



MATATIELE
LOCAL MUNICIPALITY

**2024/2025
MONTHLY
SECTION 71
REPORT**

**MONTH ENDED
31 AUGUST 2024**

**TABLE OF CONTENTS**

	PAGE
Glossary	3
Legislative Framework	4
PART 1-IN-YEAR REPORT	
Resolutions	5
Executive summary	6-10
In-year budget statement tables	11-21
PART 1-SUPPORTING DOCUMENTATION	
Debtors Analysis	22-23
Creditors Analysis	23
Investment Portfolio	24-25
Grants Management	25-26
Employee Related Costs & Remuneration of Councillors	27
Conclusion	27
Municipal Manager's quality certificate	28

GLOSSARY

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

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

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

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

Capital Expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet and must be included in the asset register.

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

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

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

Fruitless and Wasteful Expenditure – Expenditure that was made in vain and would/should have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

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

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

MBRR – Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations dated April 2009.

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

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years' budget allocations. Also includes details of the previous and current years' financial position.

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

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the Rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budgeted estimates.

Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

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

Virement – A transfer of funds within a vote.

Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget is divided. In Garden Route District, this means the different GFS classification the budget is divided.

LEGISLATIVE FRAMEWORK

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

The municipal Finance Management Act No. 56 of 2003

Section 71: Monthly budget Statements

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

PART 1-IN-YEAR REPORT

Section 1-Resolutions

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

Regulation 28 of the Municipal Budget and Reporting Regulations states:

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

Recommendations:

- That, Council takes note of the monthly budget statement and supporting documentation for the month 31 August 2024.
- That, the submission of section 71 reports and to Provincial and National Treasuries 10 days after the end of each month be noted by Council.

Section 2-Executive summary

2.1 Introduction

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

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

2.2 Consolidated Performance (Revenue & Expenditure)

Revenue by source

The total annual approved budget is **R 681,215,688** and the Municipality has recognised **R 25,140,514** for the month, this represents **4%**, is below the expected performance for the month below expected performance for the month due to annual property rates billing for the 1st month that has not yet been processed as yet as a result of supplementary valuation, Service Charges and grants which were less recognised.

Operating Expenditure by type

The Municipality incurred expenditure of **R 40,645,498** against the approved budget allocation of **R 584,466,312**, incurring approximately **7%** expenditure for the month budget, this is less the expected performance for the month due to less payments made. The expenditure the majority relates to employee related cost, Council Remuneration, contracted services and other expenditure.

Capital Expenditure

The total approved capital budget is **R 182,983,008**, the Municipality incurred expenditure of **R 6,805,603**. This represents **4%** of the approved capital expenditure budget, this is below the expected performance for the month due to capital projects that have not yet been implemented.

Capital Funded Sources

- The MIG capital grant allocation for the financial year is **R 54,704,808** million as per Dora Allocation, the spending for the month ending 31 August 2024 is **R 1,446,889** which represent **3%** of expenditure to date (Vat exclusive).
- Disaster Response Grant of **R 41,092,392** million was allocated. The grant reflects **R 1,107,090** spending at the end of 31 August 2024 which represent **3%**.
- The Library Capital Grant allocation of **R 950,000** was allocated. The grant reflects **R 0.00** spending at the end of 31 August 2024 which represent **0%**.
- Capital Replacement Reserves (CRR) for the financial year is **R 86,235,804** million is allocated. The spending for the month is **R 4,251,624** which represent **5%**
- The municipality anticipates to spend **100%** of the total capital budget as at the end of the financial year, total spending is **4%** for the month ended 31 August 2024.

