388,259; 61 to 90 days increased with R 6,759,666 and 91 days and older debt as at 31 July 2024 amounted to R 8,537,101,252 and has increased with R 135,226,306 compared to R 8,401,874,946 as at 30 June 2024.

Interest on debtors is also included in total debtors' book.

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

Government Debt: R 132,519,975 (1%)

Business debtors: R 735,033,676 (8%)

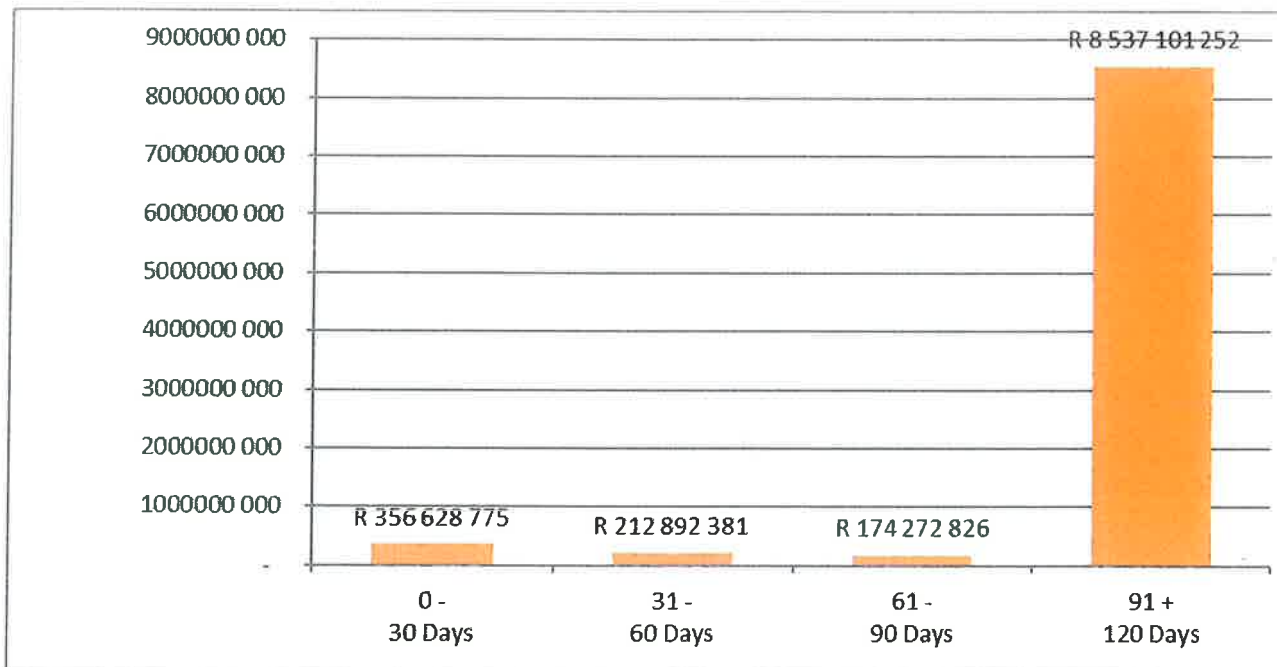
Domestic debtors': R 8,413,341,587 (91%)



**TABLE 12: OUTSTANDING DEBTORS AS AT 31 JULY 2024**

**DEBTOR'S AGE ANALYSIS - 31 July 2024**

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 + 120 Days	Total
<b>Debtors Age Analysis By Income Source</b>					
Water Tariffs	82 093 636	60 304 599	57 651 110	3 063 499 729	3 263 549 074
Electricity Tariffs	91 933 303	33 222 965	21 976 308	551 742 246	698 874 822
Rates (Property Rates)	86 411 243	14 908 831	11 469 839	450 899 412	563 689 325
Sewerage/ Sanitation	9 729 578	6 941 710	6 477 247	399 107 381	422 255 916
Refuse Removal Tariffs	18 834 713	13 878 983	13 124 843	810 828 122	856 666 661
Other	67 626 303	83 635 293	63 573 479	3 261 024 361	3 475 859 436
<b>Total By Income Source</b>	<b>356 628 775</b>	<b>212 892 381</b>	<b>174 272 826</b>	<b>8 537 101 252</b>	<b>9 280 895 234</b>
<b>Debtors Age Analysis By Customer Group</b>					
Government	44 064 011	27 008 358	4 058 208	57 389 396	132 519 972
Business	88 578 667	29 262 879	20 286 972	596 905 159	735 033 676
Households	223 986 098	156 621 145	149 927 647	7 882 806 697	8 413 341 587
Other	-	-	-	-	-
<b>Total By Customer Group</b>	<b>356 628 775</b>	<b>212 892 381</b>	<b>174 272 826</b>	<b>8 537 101 252</b>	<b>9 280 895 234</b>



**Note:** According to the Debtors Age Analysis, Household owes 91%, Business owes 8% and Government owes 1% of the total outstanding debt.

The Municipality should prioritise data cleansing to analyse the debtors on the debtors book, it is believed that some debtors might be deceased.

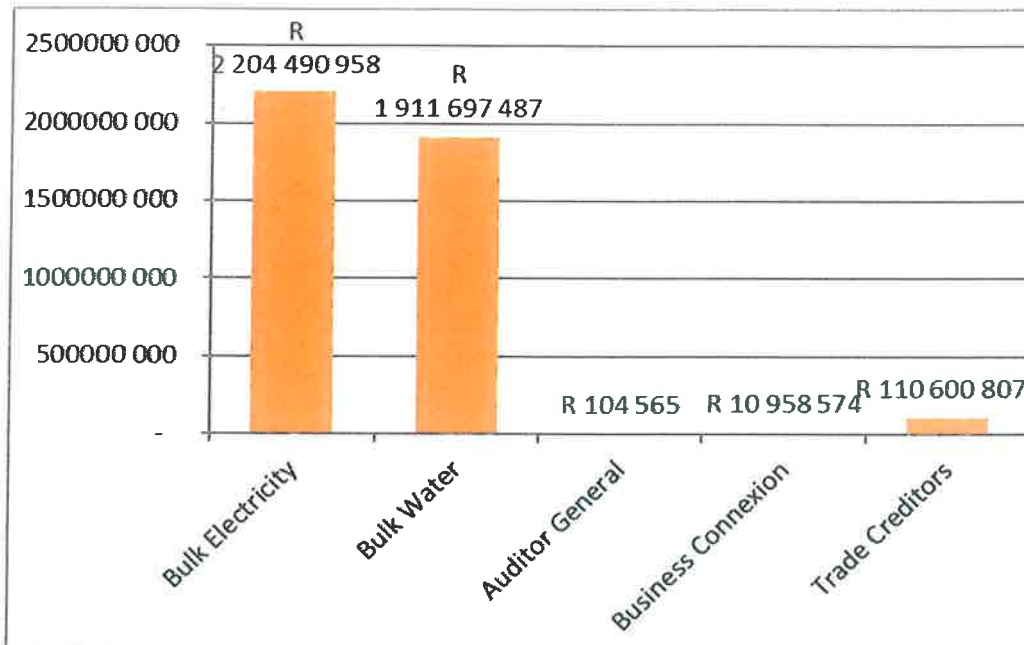
### 3.2 Creditors age analysis

The municipality's total outstanding creditors amounted to R 4,238 billion as at 31 July 2024 compared with R 4,155 billion as at 30 June 2024 and has increased with R 83 million.

**TABLE 13: CREDITOR'S AGE ANALYSIS AS AT 31 JULY 2024**

**CREDITORS AGE ANALYSIS - 31 July 2024**

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Total
Bulk Electricity	200 624 598	249 807 227		1 754 059 132	2 204 490 958
Bulk Water	139 826 437	68 387 230	74 204 817	1 629 279 003	1 911 697 487
Auditor General	8 426	950	8 306	86 883	104 565
Business Connexion	1 895 358	408 568	2 765 383	5 889 265	10 958 574
Trade Creditors	7 206 879	6 304 773	104 795 354	(7 706 199)	110 600 807
<b>Total</b>	<b>349 561 698</b>	<b>324 908 748</b>	<b>181 773 860</b>	<b>3 381 608 084</b>	<b>4 237 852 390</b>



**Note:** According to the above information, the Municipality's highest outstanding creditor is ESKOM with the total outstanding amount of R 2,204 billion followed by Midvaal with the total outstanding amount of R 1,912 billion.

### 3.3 Investment

Surplus cash is invested on a daily basis depending on the commitment of funds. The municipality's investments as at 30 June 2024 is as set out in Table 14 below.

**TABLE 14: INVESTMENTS AS AT 31 JULY 2024**

NW403 City Of Matosana - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q1 First Quarter

Investments by maturity Name of institution & investment ID	Ref	Period of Investment		Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs	Months												
<b>R thousands</b>															
<b>Municipality</b>															
ABSA		-		daily call	yes	Variable		-			74 156	775	(156 563)	212 308	130 656
INVESTEC		-		daily call	yes	Variable		-			8 353	57	-		8 409
SANLAM		2yrs		Policy	yes	Variable		-		2024/08/01	12 094	977	-		13 071
FNB		12months		Long term	yes	Variable		-		2024/06/30	71		-		71
FNB		-		dalloy call	yes	Variable		-			25 513	176	0		25 688
<b>Municipality sub-total</b>											<b>120 187</b>	<b>1 984</b>	<b>(156 563)</b>	<b>212 308</b>	<b>177 896</b>
<b>Entities</b>															
<b>Entities sub-total</b>															
<b>TOTAL INVESTMENTS AND INTEREST</b>	2										<b>120 187</b>		<b>(156 563)</b>	<b>212 308</b>	<b>177 896</b>

**Note:** The municipality started the beginning of the month with total investments of R 120 million and after investment made of R 212 million and withdrawals of R 157 million closed with an investment balance of R 178 million that includes collateral and long-term investment at the five listed local banks.

### 3.4 Allocations received and Actual expenditure on allocations received

The municipality's position with regard to grant allocation received and the actual expenditure on the grant allocations received are set out in Table 15 and 16 below.

**TABLE 15: TRANSFER AND GRANT RECEIPTS**

NW403 City Of Matlosana - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M01 July

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>RECEIPTS:</b>										
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		598 144	656 616	656 616	267 259	267 259	54 718	212 541	388,4%	656 616
Energy Efficiency and Demand Side Management Grant		4 392	5 000	5 000	-	-	417	(417)	-100,0%	5 000
Equitable Share		584 455	641 421	641 421	267 259	267 259	53 452	213 807	400,0%	641 421
Expanded Public Works Programme Integrated Grant		2 763	1 555	1 555	-	-	130	(130)	-100,0%	1 555
Local Government Financial Management Grant		2 331	3 000	3 000	-	-	250	(250)	-100,0%	3 000
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	3	4 204	5 640	5 640	-	-	470	(470)	-100,0%	5 640
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		1 199	1 181	1 181	-	-	98	(98)	-100,0%	1 181
Capacity Building and Other Grants		1 199	1 181	1 181	-	-	98	(98)	-100,0%	1 181
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	599 343	657 797	657 797	267 259	267 259	54 816	212 443	387,6%	657 797
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		138 228	186 250	186 250	-	-	15 521	(15 521)	-100,0%	186 250
Integrated National Electrification Programme Grant		5 628	2 924	2 924	-	-	244	(244)	-100,0%	2 924
Municipal Infrastructure Grant		85 842	107 164	107 164	-	-	8 930	(8 930)	-100,0%	107 164
Neighbourhood Development Partnership Grant		17 542	26 162	26 162	-	-	2 180	(2 180)	-100,0%	26 162
Water Services Infrastructure Grant		29 216	50 000	50 000	-	-	4 167	(4 167)	-100,0%	50 000
<b>Provincial Government:</b>		300	-	-	-	-	-	-	-	-
Capacity Building and Other Grants		300	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		6 872	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Developers Contribution		-	-	-	-	-	-	-	-	-
Ditšela		6 872	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	145 400	186 250	186 250	-	-	15 521	(15 521)	-100,0%	186 250
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	744 743	844 047	844 047	267 259	267 259	70 337	196 922	280,0%	844 047

**Note:** The table reflect the YTD actual revenue amounts to R 267 million, against the YTD budget of R 70 million as at 31 July 2024. Revenue on Grants can only be recognized when conditions are met.