The table below is an analysis per business unit –

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

Row Labels	Sum of TotalBudget	August Actual	YTD Actuals
Community and Social Services: Community Governance(3096)	69 996	-	-
Community Halls and Facilities:Public Amenities (3005)	2 440 008	76 800	76 800
CORE FUNCTION: SOLID WASTE REMOVAL	5 950 008	1 624 950	1 624 950
Energy Sources: Electricity (4040)	9 650 016	-	-
Executive and Council: Mayor and Council(1005)	50 004	-	25 238
Executive and Council: Municipal Manager (1010)	39 996	-	-
Finance and Administration: Information Technology (2540)	3 229 992	-	-
Finance and Administration: Administrative and Corporate Support(2530)	90 000	-	25 238
Finance and Administration: Asset Mangement and Reporting (2015)	39 996	-	25 238
Finance and Administration: Council Support (2541)	510 000	-	-
Finance and Administration: Human Resources (2535)	90 000	-	50 475
Finance and Administration: SCM & Expenditure (2025)	2 430 000	855 549	855 549
Finance and Administration: Revenue and Debt Management (2020)	90 000	-	50 475
Marketing; Customer Relations; Publicity and Media Co-ordination:communication	590 004	-	-
Planning and Development: LED (3520)	3 060 000	1 446 100	1 446 100
Planning and Development: Planning (3510)	99 996	-	-
Planning and Development: Planning Governance (3540)	45 000	-	-
Public Safety: Civil Defence (3074)	7 900 008	-	-
Risk Management:FINANCE AND ADMINISTRATION RISK AND M&E (1035)	75 000	-	-
ROAD TRANSPORT: INFRASTRUCTURE GOVERNANCE (4050)	45 000	-	-
Road Transport: Project Operations & Malnnt(4010)	56 342 388	1 107 090	2 187 295
Roads:Project Management Unit	84 645 612	1 446 889	3 699 576
Town Planning; Building Regulations and Enforcement; and City Engineer:Human Resources	5 499 984	248 225	248 225
Grand Total	182 983 008	6 805 603	10 315 159
		4%	

Grant Funded Projects (MIG PROJECTS)

MIG Capital Project	August 2024 status
Mahangwe Sport Centre	The project is at planning stage.
HIGHMAST LIGHTS MIG	The project has been commissioned and completed
Construction of Cedarville Internal Streets Phase 4	The project is still at procurement stage.
Maluti Internal Streets Phase 5	The project is still at procurement stage.
Mahasheng Access Road & Bridge	the Contractor has been appointed.
Mafube-Nkosana Access Road & Bridge	The project is 60 % completed.
Lekhalong via Magera-Outspan Access Road	The contractor has been appointed and project is 10% completed.
Extension of Matatiele Sports Centre Ph2	The project is 87 % completed.
Harry Gwala Internal Streets	The project is 57 % completed.
Disaster and Fire Management Centre	The project is at planning stage.
Tipper Truck	The project is still at procurement stage.
Compactor Tractor	The project is still at procurement stage.
Ton Payload Hook Lift Truck	On progress
Excavator	On progress
Vibrating Roller	On progress

Grant Funded Projects (Integrated National Electrification Programme Grant) INEP

INEP Capital Project	August 2024 status
Connect Mbizeni	The contractor has been appointed and is currently busy with Rock drilling, Pole planting and Stringing. Overall progress is at 10%.
Connect Mapakising	Construction is complete, contractor is busy with Eskom process. Overall progress is at 95%
Connect Mgubho	The contractor has been appointed and is currently busy with Rock drilling, Pole planting and Stringing. Overall progress is at 10%.
Connect Luxeni	The contractor has been appointed and is currently busy with Rock drilling, Pole planting and Stringing. Overall progress is at 10%.
Connect Lhaseng	The contractor has been appointed and is currently busy finalising Designs. Overall progress is at 7%.
Contractors:Electrical	Construction is complete, contractor is busy with Eskom process. Overall progress is at 95%
Connect Paballong	The contractor has been appointed and is currently busy finalising Designs. Overall progress is at 5%.

Connect Mahlabatheng	The contractor has been appointed and is currently busy finalising Designs. Overall progress is at 7%.
Connect Lugada	The contractor has been appointed and is currently busy with Rock drilling, Pole planting and Stringing. Overall progress is at 10%.

Disaster Response Grant

Disaster Capital Project	August 2024 status
Baloon Street Crossing Bridge	The project is 95 % completed.
Mabheleni-Upper Mvenyane Access Road & Bridge	The project is 94% complete physical progress on site.
Hillside - Ngcwengane Access Road and Bridge	The project is 94 % completed.(Bridge is at procurement stage)
Rockville Protea Bridge	The project is 95 % completed.
Nyanzela Access Road	The project is 95 % completed.
Mdeni Access Road and Bridge	The project is at procurement stage.
	The project is at procurement stage.
Mvenyane Access Road and Bridge	The Service provide has been appointed.
Lugada to Mahlabathini and Bridge	The project is at procurement stage.
Mngeni Bridge	The project is at procurement stage.

Internal Funded Capital Projects

<u>Capital Replacement Reserve Projects</u>	<u>August 2024 Status</u>
Cherry Picker Truck	The project is at procurement stage.
Renovation of Town Hall	The project is at procurement stage.
Skiti -Tholang Access Road	A Service provide has been appointed.
Fencing Nature Reserve	The project is at procurement stage.
Server	The project is at procurement stage.
Weigh Bridge	The project is at procurement stage.
Ramafole Access Road	The project is at procurement stage.
New Resh Access Road	A Service provide has been appointed.
FM TOWER LINE WIP	The contractor has issued the SMME scope of work and is expected to be on site 16 September 2024
KINIRA TO SHERPARD HOPE ACCESS ROAD	A service provide has not yet appointed as project is on tender stage
Bhakaneni Access Road	A Service provide has been appointed.
Fatima Access Road	The project is at procurement stage.
Municipal Fleet	The project is 35% complete.
Mapoleseng Access Road	The project is at procurement stage.

Mafaise Access Road	A service provide has not yet appointed as project is on tender stage
f 2 silo facilities	The project is at procurement stage.
Potlo Access Road	The project is at procurement stage.
Moring- Kweneng Access Road	The project is at procurement stage.
Chere Mahareng Access Road	A Service provide has been appointed.
New Stance Access Road	A Service provide has been appointed.
Nkungwini-Ngudla Access Road	The project is at procurement stage.
TRANSFORMERS INFRA	The project is at procurement stage.
Khauoe Access Road	The project is at procurement stage.
Fire Engine Truck	The project is at procurement stage.

This information reflects on our tender control plan on August 2024

SUMMARY: QUOTATIONS	31-Aug-24	TOTAL
DAY TO DAY QUOTATIONS	182	182
FORMAL QUOTATIONS	2	2
TOTAL QUOTATIONS	184	184

BIDDING PROCESS	Bids Awarded vs Capital Budget	Capital Spending Year-To-Date	Orders Issued
Bids awarded	116 479 589	-	16
Bids in the process	1	-	-
Bids behind schedule	-	-	-
Bids cancelled or removed from budget	-	-	-
Bids to be awarded	-	-	-