**TABLE 16: TRANSFER AND GRANT EXPENDITURE**

NW403 City Of Matlosana - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M01 July

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		103 675	116 844	116 844	3 554	3 554	9 737	(6 183)	-63,5%	116 844
Energy Efficiency and Demand Side Management Grant		3 775	4 000	4 000	-	-	333	(333)	-100,0%	4 000
Equitable Share		88 943	102 657	102 657	3 085	3 085	8 555	(5 469)	-63,9%	102 657
Expanded Public Works Programme Integrated Grant		3 562	1 571	1 571	-	-	131	(131)	-100,0%	1 571
Local Government Financial Management Grant		2 321	3 000	3 000	51	51	250	(199)	-79,6%	3 000
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		5 074	5 616	5 616	417	417	468	(51)	-10,8%	5 616
<b>Provincial Government:</b>		2 692	1 181	1 181	-	-	98	(98)	-100,0%	1 181
Capacity Building and Other Grants		2 692	1 181	1 181	-	-	98	(98)	-100,0%	1 181
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		106 367	118 025	118 025	3 554	3 554	9 835	(6 281)	-63,9%	118 025
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		154 302	186 250	186 250	1 911	1 911	15 521	(13 610)	-87,7%	186 250
Integrated National Electrification Programme Grant		5 328	2 924	2 924	-	-	244	(244)	-100,0%	2 924
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		90 000	107 164	107 164	1 911	1 911	8 930	(7 019)	-78,6%	107 164
Neighbourhood Development Partnership Grant		19 399	26 162	26 162	-	-	2 180	(2 180)	-100,0%	26 162
Water Services Infrastructure Grant		39 574	50 000	50 000	-	-	4 167	(4 167)	-100,0%	50 000
<b>Provincial Government:</b>		231	-	-	-	-	-	-	-	-
Capacity Building and Other Grants		231	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
Developers Contribution		-	-	-	-	-	-	-	-	-
Ditsela		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		154 532	186 250	186 250	1 911	1 911	15 521	(13 610)	-87,7%	186 250
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		260 900	304 274	304 274	5 465	5 465	25 356	(19 891)	-78,4%	304 274

**Note:** The table reflect the YTD actual expenditure incurred amounting to against the YTD budget of R 25 million as at 31 July 2024.

R 5,5 million

### 3.5 COUNCILORS AND EMPLOYEE BENEFITS

- Employees related cost – R 61 million spent as at 31 July 2024
- Council Remuneration – R 2,6 million spent as at 31 July 2024

**TABLE 17: COUNCILORS AND EMPLOYEE BENEFIT**

NW403 City Of Matlosana - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M01 July

Summary of Employee and Councillor remuneration	Ref	2023/24		Budget Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		24 614	27 437	27 437	1 616	1 616	2 286	(671)	-29%	27 437
Pension and UIF Contributions		1 703	2 510	2 510	117	117	209	(92)	-44%	2 510
Medical Aid Contributions		-	20	20	-	-	2	(2)	-100%	20
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		4 751	5 219	5 219	290	290	435	(145)	-33%	5 219
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		8 770	10 921	10 921	578	578	910	(332)	-37%	10 921
<b>Sub Total - Councillors</b>		<b>39 838</b>	<b>46 107</b>	<b>46 107</b>	<b>2 601</b>	<b>2 601</b>	<b>3 842</b>	<b>(1 242)</b>	<b>-32%</b>	<b>46 107</b>
% increase	4		15,7%	15,7%						15,7%
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		(6 350)	3 417	3 417	-	-	285	(285)	-100%	3 417
Pension and UIF Contributions		1	18	18	-	-	1	(1)	-100%	18
Medical Aid Contributions		-	56	56	-	-	5	(5)	-100%	56
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	963	963	-	-	80	(80)	-100%	963
Cellphone Allowance		-	236	236	-	-	20	(20)	-100%	236
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		17	40	40	-	-	3	(3)	-100%	40
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>(6 332)</b>	<b>4 729</b>	<b>4 729</b>	<b>-</b>	<b>-</b>	<b>394</b>	<b>(394)</b>	<b>-100%</b>	<b>4 729</b>
% increase	4		-174,7%	-174,7%						-174,7%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		500 739	496 943	496 943	38 792	38 792	41 412	(2 620)	-6%	496 943
Pension and UIF Contributions		94 808	107 615	107 615	7 925	7 925	8 968	(1 043)	-12%	107 615
Medical Aid Contributions		42 325	48 764	48 764	3 650	3 650	4 064	(414)	-10%	48 764
Overtime		65 803	32 817	32 817	5 151	5 151	2 735	2 416	88%	32 817
Performance Bonus		35 330	42 091	42 091	1 620	1 620	3 508	(1 887)	-54%	42 091
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		1 635	2 123	2 123	131	131	177	(46)	-26%	2 123
Housing Allowances		6 311	8 862	8 862	536	536	739	(203)	-27%	8 862
Other benefits and allowances		22 641	35 136	35 136	1 660	1 660	2 928	(1 268)	-43%	35 136
Payments in lieu of leave		10 480	15 600	15 600	1 274	1 274	1 300	(26)	-2%	15 600
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>780 071</b>	<b>789 953</b>	<b>789 953</b>	<b>60 738</b>	<b>60 738</b>	<b>65 830</b>	<b>(5 092)</b>	<b>-8%</b>	<b>789 953</b>
% increase	4		1,3%	1,3%						1,3%
<b>Total Parent Municipality</b>		<b>813 577</b>	<b>840 789</b>	<b>840 789</b>	<b>63 338</b>	<b>63 338</b>	<b>70 066</b>	<b>(6 728)</b>	<b>-10%</b>	<b>840 789</b>

## Overtime

The total overtime budget for the 2024/25 financial year amounts to R 32, 8 million. The actual expenditure for the month ending 31 July 2024 amounted to R 5 million and Year to date actual expenditure amounted to R5 million which is 15,7% of the total budget.

### OVETIME 31 JULY 2024

DEPARTMENT	Description	Budget/OpenBal	Curr Mth Expend	YTD Movement	Balance	% Exp
Public Safety	MS: OVERTIME - NON STRUCTURED	2 395 965	300 234	300 234	2 095 731	12,53
Community Services	MS: OVERTIME - NON STRUCTURED	1 813 118	95 263	95 263	1 717 855	5.25
Planning & human Settlements	MS: OVERTIME - NON STRUCTURED	9 609			9 609	
SAC	MS: OVERTIME - NON STRUCTURED	462 285	44 016	44 016	418 269	9.52
Council General	MS: OVERTIME - NON STRUCTURED	283 311	6 677	6 677	276 634	2.35
Civil Engineering	MS: OVERTIME - NON STRUCTURED	1 102 385	76 519	76 519	1 025 866	6.94
Water	MS: OVERTIME - NON STRUCTURED	7 012 902	1 013 631	1 013 631	5 999 271	14.45
Electrical Engineering	MS: OVERTIME - NON STRUCTURED	1 058 836	94 070	94 070	964 766	8.88
Electrical	MS: OVERTIME - NON STRUCTURED	4 547 598	647 948	647 948	3 899 650	14.24
Corporate	MS: OVERTIME - NON STRUCTURED	525 265	93 511	93 511	431 754	17.80
Finance	MS: OVERTIME - NON STRUCTURED	1 620 341	645 653	645 653	974 688	39.84
Cleansing	MS: OVERTIME - NON STRUCTURED	6 431 112	1 003 921	1 003 921	5 427 191	15.61
Sewerage	MS: OVERTIME - NON STRUCTURED	5 396 447	1 129 258	1 129 258	4 267 189	20.92
Market	MS: OVERTIME - NON STRUCTURED	150 240			150 240	
LED	MS: OVERTIME - NON STRUCTURED	8 020			8 020	
<b>TOTAL</b>		<b>32 817 434</b>	<b>5 150 700</b>	<b>5 150 700</b>	<b>27 666 734</b>	<b>15,70</b>

**Note:** The cost of employment needs to be closely monitored specifically expenditure item like overtime to ensure that these costs remain within the allocated budget.

**TABLE: 18 MATERIAL VARIANCES**

NW403 City of Matlosana - Supporting Table SC1 Material variance explanations – M12 June 2024					
Ref	Description	Variance	%	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue By Source Property Rates	(94 292 465)	91%	Property rates have realised more revenue due to the rates that have been raised for the full year in respect to Government Departments and the Farms who pay their accounts annually. The amount is raised in full during July month as opposed to monthly instalments. The variance is expected to stabilise as the year progresses.	The reconciliation between the valuation roll and the financial system is conducted on a monthly basis. Finance Department and Housing Development Department have devised a plan to fast track the correction of properties that are incorrectly zoned. This should improve the revenue on properties.
	Service Charges: Electricity	(95 974 960)	4%	Less revenue billed on electricity than initially anticipated. The reduction on this line item can be attributed to illegal connections and customers converting to solar.	The municipality has appointed a service provider who will be installing Anti tempering meters in the households in order to reduce illegal connections. The work is expected to commence in July 2024. The budget on this line item was reduced during the Adjustment Budget.
	Service Charges: Refuse	(17 148 251)	-6%	Less revenue billed as the anticipated increase on the refuse revenue has not materialised.	The municipality has to ensure that the process of reconciling the valuation roll and the financial system is accelerated to ensure that all properties within City of Matlosana are billed for refuse collection.
	Interest earned from Receivables	(55 715 738)	32%	The variance is as a result of the debtors' book that is increasing due to non-payment of debtors. The increase in the debtors result in an increase interest charges.	The enhancement of revenue and increasing of payment rate should be accelerated, as the financial stability of the





**TABLE 19: FINANCIAL PERFORMANCE**

**NW403 City Of Matlosana - Supporting Table SC2 Monthly Budget Statement - performance indicators - M01 July**

Description of financial indicator	Basis of calculation	Ref	2023/24	Budget Year 2024/25			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b><u>Borrowing Management</u></b>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0,0%	9,9%	9,9%	0,0%	1,3%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0,0%	0,0%	0,0%	0,0%	0,0%
<b><u>Safety of Capital</u></b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		129,5%	293,6%	293,6%	114,3%	293,6%
Gearing	Long Term Borrowing/ Funds & Reserves		0,0%	0,0%	0,0%	0,0%	0,0%
<b><u>Liquidity</u></b>							
Current Ratio	Current assets/current liabilities	1	47,2%	24,5%	24,5%	57,8%	24,5%
Liquidity Ratio	Monetary Assets/Current Liabilities		1,2%	-7,7%	-7,7%	9,3%	-7,7%
<b><u>Revenue Management</u></b>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		24,4%	21,7%	21,7%	188,1%	21,7%
Longstanding Debtors Recovered			0,0%	0,0%	0,0%	0,0%	0,0%
<b><u>Creditors Management</u></b>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<b><u>Funding of Provisions</u></b>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<b><u>Other Indicators</u></b>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and	2	0,0%	15,0%	15,0%	0,0%	15,0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and	2	0,0%	10,0%	10,0%	0,0%	10,0%
Employee costs	Employee costs/Total Revenue - capital revenue		19,9%	18,6%	18,6%	9,8%	18,6%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		6,0%	6,2%	6,2%	0,3%	6,2%
Interest & Depreciation	I&D/Total Revenue - capital revenue		8,1%	9,9%	9,9%	0,0%	1,3%
<b><u>IDP regulation financial viability indicators</u></b>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

**TABLE: 20 CAPITAL EXPENDITURE PERFORMANCE**

NW403 City Of Matlosana - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M01 July

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	13 476	19 687	19 687	1 911	1 911	19 687	17 777	90,3%	1%
August	13 476	19 687	19 687	-	-	39 375	39 375	100,0%	0%
September	13 476	19 687	19 687	-	-	59 062	59 062	100,0%	0%
October	13 476	19 687	19 687	-	-	78 750	78 750	100,0%	0%
November	13 476	19 687	19 687	-	-	98 437	98 437	100,0%	0%
December	13 476	19 687	19 687	-	-	118 125	118 125	100,0%	0%
January	13 476	19 687	19 687	-	-	137 812	137 812	100,0%	0%
February	13 476	19 687	19 687	-	-	157 500	157 500	100,0%	0%
March	13 476	19 687	19 687	-	-	177 187	177 187	100,0%	0%
April	13 476	19 687	19 687	-	-	196 875	196 875	100,0%	-
May	13 476	19 687	19 687	-	-	216 562	216 562	100,0%	-
June	13 476	19 687	19 687	-	-	236 250	236 250	100,0%	-
<b>Total Capital expenditure</b>	<b>161 716</b>	<b>236 250</b>	<b>236 250</b>	<b>1 911</b>					

**3.6 OTHER SUPPORTING DOCUMENTS**

- SC13a: Capital expenditure on new assets by assets class
- SC 13b: Capital expenditure on renewal of existing assets
- SC 13c: Expenditure On repairs and maintenance by assets class
- SC 13d: Depreciation by assets class
- SC 13e: Expenditure on upgrading of existing assets by asset
- Annexure A: Progress on Municipal Debt Relief
- Annexure B: Collection Rate per Ward
- Annexure C: Summary of collections
- Annexure D: Credit Control actions
- Annexure E: Indigent report
- Annexure F: Financial Plan