2.3 Material variances from the SDBIP

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

2.4 Remedial or corrective steps

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

Section 3

IN-YEAR BUDGET STATEMENT TABLES

3.1 Monthly budget statements

3.1.1 Table C1 Monthly Budget Statement Summary

EC441 Matatiele - Table C1 Monthly Budget Statement Summary - M02 - August

Description	Budget Year 2024/25								
	2023/24 Audited Outcomes	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	50 849	61 937	-	2 479	11 326	10 323	1 004	10%	61 937
Service charges	75 857	91 972	-	8 923	16 126	15 329	797	5%	91 972
Investment revenue	24 861	28 813	-	2 501	6 907	4 802	2 105	44%	28 813
Transfers and subsidies - Operational	354 013	360 244	-	5 458	146 437	60 041	86 396	144%	360 244
Other own revenue	27 967	41 503	-	2 344	4 634	6 917	(2 284)	-33%	-
Total Revenue (excluding capital transfers and contributions)	533 546	584 466	-	21 706	165 430	97 411	68 019	90%	584 466
Employee costs	159 134	174 999	-	11 816	23 656	29 167	(5 511)	-19%	174 999
Remuneration of Councilors	23 070	26 401	-	1 909	3 808	4 400	(592)	-13%	26 401
Depreciation and amortisation	18 539	52 790	-	-	-	8 798	(8 798)	-100%	52 790
Interest	219	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	71 500	83 143	-	11 386	11 730	13 857	(2 127)	-15%	83 143
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	201 327	247 133	-	15 535	43 795	41 189	2 606	6%	247 133
Total Expenditure	473 788	584 466	-	40 645	82 989	97 411	(14 422)	-15%	584 466
Surplus/(Deficit)	59 758	2	-	(18 940)	102 441	8	182 441	2706228%	2
Transfers and subsidies - capital (monetary allocations)	72 232	96 747	-	3 435	7 103	16 125	(9 022)	-56%	96 747
Transfers and subsidies - capital (in-kind) contributions	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate	131 900	96 740	-	(15 305)	109 544	16 125	93 419	579%	96 749
Surplus/ (Deficit) for the year	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	131 900	96 740	-	(15 305)	109 544	16 125	93 419	579%	96 749
Capital expenditure & funds sources									
Capital expenditure	128 785	182 963	-	8 806	10 315	30 497	(20 182)	-86%	182 983
Capital transfers recognised	59 929	96 747	-	2 554	5 887	16 125	(10 238)	-63%	96 747
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	88 836	86 236	-	4 252	4 428	14 373	(9 944)	-80%	86 236
Total sources of capital funds	128 785	182 963	-	8 806	10 315	30 497	(20 182)	-86%	182 983
Financial position									
Total current assets	482 001	481 343	-	-	566 346	-	-	-	481 343
Total non current assets	1 097 671	988 611	-	-	1 059 627	-	-	-	988 611
Total current liabilities	175 469	196 386	-	-	196 966	-	-	-	196 386
Total non current liabilities	36 325	39 250	-	-	40 325	-	-	-	39 250
Community wealth/Equity	1 367 878	1 232 317	-	-	1 388 690	-	-	-	1 232 317
Cash flows									
Net cash from (used) operating	385 835	177 947	177 947	3 233	152 480	29 656	(122 822)	-414%	177 947
Net cash from (used) investing	167 906	(182 983)	(182 983)	(7 443)	(11 314)	(30 497)	(19 183)	63%	(182 983)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	808 526	290 182	290 182	-	309 311	204 359	(104 951)	-36%	253 108
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dya	151-180 Dya	181 Dya-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	10 882	10 597	2 909	2 947	3 495	3 679	3 448	205 778	241 645
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

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

EC441 Matatiele - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M02 - August

Description	Ref	Budget Year 2024/25								
		2023/24 Revised Estimate	Original Budget	Revised Budget	Monthly actual	YearTD actual	YearTD budget	YTD %	YTD %	YearTD Estimate
R (thousands)	1									
Revenue - Functional										
Governance and administration		399 198	438 117	-	6 492	155 222	73 828	82 203	119%	438 117
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		399 198	438 117	-	6 424	155 057	73 020	82 037	112%	438 117
Internal audit		-	-	-	68	165	-	165	N/D/N/D	-
Community and public safety		11 842	14 604	-	811	1 119	2 434	(1 315)	-54%	14 604
Community and social services		4 820	8 904	-	27	45	1 484	(1 439)	-97%	8 904
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		6 222	5 700	-	783	1 074	958	124	13%	5 700
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		63 401	104 188	-	3 446	7 132	17 365	(10 233)	-59%	104 188
Planning and development		1 221	5 502	-	11	14	917	(905)	-98%	5 502
Road transport		62 180	96 686	-	3 435	7 118	16 448	(9 330)	-57%	96 686
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		132 137	124 307	-	14 392	29 068	28 718	8 342	40%	124 307
Energy sources		117 153	105 494	-	12 242	25 565	17 582	8 083	46%	105 494
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		14 984	18 813	-	2 150	3 474	3 135	339	11%	18 813
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	695 778	661 216	-	25 141	192 533	113 536	78 997	70%	661 216
Expenditure - Functional										
Governance and administration		219 068	256 861	-	16 675	44 318	42 818	1 507	4%	256 861
Executive and council		51 034	35 348	-	2 316	4 669	5 891	(1 222)	-21%	35 348
Finance and administration		183 679	216 649	-	14 049	38 935	36 108	2 824	8%	216 649
Internal audit		4 154	4 864	-	309	716	611	(95)	-12%	4 864
Community and public safety		56 724	56 502	-	2 827	5 623	9 250	(3 627)	-39%	56 502
Community and social services		33 760	29 281	-	964	1 938	4 880	(2 942)	-62%	29 281
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		21 964	26 221	-	1 863	3 685	4 378	(693)	-16%	26 221
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		63 798	119 699	-	3 245	6 271	19 177	(12 905)	-67%	119 699
Planning and development		29 869	48 686	-	1 202	2 639	8 114	(5 275)	-65%	48 686
Road transport		33 880	66 373	-	2 043	3 432	11 062	(7 630)	-69%	66 373
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		135 247	157 844	-	17 899	26 777	26 174	603	2%	157 844
Energy sources		114 817	131 098	-	15 357	22 495	21 856	646	3%	131 098
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		28 451	25 946	-	2 542	4 282	4 324	(42)	-1%	25 946
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	473 786	584 466	-	40 645	82 989	97 411	(14 422)	-15%	584 466
Surplus/ (Deficit) for the year		131 992	96 749	-	(15 505)	109 544	16 125	93 419	579%	96 749

This table assess the revenue and expenditure by department, the revenue for the period ending 31 August 2024 is R 25,1 million and the expenditure is R 40,6 million.

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

EC441 Matatiele - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 - August

Vote Description	Ref	2023/24		Budget Year 2024/25						
		Revenue	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD Budget	YTD Variance	YTD %	Full Year Forecast
Revenue by Vote										
Vote 1 - Executive Council	1	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		398 797	437 767	-	6 424	155 004	72 961	82 043	112.4%	437 767
Vote 3 - Corporate		401	350	-	-	53	50	(6)	-9.8%	350
Vote 4 - Development and Planning		1 326	5 502	-	11	34	917	(903)	-98.4%	5 502
Vote 5 - Community		26 025	33 416	-	2 951	4 593	5 569	(976)	-17.5%	33 416
Vote 6 - Infrastructure		179 229	204 180	-	15 676	32 703	34 030	(1 327)	-3.9%	204 180
Vote 7 - Internal Audit		-	-	-	69	165	-	165	N/A(0%)	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	605 778	681 216	-	25 141	192 533	113 536	78 997	69.6%	681 216
Expenditure by Vote										
Vote 1 - Executive Council	1	31 034	35 348	-	2 318	4 669	5 891	(1 222)	-20.7%	35 348
Vote 2 - Finance and Admin		109 568	125 287	-	8 279	22 705	20 681	1 824	8.7%	125 287
Vote 3 - Corporate		74 511	51 362	-	5 770	16 228	15 227	1 001	6.6%	51 362
Vote 4 - Development and Planning		29 866	48 686	-	1 224	2 880	8 114	(5 234)	-64.5%	48 686
Vote 5 - Community		76 155	81 448	-	5 369	9 905	15 575	(3 669)	-27.0%	81 448
Vote 6 - Infrastructure		148 697	197 471	-	17 377	25 887	32 912	(7 025)	-21.3%	197 471
Vote 7 - Internal Audit		4 154	4 864	-	309	716	811	(95)	-11.7%	4 864
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	473 788	584 466	-	40 645	82 989	97 411	(14 422)	-14.8%	584 466
Surplus (Deficit) for the year	2	131 990	96 749	-	(15 505)	109 544	16 125	93 419	579.3%	96 749

Reporting per municipal Vote provides details on the spending over the various functions. Revenue is mainly budgeted under the Finance & Admin Function and therefore the majority of the revenue will be reflected under this function.