**SUPPORTING TABLE SC13a:**

**NW403 City Of Matlosana - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M01 July**

Description	Ref	2023/24	Budget Year 2024/25								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
<b>R thousands</b>		1									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>											
<b>Infrastructure</b>		<b>85 401</b>	<b>136 056</b>	<b>136 056</b>	<b>1 911</b>	<b>1 911</b>	<b>11 338</b>	<b>9 427</b>	<b>83,1%</b>	<b>136 056</b>	
Roads Infrastructure		32 770	12 802	12 802	-	-	1 067	1 067	100,0%	12 802	
Roads		32 770	12 802	12 802	-	-	1 067	1 067	100,0%	12 802	
Road Structures											
Road Furniture											
Capital Spares											
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	
Drainage Collection											
Storm water Conveyance											
Attenuation											
Electrical Infrastructure		5 344	-	-	-	-	-	-	-	-	
Power Plants											
HV Substations		1 497	-	-	-	-	-	-	-	-	
HV Switching Station											
HV Transmission Conductors											
MV Substations											
MV Switching Stations											
MV Networks		3 848	-	-	-	-	-	-	-	-	
LV Networks											
Capital Spares											
Water Supply Infrastructure		21 383	22 968	22 968	1 911	1 911	1 914	3	0,2%	22 968	
Dams and Weirs											
Boreholes											
Reservoirs											
Pump Stations											
Water Treatment Works											
Bulk Mains		16 205	10 468	10 468	1 911	1 911	872	(1 039)	-119,1%	10 468	
Distribution		5 177	12 500	12 500	-	-	1 042	1 042	100,0%	12 500	
Distribution Points											
PRV Stations											
Capital Spares											
Sanitation Infrastructure		7 495	61 512	61 512	-	-	5 126	5 126	100,0%	61 512	
Pump Station		764	-	-	-	-	-	-	-	-	
Reticulation			25 097	25 097	-	-	2 091	2 091	100,0%	25 097	
Waste Water Treatment Works											
Outfall Sewers		4 505	23 916	23 916	-	-	1 993	1 993	100,0%	23 916	
Toilet Facilities		2 225	12 500	12 500	-	-	1 042	1 042	100,0%	12 500	
Capital Spares											
Solid Waste Infrastructure		18 409	38 774	38 774	-	-	3 231	3 231	100,0%	38 774	
Landfill Sites											
Waste Transfer Stations		18 409	38 774	38 774	-	-	3 231	3 231	100,0%	38 774	
<b>Community Assets</b>		<b>7 068</b>	<b>15 094</b>	<b>15 094</b>	<b>-</b>	<b>-</b>	<b>1 258</b>	<b>1 258</b>	<b>100,0%</b>	<b>15 094</b>	
Community Facilities		-	-	-	-	-	-	-	-	-	
Sport and Recreation Facilities		7 068	15 094	15 094	-	-	1 258	1 258	100,0%	15 094	
Indoor Facilities											
Outdoor Facilities		7 068	15 094	15 094	-	-	1 258	1 258	100,0%	15 094	

<b>Computer Equipment</b>		<b>3 220</b>	<b>3 000</b>	<b>3 000</b>	-	-	<b>250</b>	<b>250</b>	100,0%	<b>3 000</b>
Computer Equipment		3 220	3 000	3 000	-	-	250	250	100,0%	3 000
<b>Furniture and Office Equipment</b>		<b>71</b>	<b>2 000</b>	<b>2 000</b>	-	-	<b>167</b>	<b>167</b>	100,0%	<b>2 000</b>
Furniture and Office Equipment		71	2 000	2 000	-	-	167	167	100,0%	2 000
<b>Machinery and Equipment</b>		<b>323</b>	<b>5 000</b>	<b>5 000</b>	-	-	<b>417</b>	<b>417</b>	100,0%	<b>5 000</b>
Machinery and Equipment		323	5 000	5 000	-	-	417	417	100,0%	5 000
<b>Transport Assets</b>		<b>26 452</b>	<b>40 000</b>	<b>40 000</b>	-	-	<b>3 333</b>	<b>3 333</b>	100,0%	<b>40 000</b>
Transport Assets		26 452	40 000	40 000	-	-	3 333	3 333	100,0%	40 000
<b>Land</b>		<b>-</b>	<b>-</b>	<b>-</b>	-	-	<b>-</b>	<b>-</b>		<b>-</b>
Land		-	-	-	-	-	-	-		-
<b>Zoo's, Marine and Non-biological Animals</b>		<b>-</b>	<b>-</b>	<b>-</b>	-	-	<b>-</b>	<b>-</b>		<b>-</b>
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
<b>Living resources</b>		<b>-</b>	<b>-</b>	<b>-</b>	-	-	<b>-</b>	<b>-</b>		<b>-</b>
Mature		-	-	-	-	-	-	-		-
Policing and Protection		-	-	-	-	-	-	-		-
Zoological plants and animals		-	-	-	-	-	-	-		-
Immature		-	-	-	-	-	-	-		-
Policing and Protection		-	-	-	-	-	-	-		-
Zoological plants and animals		-	-	-	-	-	-	-		-
<b>Total Capital Expenditure on new assets</b>	<b>1</b>	<b>122 536</b>	<b>201 150</b>	<b>201 150</b>	<b>1 911</b>	<b>1 911</b>	<b>16 762</b>	<b>14 852</b>	<b>88,6%</b>	<b>201 150</b>

**SUPPORTING TABLE SC13b**

**NW403 City Of Matlosana - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class -**

Description	Ref	2023/24	Budget Year 2024/25								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
<b>R thousands</b>	1										
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>											
<b>Infrastructure</b>		9 905	17 613	17 613	-	-	1 468	1 468	100,0%	17 613	
Electrical Infrastructure		4 394	5 113	5 113	-	-	426	426	100,0%	5 113	
Power Plants											
HV Substations		1 481	2 924	2 924	-	-	244	244	100,0%	2 924	
HV Switching Station											
HV Transmission Conductors											
MV Substations											
MV Switching Stations											
MV Networks											
LV Networks		2 913	2 189	2 189	-	-	182	182	100,0%	2 189	
Capital Spares											
Sanitation Infrastructure		5 511	12 500	12 500	-	-	1 042	1 042	100,0%	12 500	
Pump Station											
Reticulation											
Waste Water Treatment Works		5 511	12 500	12 500	-	-	1 042	1 042	100,0%	12 500	
<b>Total Capital Expenditure on renewal of existing ass</b>	1	<b>9 905</b>	<b>17 613</b>	<b>17 613</b>	<b>-</b>	<b>-</b>	<b>1 468</b>	<b>1 468</b>	<b>100,0%</b>	<b>17 613</b>	

**SUPPORTING TABLE SC13c**

**NW403 City Of Matlosana - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M01 July**

Description	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		203 320	195 344	195 344	1 817	1 817	16 279	14 462	88,8%	195 344
Roads Infrastructure		69 575	63 409	63 409	-	-	5 284	5 284	100,0%	63 409
Roads		69 053	62 643	62 643	-	-	5 220	5 220	100,0%	62 643
Road Structures										
Road Furniture		523	766	766	-	-	64	64	100,0%	766
Capital Spares										
Storm water Infrastructure		2 397	7 000	7 000	-	-	583	583	100,0%	7 000
Drainage Collection		2 397	7 000	7 000	-	-	583	583	100,0%	7 000
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		103 003	81 995	81 995	231	231	6 833	6 602	96,6%	81 995
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations		-	864	864	-	-	72	72	100,0%	864
MV Switching Stations		-	128	128	-	-	11	11	100,0%	128
MV Networks										
LV Networks		103 003	81 003	81 003	231	231	6 750	6 519	96,6%	81 003
Capital Spares										
Water Supply Infrastructure		15 000	20 251	20 251	951	951	1 688	737	43,7%	20 251
Dams and Weirs										
Boreholes										
Reservoirs		1 605	3 765	3 765	-	-	314	314	100,0%	3 765
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution		13 396	16 486	16 486	951	951	1 374	423	30,8%	16 486
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		13 343	22 689	22 689	635	635	1 891	1 256	66,4%	22 689
Pump Station										
Reticulation		11 432	14 979	14 979	635	635	1 248	613	49,1%	14 979
Waste Water Treatment Works		1 912	7 710	7 710	-	-	642	642	100,0%	7 710
<b>Community Assets</b>		9 797	15 540	15 540	6	6	1 295	1 289	99,5%	15 540
Community Facilities		6 537	9 743	9 743	6	6	812	806	99,3%	9 743

Museums	22	134	134	-	-	11	11	100,0%	134	
Galleries										
Theatres										
Libraries	1 263	2 732	2 732	6	6	228	222	97,4%	2 732	
Cemeteries/Crematoria	4 763	5 044	5 044	-	-	420	420	100,0%	5 044	
Police										
Parks										
Public Open Space	13	75	75	-	-	6	6	100,0%	75	
Nature Reserves	214	629	629	-	-	52	52	100,0%	629	
Public Ablution Facilities										
Markets	262	1 129	1 129	-	-	94	94	100,0%	1 129	
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
<b>Sport and Recreation Facilities</b>	<b>3 260</b>	<b>5 797</b>	<b>5 797</b>	<b>-</b>	<b>-</b>	<b>483</b>	<b>483</b>	<b>100,0%</b>	<b>5 797</b>	
Indoor Facilities	306	1 656	1 656	-	-	138	138	100,0%	1 656	
Outdoor Facilities	2 953	4 140	4 140	-	-	345	345	100,0%	4 140	
Capital Spares										
<b>Heritage assets</b>	<b>38</b>	<b>500</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>42</b>	<b>42</b>	<b>100,0%</b>	<b>500</b>	
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas	38	500	500	-	-	42	42	100,0%	500	
<b>Other assets</b>	<b>2 247</b>	<b>8 911</b>	<b>8 911</b>	<b>-1</b>	<b>1</b>	<b>743</b>	<b>741</b>	<b>99,8%</b>	<b>8 911</b>	
Operational Buildings	2 247	8 911	8 911	1	1	743	741	99,8%	8 911	
Municipal Offices	2 216	8 858	8 858	1	1	738	737	99,8%	8 858	
Pay/Enquiry Points										
Building Plan Offices										
Workshops	30	43	43	-	-	4	4	100,0%	43	
Yards										
Stores	1	10	10	-	-	1	1	100,0%	10	
Laboratories										
<b>Intangible Assets</b>	<b>3 430</b>	<b>10 063</b>	<b>10 063</b>	<b>7</b>	<b>7</b>	<b>839</b>	<b>832</b>	<b>99,2%</b>	<b>10 063</b>	
Servitudes										
Licences and Rights	3 430	10 063	10 063	7	7	839	832	99,2%	10 063	
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications	3 430	10 063	10 063	7	7	839	832	99,2%	10 063	
Load Settlement Software Applications										
Unspecified										
<b>Computer Equipment</b>	<b>831</b>	<b>8 637</b>	<b>8 637</b>	<b>-</b>	<b>-</b>	<b>720</b>	<b>720</b>	<b>100,0%</b>	<b>8 637</b>	
Computer Equipment	831	8 637	8 637	-	-	720	720	100,0%	8 637	
<b>Furniture and Office Equipment</b>	<b>2 472</b>	<b>3 597</b>	<b>3 597</b>	<b>-</b>	<b>-</b>	<b>300</b>	<b>300</b>	<b>100,0%</b>	<b>3 597</b>	
Furniture and Office Equipment	2 472	3 597	3 597	-	-	300	300	100,0%	3 597	
<b>Machinery and Equipment</b>	<b>11 793</b>	<b>19 325</b>	<b>19 325</b>	<b>-</b>	<b>-</b>	<b>1 610</b>	<b>1 610</b>	<b>100,0%</b>	<b>19 325</b>	
Machinery and Equipment	11 793	19 325	19 325	-	-	1 610	1 610	100,0%	19 325	
<b>Transport Assets</b>	<b>31</b>	<b>2 509</b>	<b>2 509</b>	<b>-</b>	<b>-</b>	<b>209</b>	<b>209</b>	<b>100,0%</b>	<b>2 509</b>	
Transport Assets	31	2 509	2 509	-	-	209	209	100,0%	2 509	
<b>Total Repairs and Maintenance Expenditure</b>	<b>1</b>	<b>233 958</b>	<b>264 424</b>	<b>264 424</b>	<b>1 831</b>	<b>1 831</b>	<b>22 035</b>	<b>20 205</b>	<b>91,7%</b>	<b>264 424</b>