Expenditure by functional classification presents the expenditures by the departments

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

EC441 Matatiele - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 - August

Description	Ref	Budget Year 2024/25						YTD variance	YTD variance %	Full Year Forecast
		2023/24 Actual Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget			
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		54 358	76 445		7 908	14 958	12 741	1 414	11%	76 445
Service charges - Water										
Service charges - Waste Water Management										
Service charges - Waste management		11 489	15 526		985	1 971	2 888	(816)	-24%	15 526
Sale of Goods and Rendering of Services		1 794	5 946		130	183	991	(838)	-85%	5 946
Agency services										
Interest										
Interest earned from Receivables		1 657	2 200		92	171	367	(196)	-53%	2 200
Interest from Current and Non Current Assets		24 861	28 813		2 801	6 907	4 802	2 905	44%	28 813
Dividends										
Rent on Land		327								
Rental from Fixed Assets		819	2 028		85	87	398	(251)	-74%	2 028
Licence and permits		3 969	4 522		506	666	784	(89)	-12%	4 522
Operational Revenue		333	892			80	149	(96)	-68%	892
Non-Exchange Revenue										
Property rates		80 849	61 937		2 479	11 326	10 320	1 084	10%	61 937
Surcharges and Taxes										
Fines, penalties and forfeits		2 288	25 890		279	410	4 318	(3 905)	-90%	25 890
Licence and permits		28	28				4	(3)	-65%	28
Transfers and subsidies - Operational		354 013	360 244		3 458	146 457	80 041	86 396	144%	360 244
Interest		16 571			1 262	2 564		2 564	#DIV/0!	
Fuel Levy										
Operational Revenue										
Gains on disposal of Assets										
Other Gains		182				530		530	#DIV/0!	
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		533 546	584 469		21 786	385 438	97 411	88 819	99%	584 469
Expenditure By Type										
Employee related costs		159 134	174 999		11 816	23 656	29 167	(5 511)	-19%	174 999
Remuneration of councillors		23 070	26 401		1 909	3 808	4 400	(592)	-13%	26 401
Bulk purchases - electricity		65 575	78 248		10 921	10 921	12 708	(1 786)	-14%	78 248
Inventory consumed		5 525	6 687		465	809	1 180	(341)	-30%	6 687
Debt impairment										
Depreciation and amortisation		16 539	52 790				8 798	(8 798)	-100%	52 790
Interest		219								
Contracted services		138 012	160 782		11 743	34 883	26 797	8 058	30%	160 782
Transfers and subsidies										
Irrecoverable debts written off			6 294				1 049	(1 049)	-100%	6 294
Operational costs		64 428	80 058		3 792	8 918	13 343	(4 425)	-33%	80 058
Losses on Disposal of Assets										
Other Losses		887				23		23	#DIV/0!	
Total Expenditure		473 788	584 466		49 645	82 989	97 411	(14 422)	-15%	584 466
Surplus/(Deficit)		59 758	2		(18 949)	382 441	8	182 641	27988235%	2
Transfers and subsidies - capital (monetary allocations)		72 232	96 747		3 435	7 103	16 125	(9 022)	-66%	96 747
Transfers and subsidies - capital (in-kind)										
Surplus/(Deficit) after capital transfers & contributions		131 990	96 749		(15 585)	389 544	16 125			96 749
Income Tax										
Surplus/(Deficit) after income tax		131 990	96 749		(15 585)	389 544	16 125			96 749
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to municipalities										
Surplus/(Deficit) attributable to municipality		131 990	96 749		(15 585)	389 544	16 125			96 749
Share of Surplus/Deficit attributable to As sociate										
Intercompany/Parent subsidiary transactions										
Surplus/(Deficit) for the year		131 990	96 749		(15 585)	389 544	16 125			96 749

In terms of August 2024 Monthly Budget & Performance assessment, the actual billed and/or collected to date is R 21,7 million inclusive of operational transfers against approved Revenue budget of R 584,469 million , this represents 4%, is below the expected performance for the month below expected performance for the month due to annual property rates billing for the 1st month that has not yet been processed as yet as a result of supplementary valuation, Service Charges and grants which were less recognised..