**SUPPORTING TABLE SC13d**

**NW403 City Of Matlosana - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M01 July**

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Depreciation by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		247 189	313 504	313 504	-	-	26 125	26 125	100,0%	313 504
Roads Infrastructure		79 756	83 319	83 319	-	-	6 943	6 943	100,0%	83 319
Roads		79 756	83 319	83 319	-	-	6 943	6 943	100,0%	83 319
Electrical Infrastructure		45 203	62 937	62 937	-	-	5 245	5 245	100,0%	62 937
MV Networks		45 203	62 937	62 937	-	-	5 245	5 245	100,0%	62 937
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		57 469	82 326	82 326	-	-	6 860	6 860	100,0%	82 326
Distribution		57 469	82 326	82 326	-	-	6 860	6 860	100,0%	82 326
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		64 761	84 922	84 922	-	-	7 077	7 077	100,0%	84 922
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		64 761	84 922	84 922	-	-	7 077	7 077	100,0%	84 922
<b>Other assets</b>		63 986	79 509	79 509	-	-	6 626	6 626	100,0%	79 509
Operational Buildings		63 986	79 509	79 509	-	-	6 626	6 626	100,0%	79 509
Municipal Offices		63 986	79 509	79 509	-	-	6 626	6 626	100,0%	79 509
<b>Computer Equipment</b>		1 089	1 763	1 763	-	-	147	147	100,0%	1 763
Computer Equipment		1 089	1 763	1 763	-	-	147	147	100,0%	1 763
<b>Furniture and Office Equipment</b>		1 234	2 617	2 617	-	-	218	218	100,0%	2 617
Furniture and Office Equipment		1 234	2 617	2 617	-	-	218	218	100,0%	2 617
<b>Machinery and Equipment</b>		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		2 588	13 705	13 705	-	-	1 142	1 142	100,0%	13 705
Transport Assets		2 588	13 705	13 705	-	-	1 142	1 142	100,0%	13 705
<b>Total Depreciation</b>	1	316 085	411 098	411 098	-	-	34 258	34 258	100,0%	411 098

## SUPPORTING TABLE SC13e

NW403 City Of Matlosana - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class -

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		26 660	12 500	12 500	-	-	1 042	1 042	100,0%	12 500
Water Supply Infrastructure		26 660	12 500	12 500	-	-	1 042	1 042	100,0%	12 500
Dams and Weirs										
Boreholes										
Reservoirs		26 660	12 500	12 500	-	-	1 042	1 042	100,0%	12 500
<b>Community Assets</b>		2 615	4 988	4 988	-	-	416	416	100,0%	4 988
Community Facilities		2 615	4 988	4 988	-	-	416	416	100,0%	4 988
Markets		2 615	4 988	4 988	-	-	416	416	100,0%	4 988
<b>Total Capital Expenditure on upgrading of existing</b>	1	29 275	17 488	17 488	-	-	1 457	1 457	100,0%	17 488

**ANNEXURE A**

**Progress on Municipal Debt Relief**

**MANAGEMENT MUST COMPLY WITH ALL CONDITIONS BELOW. RESPONSIBLE MANAGERS TO PROVIDE DETAILS (SOP'S) TO ENSURE THAT CONDITIONS ARE MET ON A MONTHLY BASIS.**

**CONDITION 6.1** No Eskom debt write-off unless – o NT satisfied - municipality met ALL the conditions o Period: 12 consecutive months in relation to each third of the debt o 36 consecutive months for a total Eskom debt write-off.

**CONDITION 6.2** Municipal Debt Relief is application-based: The municipality can only qualify for the Relief, if – o Written application to NT • Supported by the required information • Includes the signed council resolution. o Uploaded in PDF format to the GoMuni portal If the municipality fails to meet the condition(s): a new application will be necessary NT may require additional information to consider the re-application;

**CONDITION 6.2 (CONT.)** Municipal Debt Relief application - include minimum information (MFMA Circular 124 (item3)) – 1. The joint MM and CFO motivation explaining to council why the municipality qualify to benefit and the service delivery and cashflow impact if denied. 2. Council's resolution (commitment) to meet the conditions for a consecutive 36 months. 3. The approved plan to monthly monitor implementation of the Municipal Debt Relief conditions and report to Council, NT and the PT (parallel to MFMA s.71). 4. Baseline information on indigents and revenue collection. 5. The property rates reconciliation (the preceding quarter). 6. Council's signed resolution, approving the motivation, monitoring plan and other information for submission to NT

**CONDITION 6.3** Monthly maintain the Eskom current account o Within 30 days of receiving the invoice • This apply to ALL municipalities (also metros) irrespective of whether applying for the Relief. o Submit the proof of payment to Eskom and NT • In PDF format to GoMuni portal - within one day of making payment. o The proof of payment must reconcile to: • The municipality's financial system: mSCOA data string • MFMA s.41(2) statement of Eskom

**CONDITION 6.4** If the budget is not funded A credible Budget Funding Plan must be tabled and adopted as part of the MTREF budget MFMA Circular 122 (item 9.3) Note – Effective, tabling and adoption 2023/24 MTREF The cashflow budget (tables A7 and SA30) must evidence: • budget funding plan strategy • seasonal trends Table and adopt a funded MTREF o No operating deficit allowed (Table A4) o Adequate provision for (Table A4): • depreciation and asset impairment • debt impairment o Aligning with the NT: Budget Funding Guidelines

**CONDITION 6.4** If the budget is not funded A credible Budget Funding Plan must be tabled and adopted as part of the MTREF budget MFMA Circular 122 (item 9.3) Note – Effective, tabling and adoption 2023/24 MTREF The cashflow budget (tables A7 and SA30) must evidence: • budget funding plan strategy • seasonal trends Table and adopt a funded MTREF o No operating deficit allowed (Table A4) o Adequate provision for (Table A4): • depreciation and asset impairment • debt impairment o Aligning with the NT: Budget Funding Guidelines

**CONDITION 6.6** Use electricity and water as collection tools – the municipal By-laws and budget related policies to demonstrate: 1. Consolidated municipal bill (issued monthly to consumer/ property owner) – Any partial payments allocated 1 st to property rates, then water, wastewater, refuse removal and lastly

to electricity. • If any consumer owes arrears - any partial payment to be applied in this order of priority to the arrears and then only to the current monthly consolidated bill (in this order of priority) 2. Electricity is cut / purchasing of pre-paid is blocked 3. Water supply is restricted/ interrupted (minimum supply of wastewater) 4. Indigent Consumers - physically restrict supply - monthly national FBS: electricity (50 Kilowatt electricity) - and FBS: water (6 Kilolitres water) limits.

CONDITION 6.7 The municipality must collect its revenue – maintain a minimum average quarterly collection - property rates and services charges: o Achieve 80 per cent collection (from 01 April 2023) (85 per cent (from 01 April 2024); and 95 per cent (from 01 April 2025)) o The tabled / adopted budget and MFMA s.71 reports (2023/24 – 2025/26) to reflect the: • Progressive installation of smart meters and NO consumer debt write-off without the installation of smart pre-paid metering (credit control). • Any new electricity connection must be a smart pre-paid meter installation

CONDITION 6.8 The municipality must demonstrate the completeness of the revenue base – o Complete the NT property rates reconciliation tool - the municipality's billing system must perfectly align to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer o Demonstrate that steps were taken to correct any identified variances. o Submit the reconciliations quarterly to NT (MFMA Circulars no. 93, 98, 107, 108 and 122) - <https://iguploadportal.treasury.gov.za>

CONDITION 6.9 Monitor and Report – o Enforce accountability for the implementation of – • The funded budget • The budget funding plan (where relevant) o If progress is slow, the municipality's active intervention must be demonstrated in – • The MFMA s.71 report narratives and financial system: mSCOA data strings. • MFMA s. 71 statement to additionally include progress on the Budget Funding Plan (if apply) o Municipalities with financial recovery plans (FRP) (if apply) – • Submit the monthly progress report - Provincial Executive • From 01 April 2023 - additionally submit to the NT: Municipal Financial Recovery Service (MFRS)

CONDITION 6.10 The PT's monitoring and pro-active intervention is critical to facilitate the necessary change in behaviour in any municipality benefitting from the Relief o A delegated municipality can therefore not participate if the PT is not onboard with its monitoring role envisaged in the Relief programme: • This means that with effect from April 2023, the PT must monthly closely monitor the municipality's compliance with conditions 6.1 - 6.14 to facilitate that - • The PT: HoD certifies the municipality's compliance to NT monthly (HoD to sign the completed compliance template (MFMA Circular 124: Annexure A)).

CONDITION 6.10 (CONT.) If during any month, a municipality failed to comply with any condition(s) – o The PT: HoD's compliance certificate to additionally be supported by a report – • Explaining the non-compliance • The progressive support measures instituted by both the PT and the municipality to facilitate the municipality's progressive adherence to the condition(s) o In this event – the municipality will need to re-apply for Municipal Debt Relief – NT will only consider if the PT supports the re-admittance to the Relief

CONDITION 6.11 Limitation on municipal borrowing powers From date of initial / any subsequent benefit in terms of Municipal Debt Relief - the municipality may not borrow for 3 consecutive municipal financial years.

**CITY OF MATLOSANA MONTHLY  
MONITORING PLAN 31 JULY 2024**

6.3	<b>Maintaining the Eskom and bulk water current account –</b> <small>(current account for the purpose of this exercise means the account for a single month's consumption):</small> - Has the municipality paid its <i>bulk water current account</i> within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)?  - Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal <a href="https://guploadportal.treasury.gov.za?">https://guploadportal.treasury.gov.za?</a>	<b>Responsible Person</b>	<b>Monthly Progress</b>	<b>How are you going to ensure compliance (applicable manager to provide SOP that will be updated and monitored)</b>
6.3.1		TO Sekgala (Acting CFO) 018 487 8040 <a href="mailto:osekgala@klerksdorp.org">osekgala@klerksdorp.org</a> Baganne Choche (Acting MM) 018 487 8012 <a href="mailto:bchoche@klerksdorp.org">bchoche@klerksdorp.org</a>	No	The municipality paid an amount of R50 million in July 2024 and a further R50 million in the month of August 2024. There are still negotiations to reach a consensus on an affordable arrangement.  Midval was partially paid and proof was uploaded.
6.3.2		J Makudubele (Accountant) – 018 487 8483 <a href="mailto:jpapers@klerksdorp.org">jpapers@klerksdorp.org</a> J Letlhoo (Assistant Director Expenditure) – 018 487 8533 <a href="mailto:gopolang@klerksdorp.org">gopolang@klerksdorp.org</a> TO Sekgala (Acting CFO) 018 487 8040 <a href="mailto:osekgala@klerksdorp.org">osekgala@klerksdorp.org</a>	Yes	
6.3.3	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MIFMA statement of the Water Board and/ or Water Trading Entity?	J Makudubele (Accountant) – 018 487 8483 <a href="mailto:jpapers@klerksdorp.org">jpapers@klerksdorp.org</a> J Letlhoo (Assistant Director Expenditure) – 018 487 8533 <a href="mailto:gopolang@klerksdorp.org">gopolang@klerksdorp.org</a> TO Sekgala (Acting CFO) 018 487 8040 <a href="mailto:osekgala@klerksdorp.org">osekgala@klerksdorp.org</a>	Yes	
6.3.4	- Has the municipality paid its <i>Eskom bulk current account</i> within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)?	TO Sekgala (Acting CFO) 018 487 8040 <a href="mailto:osekgala@klerksdorp.org">osekgala@klerksdorp.org</a> Baganne Choche (Acting MM) 018 487 8012 <a href="mailto:bchoche@klerksdorp.org">bchoche@klerksdorp.org</a>	No	Due to low collection, The CoM is facing challenges to fully service its creditors. There are revenue strategies in place to increase collection. CoM is currently under Financial Recovery Plan.
6.3.5	- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal <a href="https://guploadportal.treasury.gov.za?">https://guploadportal.treasury.gov.za?</a>	J Makudubele (Accountant) – 018 487 8483 <a href="mailto:jpapers@klerksdorp.org">jpapers@klerksdorp.org</a> J Letlhoo (Assistant Director Expenditure) – 018 487 8533 <a href="mailto:gopolang@klerksdorp.org">gopolang@klerksdorp.org</a> TO Sekgala (Acting CFO) 018 487 8040 <a href="mailto:osekgala@klerksdorp.org">osekgala@klerksdorp.org</a>	Yes	

**Monthly Compliance Check List**

6.3.6	- Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	J Makudubele (Accountant) – 018 487 8483 japers@klerksdorp.org J Lelihoo (Assistant Director Expenditure) – 018 487 8533 gopolang@klerksdorp.org TO Sekgala (Acting CFO) 018 487 8040 osekga@klerksdorp.org	018 487 8483	Yes	
6.4	Compliance with a funded MITREF –				
6.4.1	- Has the municipality tabled and adopted a funded 2023/24 MITREF aligning to the National Treasury's Budget Funding Guidelines - <a href="http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx">http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx</a> ?	TO Sekgala (Deputy Director Budget) 018 487 8040 osekga@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	018 487 8040 018 487 8518	No	The funding plan was revised during the adjustment budget and the progress on the Funding Plan is submitted on monthly basis however there is not much progress on the Funding Plan. C4 attached as POE
6.4.2	- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget and Reporting Regulations?	TO Sekgala (Deputy Director Budget) 018 487 8040 osekga@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	018 487 8040 018 487 8518	Yes	
6.4.3	- Has the municipality made adequate provision for debt impairment (considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget) on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget and Reporting Regulations?	TO Sekgala (Deputy Director Budget) 018 487 8040 osekga@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	018 487 8040 018 487 8518	No	The municipality made provision for debt impairment in line with the budgeted expected collection rate for the original budget.
	<i>Note - For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (also property rates), the provision for debt impairment aligning with the historic collection trend should align to 40 per cent of the 2023/24 MITREF revenue projections (also property rates). If the municipality merely used the debt impairment to 'balance' the budget and there is no real alignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as: "No".</i>				
6.4.4	- Has the municipality made adequate provision for depreciation and asset impairment (considering its asset register and physical state of assets) on the A1 Schedule) Table A4 - Budgeted Financial Performance) of the Municipal Budget and Reporting Regulations?	TO Sekgala (Deputy Director Budget) 018 487 8040 osekga@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	018 487 8040 018 487 8518	Yes	Yes, the depreciation and asset impairment are calculated in line with the Fixed Asset Register and provision is also made for all WIP projects not yet completed and impairment are done on a yearly base on the condition of the asset.
	<i>Note - If the municipality merely used the depreciation and asset impairment to 'balance' the budget and there is no real alignment between the provision for such with the state of assets/asset register, the Provincial Treasury must respond to this item as: "No".</i>				

6.4.5	<p>- if the municipality's MTREF is not funded, has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?</p>	<p>TO Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org</p>	<p>018 487 8040 018 487 8518</p>	<p>Yes</p>	<p>The funding plan was tabled together with the 2024/25 budget. This will be monitored strictly on a monthly progress. MMC's committed at Mayoral Committee to monitor the progress closely.</p>
6.4.6	<p>- Does the municipality's annual and monthly cash flow projections included on the A1 Schedule (Table A7 - Budgeted Cash Flows and Supporting Table SA 30 - Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations aligns with and gives effect to the municipality's Budget Funding Plan strategy and related seasonal trends (For example higher winter Eskom tariffs, lower January collection rates, etc.?)</p>	<p>TO Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org</p>	<p>018 487 8040 018 487 8518</p>	<p>Yes</p>	<p>The A7 is currently projecting 12 equal amounts due to the financial system issues. BCX is assisting to align this on the Budget Management Module (BMM).</p>
6.5	<p>Cost reflective tariffs – has the municipality included its completed tariff tool (refer MFMA Circular no. 98 and item 5.2 of MFMA Budget Circular no. 122) as part of the municipality's annual tabled and adopted MTREF submissions with effect the tabling of the 2023/24 MTREF?</p>	<p>TO Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org</p>	<p>018 487 8040 018 487 8518</p>	<p>No</p>	<p>The Tariff tool was tabled and adopted on 24 June 2024 with the 2024/2025 MTREF.</p>
6.6	<p>Electricity and water as collection tools – has the municipality, with effect from the tabling of the 2023/24 MTREF, demonstrated, through its by-laws and budget related policies that:</p>				
6.6.1	<p>- the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, thereafter to water, wastewater, refuse removal and lastly to electricity?</p>	<p>N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 nsathege@klerksdorp.org</p>		<p>Yes</p>	<p>The current bill allocation is not aligned to Circular 124.</p>
6.6.2	<p>- the municipality disconnects electricity services and/or block the purchasing of pre-paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?</p>	<p>N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9040</p>		<p>Yes</p>	<p>The 80/20 is applied to defaulting consumers as per credit control policy</p>
6.6.3	<p>- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?</p>	<p>N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 nsathege@klerksdorp.org</p>		<p>Yes</p>	<p>As per credit control policy</p>



	<p>Note: In terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.</p>	
6.6.4	<p>- If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitre water, respectively?</p>	<p>No</p>
6.6	<p>Supporting evidence: The National Treasury and/ or provincial treasury's related budget assessment confirms the municipality's relevant MTREF's related budget policies and by-laws demonstrate compliance with paragraph 6.6.</p>	
6.7	<p>Maintain a minimum average quarterly collection of property rates and services charges –</p>	
6.7.1	<p>- Has the municipality achieved a minimum of 80 per cent average quarterly collection of property rates and service charges with effect from 01 April 2023 and 85 per cent average quarterly collection with effect from 01 April 2024 during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and mSCOA data strings uploaded to the LGDRS?</p>	<p>No</p>
6.7.2	<p>Note - although the norm and standard for collection (MFMA Circular No. 71) is a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm.</p> <p>- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality demonstrated to the satisfaction of the National Treasury that –</p>	<p>For the current month the municipality achieved a collection rate of 61%. The following are the reasons for non-achievement:</p> <ul style="list-style-type: none"> <li>• Challenges in Eskom supplied areas</li> <li>• Intimidations at the townships</li> <li>• Most of the customers are not responding after disconnection due to theft, Solar and boreholes usage.</li> <li>• There process of Data Cleansing will be embarked to analyse the debtors book.</li> <li>• Theft of water meters in Jouberton</li> </ul>
6.7.2.1	<p>* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool and that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the</p>	<p>Municipality has targeted all areas that Municipality is servicing for electricity.</p>
		<p>Yes</p>

	required quarterly average collection set-out in paragraph 6.7.1;				
6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)?	N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 <a href="mailto:nsathege@klerksdorp.org">nsathege@klerksdorp.org</a>	No	The Municipality does restrict water in Eskom supplied areas as per credit control policy, the challenge is that the community bridge and break water meters.	
6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed and the reason(s) for the failure?	TO Sekgala (Acting CFO) 018 487 8040 <a href="mailto:osekgala@klerksdorp.org">osekgala@klerksdorp.org</a> Baganne Choche (Acting MM) 018 487 8012 <a href="mailto:bchoche@klerksdorp.org">bchoche@klerksdorp.org</a>	No	There is a proposal that was sent in the current year for Eskom to assist in areas such as Kanana, Tigane and Khuma, but no response was received from Eskom.	
6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection and only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 <a href="mailto:nsathege@klerksdorp.org">nsathege@klerksdorp.org</a>	No	The item for the Smart Metering Grant Application will be re-submitted to council again for approval and will be submitted to National Treasury. The business plan, reports and all documents to be submitted with the application has been ready since April 2024.	
6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	Nelson Mongale (Director Technical) 018 487 8023/072 704 <a href="mailto:tpelesane@klerksdorp.org">tpelesane@klerksdorp.org</a>	No		
6.7.5	-Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	TO Sekgala (Deputy Director Budget) 018 487 8040 <a href="mailto:osekgala@klerksdorp.org">osekgala@klerksdorp.org</a> D Rossouw (Assistant Director Budget) 018 487 8518 <a href="mailto:drossouw@klerksdorp.org">drossouw@klerksdorp.org</a>	Yes	Yes, C schedule and Section 71 reports.	
6,8	Municipality's Completeness of the revenue base –				

6.8.1	<p>- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer and demonstrated the steps taken to correct the variances identified?</p>	<p>N Kegakilwe (Assistant Director Revenue Management) 018 487 8046/083 254 6573 <a href="mailto:nkegakilwe@klerksdorp.org">nkegakilwe@klerksdorp.org</a> O Kgoete (Deputy Director Income and Expenditure) 018 487 8043/072 781 2082 <a href="mailto:okgoete@klerksdorp.org">okgoete@klerksdorp.org</a></p>	Yes	<p>1. The approved GVR was loaded into the municipal financial system (Solar). Status: Was done - Was Implemented from the 01st July 2020 until 30th June 2025.</p> <p>2. All SV's (SV01-SV04) are implemented into the financial system. Status: Was done, SV01: Implemented on the 01st July 2021. SV02: Implemented on the 01st July 2022. SV03: Implemented on the 01st July 2023. - Seven (7) Objections were received and outcome was communicated to the property owners by the Municipal Valuer. - Out of Seven (7) objections, we received two (2) Appeals, - Those Two (2) Appeals were dealt with by Appeal Board on the 05th March 2024, Appeal board outcome was implemented. SV04: Status: The roll had 2830 entries, - Inspection: closed on the 30th June 2024. - Advert Newspaper: 11 and 18 April 2024 - Promulgation: 23 and 30 April 2024 - Section 49: will be sent to affected property owners, the challenge is that SAPO is under business rescue/administration and in-effective to deliver letters. Alternatively, we are communicating with the Speakers office to assist with the delivery of those letters through ward councillors and ward committees. - Objections: 8 objections were received and sent to the Municipal Valuer for respond.</p>
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3. Variance on the Reconciliation are addressed as follows:

-Reconciliation will be done monthly and variances identified will be addressed accordingly.

Status: In progress

Monthly report will be submitted to Budget Office (Naledi, Meiti and Lesego) for Upload on the portal.

+/- 90% variances are addressed and +/- 10% variance will be dealt with as soon as the below are addressed.

Challenges

About 978 stands that needs to be addressed on various townships

Jouberton

Kanana

Khuma

Alabama

Tigane

Main because of the following reasons:

1. Stands are not yet allocated to the beneficiaries
2. Stands that needs to be de-activated have meter/s installed on it (Verification of meters needs to be done and meter/s be transferred to the correct stand.
3. Duplicate stands that needs Planning and Human settlement to verify.
4. Occupation certificates and Valuation certificates are sent to the Municipal Valuer to ensure that all properties are updated and billed accurately.

Status: Done on monthly basis

-Both lists of Occupation Certificates and Valuation Certificates from Planning and Human settlement are received monthly until the end of June 2024.

6.8.2	- Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on <a href="https://lguploadportal.treasury.gov.za/">https://lguploadportal.treasury.gov.za/</a> ?	N Kegakilwe (Assistant Director Revenue Management) 018 487 8046/083 254 6573 <a href="mailto:nkegakilwe@klerksdorp.org">nkegakilwe@klerksdorp.org</a> O Kgoete (Deputy Director Income and Expenditure) 018 487 8043/072 781 2082 <a href="mailto:okgoete@klerksdorp.org">okgoete@klerksdorp.org</a>	Yes	
6.9	Monitor and report on implementation –		Yes	
6.9.1	- MFMA section 71 reporting – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	TO Sekgala (Deputy Director Budget) 018 487 8040 <a href="mailto:osekgala@klerksdorp.org">osekgala@klerksdorp.org</a> D Rossouw (Assistant Director Budget) 018 487 8518 <a href="mailto:drossouw@klerksdorp.org">drossouw@klerksdorp.org</a>	Yes	BTO identifies votes and line items that are underperforming on a monthly basis and alerts directorates. The Budget Steering Committee also monitors performance and enforce accountability on directors to address the variances on the budgets.
6.9.2	- If progress is slow in terms of paragraph 6.8.3, is the active intervention evident from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the MSCOA data string?	TO Sekgala (Deputy Director Budget) 018 487 8040 <a href="mailto:osekgala@klerksdorp.org">osekgala@klerksdorp.org</a> D Rossouw (Assistant Director Budget) 018 487 8518 <a href="mailto:drossouw@klerksdorp.org">drossouw@klerksdorp.org</a>	No	Municipality has resuscitated the MSCOA Steering Committee which seats monthly to address any MSCOA issues. The draft MSCOA Roadmap was presented to the committee. Training is also planned with PT.
6.9.3	- Municipalities with financial recovery plans (FRP) – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive?	TO Sekgala (Acting CFO) 018 487 8040 <a href="mailto:osekgala@klerksdorp.org">osekgala@klerksdorp.org</a> Baganne Choche (Acting MM) 018 487 8012 <a href="mailto:bchoche@klerksdorp.org">bchoche@klerksdorp.org</a>	Yes	Two Provincial Exco Representatives started on 1 February 2024 to ensure the implementation of FRP.
6.9.4	- If the municipality that has an FRP, with effect from 01 April 2023, parallel to submitting its monthly FRP progress reports to the Provincial Executive, has the municipality also submitted such FRP progress reports to the National Treasury: Municipal Financial Recovery Service (MFRS) timeously?	TO Sekgala (Acting CFO) 018 487 8040 <a href="mailto:osekgala@klerksdorp.org">osekgala@klerksdorp.org</a> Baganne Choche (Acting MM) 018 487 8012 <a href="mailto:bchoche@klerksdorp.org">bchoche@klerksdorp.org</a>	No	The monthly progress report is submitted by Provincial Exco Representatives to Provincial Treasury, then Provincial Treasury submit report to National Treasury.
<p><i>Note - a municipality with a FRP may only benefit from the Municipal Debt Support Programme if the FRP progress report was submitted to both the Provincial Executive and MFRS.</i></p> <p><i>Note - if the PT failed to address its failure such non-compliance will be considered as non-compliance by the municipality in terms of paragraph 6.1.1.</i></p>				
6.11	Limitation on municipality borrowing powers - has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?	T Sekgala (Deputy Director Budget) 018 487 8040 <a href="mailto:osekgala@klerksdorp.org">osekgala@klerksdorp.org</a> D Rossouw (Assistant Director Budget) 018 487 8518 <a href="mailto:drossouw@klerksdorp.org">drossouw@klerksdorp.org</a>	No	There are currently no plans to borrow as the municipality is under the FRP.