The operating expenditure budget as at 31 August 2024 is R 40,6 million against approved Expenditure budget of R 584,466 million, this represents 7% of the total operating budget, this is less the expected performance for the month due to less payments made.

Revenue by Source

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

Property Rates

Property Rates – Property rates are billed for 10 months starting from July 2024 to April 2025 for both annual and monthly rates, hence there is variance, the variance will decrease as the year progresses once all supplementary valuations are taken into consideration. The total property rates raised/billed amounted to **R 2,479,484**, the income received from property rates amounted to **R 5,763,614**, this represent **100%** when measured against the property rates billed or raised for the month and when measured against the approved budget of **R 61,936,752**, it represent **4%** of the received revenue by source which is less than anticipated for the month. The revenue stream will be closely monitored to ensure revenue targets are met by year end as the municipality provide discount to customers based on certain percentage on the amount paid.

Services Charges

Revenue from Service charges amounted to **R 8,922,692** which is made of **R 985,165** and **R 7,937,527** revenue from service charges against the approved budget of **R 91,971,672**. This represent **10%** and is above the expected performance for the month. this is above the expected performance due to more collection on Prepaid electricity sales and refuse collection. It must further be noted that bulk meters' account for most of our electricity consumption.

Rental of Facilities and equipment

Rental of facilities and equipment approved budget is **R 2,027,532**. Revenue amount of **R 87,318** for August 2024 has been recognised, representing **4%** which is less than the expected performance for the month due to that the municipality did not receive any monies for rental of facilities and equipment. The rental revenue targets were not met in the previous financial year resulting in maintaining the rental budget allocation for the 2024/25 financial year. The revenue will be monitored to measure if any downward adjustments are required during the Adjustment budget process.

Interest earned on Investments

The total approved budget Interest on investments is **R 28,812,996** and the interest received for the month of August 2024 is **R 2,501,498** and YTD amount of **R 6 906 981** should be less accrued interest received reversal of **R 1,498,117** which was reported on June, this amount is not reversed, therefore the YTD interest received is **R 5,408,864**. This represents **9%**, this is

above the expected performance due to matured investments which results to interest received resulted to be favourable interest.

Interest on Outstanding Debtors

Interest on non-payment of electricity has been raised monthly which amounts to **R 1,354,097** has been posted on the interest on arrears for refuse services with the approved budget allocation of **R 2,199,996** which represents **62%**, it must be stressed that the are monies for property rates penalties which amount to **R 2,563,897** that are erroneously raised under this segment which must be reversed and be raised under fines. Therefore, once corrected this will represent **4%** which is less than the expected performance when measured against the monthly projection. The municipality receive less monies for the month for the interest billed.

Fines, penalties and Forfeits

Revenue from fines, penalties and forfeits has an approved budget of **R 25,890,000**. The cash receipts for traffic fines issued is **R 278,602**, it must be stressed that an amount of **R 2,563,897** was erroneously raised under interest on outstanding debtors and once corrected this will represents **9%** due to property rates penalties. The variance should reduce as the year progresses.

Licences and permits

The total approved budget for licences and permits is **R 4,547,100** for budget year. At the end of the August 2024 the cash receipts for traffic fines issued was **R 506,816** and represents **11%** of the total revenue budget for this category. This is due to increase in motor vehicle registration application and motor vehicle registration for the month.

Transfers and Subsidies-Operational

Total approved budget amount on transfers and subsidies is **R 360,244,200** and the transfers recognised represents **R 5,457,677** was recognised for the month ended 31 August 2024. The recognised transfers represent **2%** of the approved allocation as all grants. This is less than the expected performance for the month, as a result of less revenue recognised from INEP grant for the month of august 2024.

Transfers and Subsidies- Capital

Total approved budget on transfers and subsidies is **R 96,747,180** and Total revenue of **R 3,434,725** was recognised for the month ended 31 August 2024 and it represents **4%** of total budget. This is less than the expected performance for the month as fewer capital payments made on capital projects as there are delays on procurement processes and less revenue recognised on other grants.