	<p>Note - there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme</p>				
<b>6.12</b>	<p>For the duration of the Municipal Debt Relief (to ensure proper management of resources):</p>				
<b>6.12.1</b>	<p>- has the municipality apportioned and ring-fenced in a sub-account to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?</p>	<p>Tsaone Sekgala (Acting osekgala@klerksdorp.org Baganne Choche (Acting bchoche@klerksdorp.org</p>	<p>CFO) 018 487 8040 MM) 018 487 8012</p>	<p>Partially</p>	<p>The revenue from electricity and water is not entirely ring-fenced. This is still a challenge due to cash flow challenges.</p>
<b>6.12.2</b>	<p>- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.1.1.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?</p>	<p>Tsaone Sekgala (Acting osekgala@klerksdorp.org Baganne Choche (Acting bchoche@klerksdorp.org</p>	<p>CFO) 018 487 8040 MM) 018 487 8012</p>	<p>No</p>	<p>CoM is still facing challenges in fully servicing the Eskom and Midvaal accounts.</p>
	<p>Note: A request will be made to the Minister of Finance immediately succeeding the application to exempt municipalities formally from MFMA s.8(3) to facilitate this condition.</p>				
	<p>Supporting evidence: Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue.</p>	<p>T Sekgala (Deputy Director osekgala@klerksdorp.org D Rossouw (Assistant Director drossouw@klerksdorp.org</p>	<p>Budget) 018 487 8040 Budget) 018 487 8518</p>	<p>Yes</p>	
<b>6.13</b>	<p>Accounting Treatment - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date?</p>	<p>Tsaone Sekgala (Acting osekgala@klerksdorp.org Baganne Choche (Acting bchoche@klerksdorp.org</p>	<p>CFO) 018 487 8040 MM) 018 487 8012</p>	<p>No</p>	<p>Not yet applicable. The write-off is not yet implemented.</p>
<b>6.14</b>	<p>'NERSA License - has the municipality during the month failed to comply with any condition if the Municipal Debt Relief?</p>	<p>Tsaone Sekgala (Acting osekgala@klerksdorp.org Baganne Choche (Acting bchoche@klerksdorp.org</p>	<p>CFO) 018 487 8040 MM) 018 487 8012</p>	<p>Yes</p>	<p>CoM is currently having challenges of fully meeting the conditions of the Debt Relief.</p>
	<p>Note: By applying for Municipal Debt Relief as set-out in paragraph 3 of MFMA Circular no. 124, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to revoke the municipality's license in terms of section 18 of the Electricity Regulation Act, 2006 (Act no. 4 of 2006).</p>				

CONDITION 6.12 The municipality to properly manage resources Apportion and ring-fence in a sub-account to the primary bank account • all electricity, water and sanitation revenue the municipality collects in any month; and • the component of the Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation. o Monthly, use the revenue in the sub-account - pay Eskom current account 1 st – pay bulk water current account 2 nd o Only what remains can be applied for other purposes.

CONDITION 6.13 Accounting treatment – o The Office of the Accountant General (OAG) to issue an instruction on how the municipality to account for Municipal Debt Relief o follow this instruction fully

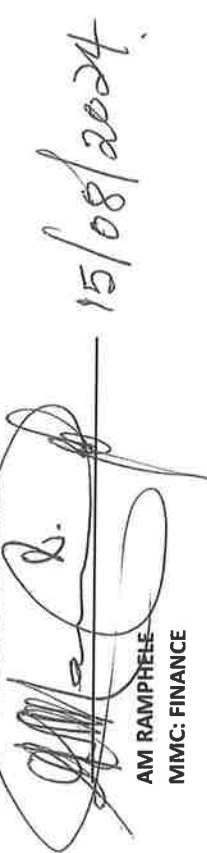
CONDITION 6.14 NERSA Licence – By applying for municipal debt relief, the municipality agrees that if it fails to meet the Relief Conditions – the municipality will voluntarily apply to NERSA to revoke the municipality's licence

**Monitoring of progress to ensure compliance:** Weekly Management meetings will be held with delegated officials in order to monitor progress and the consolidated monitoring plan will be submitted to the Finance Portfolio committee held on a monthly basis and also reported to Provincial Treasury 10 days after month end.

Approval of information and of the compliance report to be submitted to PT/NT on 15 JULY 2024

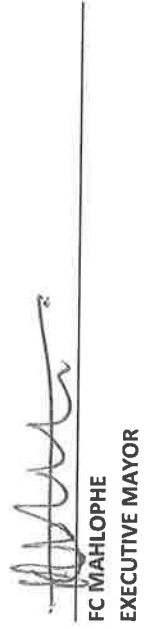
  
TO SEKGALA  
ACTING CHIEF FINANCIAL OFFICER

  
BB CHOICHE  
ACTING MUNICIPAL MANAGER

  
AM RAMPHELE  
MMC: FINANCE

15/08/2024

SL MONDLANE  
SPEAKER OF COUNCIL

  
FC MAHLOPHE  
EXECUTIVE MAYOR

# ANNEXURE B: Collection Rate per Ward

MFMA Circular 124 - Monthly MFMA s.71 reporting (condition 6.7)

Average collection rate (MFMA Circular 124 condition 6.7)

Total average collection	JUNE 2024		JULY 2024		Rand value of Current Month Billing NOT COLLECTED per ward (R)	Quarter 1 actual Collection %	Quarter 2 actual Collection %	Quarter 3 actual Collection %	Quarter 4 actual Collection %
	Previous Month actual Collection %	Current Month actual collection %	Previous Month actual collection %	Current Month actual collection %					
1 The total average collection of all revenue excluding Equitable Share and conditional grants	46,72%	52%			130 582 079	0%	0%	0%	0%
1A The total average collection of all revenue in 1 above - excluding the Eskom supply areas	55,47%	63%			79 063 007	0%	0%	0%	0%
2 The total average collection of municipal property rates	85,04%	95%			1 967 745	0%	0%	0%	0%
3 The total average collection of Electricity	74,30%	102%			1 122 329	0%	0%	0%	0%
4 The total average collection of Water	38,21%	41%			33 617 971	0%	0%	0%	0%
5 The total average collection of Wastewater	43,07%	49%			5 669 181	0%	0%	0%	0%
4 The total average collection of Solid Waste	32,55%	37%			9 533 704	0%	0%	0%	0%
4 The total average collection of VAT	48,96%	57%			9 423 417	0%	0%	0%	0%
4 The total average collection of Interest	4,07%	3%			53 559 972	0%	0%	0%	0%
4 The total average collection of Sundries	20,98%	6%			18 132 419	0%	0%	0%	0%

MFMA Circular 124 - condition 6.7.2

COLLECTION RATE - per ward - rates and per service - (Month YYYY) **\*\*Note - the municipality to add rows below to facilitate reporting on all wards within the demarcation**

Wards / Services	Municipal supplied/ Eskom supplied/ Partial Eskom and municipal supplied	Previous Month actual Collection %	Total Movement / Billing for the Month (R)	Total Settlements / Payment for the month (R)	Current Month - actual Collection %	Rand value of Current Month Billing NOT COLLECTED per ward (R)	Quarter 1 actual Collection %	Quarter 2 actual Collection %	Quarter 3 actual Collection %	Quarter 4 actual Collection %
Property Rates Tax		91%	365 955,11	227 115,10	62%	138 840	0%	0%	0%	0%
	Eskom Supplied	72%	(1 592 167,70)	450 347,92	-28%	-2 042 516	0%	0%	0%	0%
Water		30%	1 152 901,12	616 287,42	53%	536 614	0%	0%	0%	0%
	Refuse	9%	301 915,71	37 527,19	12%	264 389	0%	0%	0%	0%
Waste Water		18%	1 75 646,98	31 319,29	18%	144 328	0%	0%	0%	0%
	Interest	2%	1 202 597,03	32 596,78	3%	1 170 000	0%	0%	0%	0%
Property Rates Tax		7%	37 815,54	1 947,79	5%	35 868	0%	0%	0%	0%
Electricity		10%	1 681,96	-	0%	1 682	0%	0%	0%	0%
	Water	1%	765 655,47	15 365,00	2%	750 289	0%	0%	0%	0%
Refuse		2%	222 081,10	6 417,70	3%	215 663	0%	0%	0%	0%
	Waste Water	2%	126 747,85	1 763,47	2%	124 984	0%	0%	0%	0%
Interest		0%	981 403,47	1 792,85	0%	979 611	0%	0%	0%	0%
	Property Rates Tax	56%	325 236,54	280 175,67	86%	45 061	0%	0%	0%	0%
Electricity		54%	538 359,02	323 788,46	60%	214 571	0%	0%	0%	0%
	Water	39%	905 406,81	453 279,97	50%	452 127	0%	0%	0%	0%
Refuse		41%	167 563,62	86 757,85	52%	80 806	0%	0%	0%	0%
	Waste Water	37%	201 068,19	101 646,60	51%	99 422	0%	0%	0%	0%
Interest		3%	683 592,67	32 227,09	5%	651 366	0%	0%	0%	0%
	Property Rates Tax	33%	177 638,18	29 679,21	17%	147 959	0%	0%	0%	0%
Electricity		13%	858 963,30	52 075,31	6%	806 888	0%	0%	0%	0%
	Water	10%	2 454 894,14	138 613,01	6%	2 316 281	0%	0%	0%	0%
Refuse		5%	792 037,36	43 064,12	5%	748 973	0%	0%	0%	0%
	Waste Water	9%	386 688,45	22 704,97	6%	363 983	0%	0%	0%	0%
Interest		1%	2 986 428,93	11 753,87	0%	2 974 675	0%	0%	0%	0%
	Property Rates Tax	19%	35 369,72	7 552,53	21%	27 817	0%	0%	0%	0%
Electricity		16%	286 941,34	44 183,32	15%	242 758	0%	0%	0%	0%
	Water	2%	1 128 178,31	33 353,44	3%	1 094 825	0%	0%	0%	0%
Refuse		4%	232 221,00	14 258,43	6%	217 963	0%	0%	0%	0%
	Waste Water	3%	124 302,83	4 820,59	4%	119 482	0%	0%	0%	0%
Interest		0%	1 409 315,50	4 874,04	0%	1 404 441	0%	0%	0%	0%
	Property Rates Tax	39%	116 232,72	45 877,75	39%	70 355	0%	0%	0%	0%
Electricity		13%	429 557,44	52 855,04	12%	376 702	0%	0%	0%	0%
	Water	3%	1 538 377,09	50 215,21	3%	1 488 162	0%	0%	0%	0%
Refuse		5%	392 326,69	21 209,53	5%	371 117	0%	0%	0%	0%
	Waste Water	7%	189 475,99	10 525,31	6%	178 951	0%	0%	0%	0%
Interest		0%	1 867 491,84	3 425,81	0%	1 864 066	0%	0%	0%	0%
	Property Rates Tax	19%	100 344,72	15 192,57	15%	85 152	0%	0%	0%	0%
Electricity		15%	278 020,02	54 187,97	19%	223 832	0%	0%	0%	0%
	Water	5%	1 075 226,07	74 923,88	7%	1 000 302	0%	0%	0%	0%
Refuse		7%	197 871,44	15 065,17	8%	182 806	0%	0%	0%	0%
	Waste Water	7%	95 593,86	8 149,30	9%	87 445	0%	0%	0%	0%
Interest		0%	1 198 086,01	14 287,29	1%	1 183 799	0%	0%	0%	0%
	Property Rates Tax	27%	230 980,85	64 797,87	28%	166 183	0%	0%	0%	0%
Electricity		36%	559 888,73	207 091,70	37%	352 797	0%	0%	0%	0%
	Water	15%	1 053 824,42	232 231,84	22%	821 593	0%	0%	0%	0%
Refuse		18%	224 018,02	55 279,23	25%	168 739	0%	0%	0%	0%
	Waste Water	13%	143 741,15	24 156,88	17%	119 584	0%	0%	0%	0%
Interest		1%	1 058 144,44	16 713,29	2%	1 041 431	0%	0%	0%	0%
	Property Rates Tax	66%	71 436,52	21 487,78	30%	49 949	0%	0%	0%	0%
Electricity		26%	346 512,16	80 141,19	23%	266 371	0%	0%	0%	0%
	Water	7%	985 979,35	43 083,94	4%	942 895	0%	0%	0%	0%
Refuse		10%	225 963,66	13 681,94	6%	212 282	0%	0%	0%	0%
	Waste Water	12%	96 406,41	6 262,21	6%	90 144	0%	0%	0%	0%
Interest		0%	1 373 560,12	4 032,55	0%	1 369 528	0%	0%	0%	0%
	Property Rates Tax	14%	115 714,88	24 615,37	21%	91 100	0%	0%	0%	0%
Electricity		28%	259 646,97	87 726,87	34%	171 920	0%	0%	0%	0%
	Water	11%	680 209,45	89 427,06	13%	590 782	0%	0%	0%	0%
Refuse		9%	139 059,41	15 831,22	11%	123 228	0%	0%	0%	0%
	Waste Water	15%	75 633,79	12 155,04	16%	63 479	0%	0%	0%	0%
Interest		1%	795 913,28	4 974,99	1%	790 938	0%	0%	0%	0%
	Property Rates Tax	84%	124 493,17	16 972,31	14%	107 521	0%	0%	0%	0%
Electricity		44%	371 863,26	104 693,07	28%	267 170	0%	0%	0%	0%



Water		29%	780 995,22	127 124,00	16%	653 871	0%	0%	0%	0%
Refuse		15%	159 910,89	25 758,39	16%	134 153	0%	0%	0%	0%
Waste Water		29%	135 261,40	10 250,54	8%	125 011	0%	0%	0%	0%
Interest		3%	841 167,62	7 927,54	1%	833 240	0%	0%	0%	0%
Property Rates Tax		4%	76 286,39	3 619,57	5%	72 667	0%	0%	0%	0%
Electricity	Municipal supplied	6%	673 457,97	27 540,34	4%	645 918	0%	0%	0%	0%
Water		3%	2 306 230,55	51 787,91	2%	2 254 443	0%	0%	0%	0%
Refuse		5%	645 110,46	17 483,40	3%	627 617	0%	0%	0%	0%
Waste Water		3%	270 760,74	6 637,92	2%	264 123	0%	0%	0%	0%
Interest		0%	3 284 257,00	8 909,77	0%	3 275 347	0%	0%	0%	0%
Property Rates Tax		5%	57 738,17	4 741,48	8%	52 997	0%	0%	0%	0%
Electricity	Municipal supplied	18%	277 560,75	56 024,30	20%	221 536	0%	0%	0%	0%
Water		3%	1 059 343,53	81 627,57	8%	977 716	0%	0%	0%	0%
Refuse		4%	209 389,92	11 639,87	6%	197 750	0%	0%	0%	0%
Waste Water		3%	115 184,18	7 344,89	6%	107 839	0%	0%	0%	0%
Interest		0%	1 269 803,21	6 335,04	0%	1 263 468	0%	0%	0%	0%
Property Rates Tax		4%	58 244,99	1 689,62	3%	56 555	0%	0%	0%	0%
Electricity	Municipal supplied	6%	339 377,45	14 920,85	4%	324 457	0%	0%	0%	0%
Water		2%	1 268 289,60	39 486,54	3%	1 228 803	0%	0%	0%	0%
Refuse		3%	253 180,94	6 657,19	3%	246 524	0%	0%	0%	0%
Waste Water		2%	130 543,41	6 826,76	5%	123 717	0%	0%	0%	0%
Interest		0%	1 466 545,49	2 167,14	0%	1 464 378	0%	0%	0%	0%
Property Rates Tax		82%	1 501 731,75	1 607 139,71	107%	-105 408	0%	0%	0%	0%
Electricity	Municipal supplied	95%	2 384 504,25	2 775 771,05	116%	-391 267	0%	0%	0%	0%
Water		79%	1 586 379,89	1 618 745,86	102%	-32 366	0%	0%	0%	0%
Refuse		75%	390 034,88	365 897,63	94%	24 137	0%	0%	0%	0%
Waste Water		71%	399 786,18	361 182,83	90%	38 603	0%	0%	0%	0%
Interest		19%	490 311,30	95 507,32	19%	394 804	0%	0%	0%	0%
Property Rates Tax		81%	2 103 935,56	1 958 390,11	93%	145 545	0%	0%	0%	0%
Electricity	Municipal supplied	78%	1 835 561,76	2 094 909,37	114%	-259 348	0%	0%	0%	0%
Water		90%	1 838 950,01	1 807 022,76	98%	31 927	0%	0%	0%	0%
Refuse		79%	453 364,61	411 688,47	91%	41 676	0%	0%	0%	0%
Waste Water		74%	459 854,10	399 481,14	87%	60 373	0%	0%	0%	0%
Interest		13%	478 377,54	47 579,21	10%	430 798	0%	0%	0%	0%
Property Rates Tax		90%	7 692 049,54	7 149 946,01	93%	542 104	0%	0%	0%	0%
Electricity	Municipal supplied	88%	6 415 069,73	6 436 574,56	100%	-21 505	0%	0%	0%	0%
Water		89%	4 110 816,85	4 484 489,46	109%	-373 673	0%	0%	0%	0%
Refuse		84%	881 394,01	764 661,59	87%	116 732	0%	0%	0%	0%
Waste Water		96%	986 625,53	850 035,66	86%	136 590	0%	0%	0%	0%
Interest		55%	496 084,79	267 785,62	54%	228 299	0%	0%	0%	0%
Property Rates Tax		72%	715 931,57	1 123 150,17	157%	-407 219	0%	0%	0%	0%
Electricity	Municipal supplied	71%	576 842,08	902 867,01	157%	-316 025	0%	0%	0%	0%
Water		70%	350 174,82	393 674,32	112%	-43 500	0%	0%	0%	0%
Refuse		67%	64 446,61	62 049,09	96%	2 398	0%	0%	0%	0%
Waste Water		65%	84 608,44	64 795,43	77%	19 813	0%	0%	0%	0%
Interest		17%	597 474,55	67 551,15	11%	529 923	0%	0%	0%	0%
Property Rates Tax		88%	9 525 617,37	9 264 417,77	97%	261 200	0%	0%	0%	0%
Electricity	Municipal supplied	73%	23 475 165,39	26 399 419,00	112%	-2 924 254	0%	0%	0%	0%
Water		98%	6 612 556,99	4 450 474,94	67%	2 162 082	0%	0%	0%	0%
Refuse		73%	1 554 006,60	1 183 496,87	76%	370 510	0%	0%	0%	0%
Waste Water		54%	2 028 604,82	1 111 623,97	55%	916 981	0%	0%	0%	0%
Interest		43%	1 903 975,32	404 222,72	21%	1 499 753	0%	0%	0%	0%
Property Rates Tax		8%	123 718,69	9 354,64	8%	114 364	0%	0%	0%	0%
Electricity	Eskom Supplied	0%	356,33	-	0%	356	0%	0%	0%	0%
Water		11%	561 096,82	31 565,01	6%	529 532	0%	0%	0%	0%
Refuse		10%	234 232,08	10 865,12	5%	223 367	0%	0%	0%	0%
Waste Water		4%	124 374,96	3 824,40	3%	120 551	0%	0%	0%	0%
Interest		0%	1 153 932,32	4 049,60	0%	1 149 883	0%	0%	0%	0%
Property Rates Tax		184%	393 268,26	284 489,05	72%	108 779	0%	0%	0%	0%
Electricity	Eskom Supplied	0%	-	-	0%	0	0%	0%	0%	0%
Water		0%	-	-	0%	0	0%	0%	0%	0%
Refuse		0%	-	-	0%	0	0%	0%	0%	0%
Waste Water		0%	-	-	0%	0	0%	0%	0%	0%
Interest		0%	17 055,61	-	0%	17 056	0%	0%	0%	0%
Property Rates Tax		2%	131 018,93	2 998,76	2%	128 020	0%	0%	0%	0%
Electricity	Eskom Supplied	2%	806,67	206,85	26%	600	0%	0%	0%	0%
Water		1%	2 266 718,03	18 174,69	1%	2 248 543	0%	0%	0%	0%
Refuse		2%	755 387,35	10 602,76	1%	744 785	0%	0%	0%	0%
Waste Water		1%	312 130,72	5 486,21	2%	306 645	0%	0%	0%	0%
Interest		0%	3 890 713,00	6 443,26	0%	3 884 270	0%	0%	0%	0%
Property Rates Tax		7%	71 853,87	2 457,28	3%	69 397	0%	0%	0%	0%
Electricity	Eskom Supplied	0%	393,00	-	0%	393	0%	0%	0%	0%
Water		3%	1 631 241,37	22 539,60	1%	1 608 702	0%	0%	0%	0%
Refuse		4%	607 810,98	12 147,50	2%	595 663	0%	0%	0%	0%
Waste Water		4%	274 303,50	3 805,00	1%	270 499	0%	0%	0%	0%
Interest		1%	2 461 645,68	4 893,75	0%	2 456 752	0%	0%	0%	0%
Property Rates Tax		1%	75 742,66	37 522,53	50%	38 220	0%	0%	0%	0%
Electricity	Eskom Supplied	0%	-	-	0%	0	0%	0%	0%	0%
Water		3%	1 040 068,50	18 295,98	2%	1 021 773	0%	0%	0%	0%
Refuse		9%	352 285,77	12 492,05	4%	339 794	0%	0%	0%	0%
Waste Water		6%	155 662,03	4 105,12	3%	151 557	0%	0%	0%	0%
Interest		0%	1 692 420,45	2 927,50	0%	1 689 493	0%	0%	0%	0%
Property Rates Tax		361%	372 207,55	25 670,18	7%	346 537	0%	0%	0%	0%
Electricity	Eskom Supplied	0%	-	-	0%	0	0%	0%	0%	0%
Water		39%	1 093 618,63	80 456,76	7%	1 013 162	0%	0%	0%	0%
Refuse		30%	369 901,85	43 821,28	12%	326 081	0%	0%	0%	0%
Waste Water		45%	201 281,00	34 258,27	17%	167 023	0%	0%	0%	0%
Interest		13%	1 629 683,83	13 109,77	1%	1 616 574	0%	0%	0%	0%
Property Rates Tax		9%	131 614,25	7 523,55	6%	124 091	0%	0%	0%	0%
Electricity	Eskom Supplied	0%	201,60	-	0%	202	0%	0%	0%	0%
Water		3%	1 092 892,99	16 399,73	2%	1 076 493	0%	0%	0%	0%
Refuse		6%	326 385,36	7 820,11	2%	318 565	0%	0%	0%	0%
Waste Water		6%	136 781,63	4 383,39	3%	132 398	0%	0%	0%	0%
Interest		1%	1 937 443,12	3 806,48	0%	1 933 637	0%	0%	0%	0%
Property Rates Tax		3%	102 957,22	2 441,90	2%	100 515	0%	0%	0%	0%
Electricity	Eskom Supplied	0%	-	-	0%	0	0%	0%	0%	0%
Water		1%	1 775 922,95	13 946,90	1%	1 761 976	0%	0%	0%	0%
Refuse		1%	451 717,92	12 952,34	3%	438 766	0%	0%	0%	0%
Waste Water		3%	203 337,93	2 406,62	1%	200 931	0%	0%	0%	0%
Interest		0%	2 899 644,61	1 691,22	0%	2 897 953	0%	0%	0%	0%
Property Rates Tax		80%	1 671 115,92	1 311 015,43	78%	360 100	0%	0%	0%	0%
Electricity	Municipal supplied	85%	2 345 731,29	2 318 348,03	99%	27 383	0%	0%	0%	0%
Water		59%	1 565 969,40	1 529 249,62	98%	36 720	0%	0%	0%	0%
Refuse		80%	439 961,53	393 944,55	90%	46 017	0%	0%	0%	0%
Waste Water		73%	517 180,10	393 194,83	76%	123 985	0%	0%	0%	0%
Interest		6%	679 694,70	42 679,63	8%	637 015	0%	0%	0%	0%
Property Rates Tax		77%	1 398 804,77	1 153 978,75	82%	244 826	0%	0%	0%	0%
Electricity	Municipal supplied	98%	2 402 149,17	2 261 020,50	94%	141 129	0%	0%	0%	0%
Water		80%	1 147 608,57	1 268 852,25	111%	-121 244	0%	0%	0%	0%
Refuse		77%	413 162,78	368 449,55	89%	44 713	0%	0%	0%	0%
Waste Water		81%	386 899,39	347 742,81	90%	39 157	0%	0%	0%	0%
Interest		5%	486 962,71	133 266,89	27%	353 696	0%	0%	0%	0%
Property Rates Tax		78%	1 311 283,82	1 307 159,18	100%	4 125	0%	0%	0%	0%
Electricity	Municipal supplied	77%	1 844 622,05	1 990 048,00	108%	-145 426	0%	0%	0%	0%
Water		67%	1 655 813,48	1 408 939,67	85%	246 874	0%	0%	0%	0%
Refuse		74%	363 526,57	353 082,04	97%	10 465	0%	0%	0%	0%
Waste Water		71%	378 565,33	374 774,96	99%	3 790	0%	0%	0%	0%
Interest		11%	486 415,24	69 704,44	14%	416 711	0%	0%	0%	0%
Property Rates Tax		63%	508 832,26	824 219,82	162%	-315 388	0%	0%	0%	0%

Electricity	Partial Eskom and Municipal Supplied	65%	1 080 751,95	1 267 124,74	117%	-186 373	0%	0%	0%	0%
Water		31%	1 507 529,81	866 050,54	57%	641 479	0%	0%	0%	0%
Refuse		18%	366 496,44	223 607,93	61%	142 889	0%	0%	0%	0%
Waste Water		40%	296 930,21	228 512,86	77%	68 407	0%	0%	0%	0%
Interest		3%	1 616 259,01	201 850,97	12%	1 414 408	0%	0%	0%	0%
Property Rates Tax		43%	50 255,20	28 038,63	56%	22 217	0%	0%	0%	0%
Electricity	Eskom Supplied	79%	133 276,93	111 693,93	84%	21 583	0%	0%	0%	0%
Water		4%	1 335 475,36	59 431,92	4%	1 276 043	0%	0%	0%	0%
Refuse		4%	281 957,16	12 188,61	4%	269 769	0%	0%	0%	0%
Waste Water		13%	152 756,89	28 085,91	18%	124 671	0%	0%	0%	0%
Interest		0%	1 612 132,72	2 119,23	0%	1 610 013	0%	0%	0%	0%
Property Rates Tax		242%	342 239,85	89 823,36	26%	252 416	0%	0%	0%	0%
Electricity	Eskom Supplied	0%	197,05	-	0%	197	0%	0%	0%	0%
Water		2%	944 155,21	15 131,49	2%	929 024	0%	0%	0%	0%
Refuse		2%	330 361,44	6 531,72	2%	323 830	0%	0%	0%	0%
Waste Water		1%	149 710,65	1 355,02	1%	148 356	0%	0%	0%	0%
Interest		19%	2 098 916,57	6 729,43	0%	2 092 187	0%	0%	0%	0%
Property Rates Tax		5%	84 778,40	5 211,27	6%	79 567	0%	0%	0%	0%
Electricity	Eskom Supplied	0%	400,44	-	0%	400	0%	0%	0%	0%
Water		3%	545 083,69	16 058,60	3%	529 025	0%	0%	0%	0%
Refuse		5%	178 727,95	8 965,09	5%	169 763	0%	0%	0%	0%
Waste Water		3%	91 079,84	2 993,28	3%	88 087	0%	0%	0%	0%
Interest		0%	921 848,73	3 239,51	0%	918 609	0%	0%	0%	0%
Property Rates Tax		5%	106 729,30	3 124,55	3%	103 605	0%	0%	0%	0%
Electricity	Eskom Supplied	0%	-	-	0%	0	0%	0%	0%	0%
Water		3%	1 227 079,77	10 289,59	1%	1 216 790	0%	0%	0%	0%
Refuse		5%	377 450,42	10 837,77	3%	366 613	0%	0%	0%	0%
Waste Water		8%	179 650,57	10 356,77	6%	169 294	0%	0%	0%	0%
Interest		2%	2 079 247,10	2 405,56	0%	2 076 842	0%	0%	0%	0%
Property Rates Tax		66%	569 120,34	2 437 824,27	428%	-1 868 704	0%	0%	0%	0%
Electricity	Partial Eskom and Municipal Supplied	75%	1 040 984,30	590 875,48	57%	450 109	0%	0%	0%	0%
Water		26%	632 626,83	401 679,15	61%	230 948	0%	0%	0%	0%
Refuse		30%	493 760,24	139 109,34	28%	354 651	0%	0%	0%	0%
Waste Water		60%	345 447,02	158 561,35	46%	186 886	0%	0%	0%	0%
Interest		3%	2 063 066,87	18 267,96	1%	2 044 799	0%	0%	0%	0%
Property Rates Tax		80%	325 916,07	279 200,34	86%	46 716	0%	0%	0%	0%
Electricity	Municipal supplied	74%	1 011 547,89	783 270,69	77%	228 277	0%	0%	0%	0%
Water		7%	1 125 922,51	73 851,60	7%	1 052 071	0%	0%	0%	0%
Refuse		8%	204 513,07	14 168,16	7%	190 345	0%	0%	0%	0%
Waste Water		15%	113 903,33	16 076,99	14%	97 826	0%	0%	0%	0%
Interest		0%	1 330 192,90	8 639,03	1%	1 321 554	0%	0%	0%	0%
Property Rates Tax		10%	96 620,80	107 481,30	111%	-10 860	0%	0%	0%	0%
Electricity	Eskom Supplied	0%	-	-	0%	0	0%	0%	0%	0%
Water		6%	837 079,30	330 869,64	40%	506 210	0%	0%	0%	0%
Refuse		5%	227 474,59	6 741,47	3%	220 733	0%	0%	0%	0%
Waste Water		4%	129 346,77	99 886,61	77%	29 460	0%	0%	0%	0%
Interest		1%	1 297 405,86	165 523,83	13%	1 131 882	0%	0%	0%	0%
Property Rates Tax		84%	4 678 875,72	4 243 918,74	91%	434 957	0%	0%	0%	0%
Electricity	Municipal supplied	87%	5 395 348,67	5 408 197,04	100%	-12 848	0%	0%	0%	0%
Water		73%	3 710 727,24	2 750 051,62	74%	960 676	0%	0%	0%	0%
Refuse		72%	744 723,96	685 268,29	92%	59 456	0%	0%	0%	0%
Waste Water		56%	841 276,92	786 468,48	93%	54 808	0%	0%	0%	0%
Interest		22%	562 389,92	117 497,75	21%	444 892	0%	0%	0%	0%
Property Rates Tax		0%	-	-	0%	0	0%	0%	0%	0%
Electricity	Municipal supplied	0%	-	-	0%	0	0%	0%	0%	0%
Water		0%	-	-	0%	0	0%	0%	0%	0%
Refuse		0%	-	-	0%	0	0%	0%	0%	0%
Waste Water		0%	-	-	0%	0	0%	0%	0%	0%
Interest		0%	1 476,96	-	0%	1 477	0%	0%	0%	0%
Property Rates Tax		0%	-	-	0%	0	0%	0%	0%	0%
Electricity	Municipal supplied	0%	-	-	0%	0	0%	0%	0%	0%
Water		0%	-	-	0%	0	0%	0%	0%	0%
Refuse		0%	-	-	0%	0	0%	0%	0%	0%
Waste Water		0%	-	-	0%	0	0%	0%	0%	0%
Interest		27%	122 908,47	22 504,23	18%	100 404	0%	0%	0%	0%
Property Rates Tax		0%	-	-	0%	0	0%	0%	0%	0%
Electricity	Municipal supplied	0%	-	-	0%	0	0%	0%	0%	0%
Water		0%	-	-	0%	0	0%	0%	0%	0%
Refuse		0%	-	-	0%	0	0%	0%	0%	0%
Waste Water		0%	-	-	0%	0	0%	0%	0%	0%
Interest		0%	-	-	0%	0	0%	0%	0%	0%

## ANNEXURE C

### REGISTRATION OF INDIGENT PERSONS FOR SUBSIDIES ON SERVICE ACCOUNTS: JULY 2024

#### PURPOSE

To inform Council of the progress made with the registration of persons for indigent subsidies on service accounts.

#### LEVEL OF INDIGENT SUPPORT

In terms of Clause 5(9) of the Indigent policy that was approved by Council for the 2024 / 2025 budget, effective 01 July 2024, only households where the total household income is less or equal to R4 500.00 per month or equal to two old age pension grants, may apply for indigent support.

In terms of Clause 6(1) of the Indigent policy that was approved by Council for the 2024/2025 budget, effective 01 July 2024, the level of indigent support is as follows:

- **Water**

A subsidy amount equal to the value of 6kl water and thereafter normal tariffs will apply. Above 6kl will not be subsidized at all.  
Basic Water no levy per month - Free of charge
- **Refuse removal**

Removal once (1) a week of 85 or 240 liter container: Free of charge per month
- **Sewerage**

Cost of drainage basic charge plus additional sewerage charge per dwelling house: Free of charge per month.
- **Electricity**

Units - A maximum of 50 kWh per month free of charge.  
Basic Electricity no levy per month - Free of charge.
- **Alternative energy (FBAE)**

Indigent consumers who do not have access to electricity qualify for alternative energy sources in a form of paraffin.
- **Property rates:**

100% of the balance of the rates subject to the conditions as per Property Rates Policy.

## FINANCIAL IMPLICATIONS

The financial implications as of 31 July 2024 were as follows.

July-24				
	Number Indigents Approved	Total Subsidy Allocated Rand Amount as at July 2024	Budget 2024/2025	% Budget Spent
FBS	15 999	14 615 317	233 490 179	6,26%
FBAE	17 716	0	20 000 000	79,96%

### FREE BASIC ALTERNATIVE ENERGY INDIGENT RECIPIENTS

There are 17 716 rural indigents on 31 July 2024 who have registered and qualify for Free Basic Alternative Energy. A total of R0.00 has been spent on FBAE for the 2024/2025 financial year.

New application forms are being packaged and sent to the Speakers office for dissemination to ward councilors for approval of the applications.

1. Below is a schedule of statistics per ward of approved indigent consumers.

Ward	CLR	Area	May-24	Jun-24	Jul-24
1	Bonga A	Tigane	243	254	210
2	Mothupi A	Tigane	371	381	365
3	Tagaree FI	Alabama	932	954	878
4	Barrendse SOW	Alabama	1381	1472	1007
5	Jonas SL	Jouberton	602	602	373
6	Mulhanga SR	Jouberton	884	900	621
7	Mabeke KE	Jouberton	917	921	793
8	Mbele MN	Jouberton	1102	1107	1018
9	Maseko NM	Jouberton	803	804	684
10	Kgwasi JT	Jouberton	742	748	662
11	Mangesi MI	Jouberton	694	697	649
12	Mtshawulana PY	Jouberton	995	1005	657
13	Pelele MS	Jouberton	1031	1082	748
14	Mokoto NP	Jouberton	921	939	552
15	Swart PJ	Klerksdorp	250	256	197
16	Combrinck A	Klerksdorp	172	171	127
17	Postma EM	Klerksdorp	109	119	80
18	Seitisho MN	Klerksdorp	25	25	21
19	Le Grange JJ	Klerksdorp	340	348	282
20	Sello RM	Kanana	449	453	417
21	Ndincede K	Vaal Reefs	0	0	0
22	Seabeng TS	Kanana	767	784	572
23	Mahumapelo M	Kanana	478	479	393
24	Kgwabane OE	Kanana	504	504	477
25	Kodisang ML	Kanana	404	405	368
26	Mokgatla MA	Kanana	483	482	349
27	Mokhele IM	Kanana	512	514	388
28	Bester CJ	Orkney	277	285	216
29	Bornman JGR	Orkney	325	330	273
30	Du Preez PA	Stilfontein	255	266	213
31	Majji SJ	Khuma	438	448	317
32	Morake AM	Khuma	262	281	142
33	Latha KR	Khuma	431	435	336
34	Ntshanga ZE	Khuma	195	196	178
35	Sitshero KV	Khuma	356	359	266
36	Foboke VO	Kanana	222	261	170
37	Plaatjie BM	Jouberton	759	782	526
38	Zitwane WG	Khuma	449	449	380
39	Wallhorn W	Klerksdorp	113	117	94
			<b>20193</b>	<b>20615</b>	<b>15999</b>

#### RECOMMENDATION

That cognizance is taken of the progress made with the registration of indigent consumers for July 2024.

**SUBMITTED FOR INFORMATION**