Other Revenue

Other revenue amounted to **R 119,913** for the month ended 31 August 2024, when measured against the approved budget allocation of **R 6,838,260** this represents **2%** which is less than the expected performance for the month. This is due to less revenue collected on tender documents, admin handling fees and insurance. Various line items of revenue are related to timing of certain events and will only be accounted for as the year progress. Therefore, this means that the municipality is heavily grant dependant.

Operating Expenditure by type

Employee related costs/Remuneration of Councillors

Salary costs incurred – the Municipality incurred **R 13,7** million salary costs at the end of August 2024 against the approved budget allocation of **R 201,400,800**, incurring **7%** expenditure for the month salary budget allocation and this is less than expected performance as reflected in the table below. The variance is attributable to vacant posts anticipated to be filled in the 2024/2025 financial year. The process of filling posts is continuous hence there is a variance.

To also note that, the increase that has been budgeted for will only come into effect once negotiations for the final increases over the MTREF are agreed upon by the unions and SALGA.

Row Labels	Sum of TotalBudget	August Actual	TYD Actuals
Employee Related Cost	174 999 456	11 815 515	23 655 535
Municipal Staff	166 511 904	11 451 407	22 833 693
Senior Management	8 487 552	364 108	821 842
Remuneration of Councillors	26 401 344	1 909 054	3 808 465
Chief Whip	859 800	74 629	136 069
Executive Committee/Mayoral Committee	6 194 532	344 034	688 068
Executive Mayor/Mayor	1 103 472	278 433	556 865
Section 79 committee chairperson	847 644	-	-
Speaker	932 088	65 276	130 551
Total for All Other Councillors	16 463 808	1 146 683	2 296 911
Grand Total	201 400 800	13 724 569	27 464 000
		7%	

Debt impairment

Debt Impairment is processed annually. Testing of impairment is processed quarterly but adjusted on an annual basis.

Irrecoverable debts written-off

Note that no council approved write-offs as at date of reporting.

Depreciation

Depreciation and asset impairment reflect negative variance, the variance is the result of delays in completion of prior year projects which influenced the capitalization and subsequent depreciation of these assets. The other contribution factor to this variance is related to asset impairment which is undertaken towards the end of the financial year. No depreciation accounted for the month and the asset impairment will be processed at year end.

The expenditure on depreciation and amortisation will increase in august when the Assets under Construction is capitalised with projects that were completed in June 2024.

Finance charges

No interest expenditure incurred in august.

Bulk Purchases

Total approved budget on bulk electricity purchases is **R 76,245,564**, the expenditure incurred for the month amounted to **R 10,921,414** million which represent **14%**. This is above the expected performance for the month is due to Eskom tariff increase and seasonal demand, the payment made relates to July invoice. Then the payment for the bulk purchases for August will be processed in September 2024.

Other material

Total approved budget on other material is **R 6,897,036**, the expenditure amounted to **R 464,656** for the month ended 31 August 2024 million which represent **7%**. This is less than expected performance for the month as result of less demand on stores items. Majority of the work undertaken in august will be paid for in September, resulting in higher expenditure payments to be processed at the end of quarter 1.

Contracted Services

Total approved budget on contracted services is **R 160,781,520**. The spending for the month amounted to **R 11,742,981** that represents **7%** This is less than the expected performance when measured against the budget projection due to contracts that are planned to be procured by 2nd to 4th quarter.

Other Expenditure

Other expenditure includes all other general operational costs of the Municipality. Total approved Budget on Other expenditure is R 80,057,640. this expenditure amounted to R 3,791,878 for the month, this represents 5% of the budgeted amount on this category. This is less than the expected performance for the month on under this category, less expenditure is identified relating to Audit fees, Internships and learnerships, insurance premium, workman's Compensation and employee achievements and awards that are planned to be spent in the 2nd quarter of the financial year.

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

EC441 Matatiele - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M02 - August										
Vote Description	Ref	2024			Budget Year 2024			Var. %	Variance	
		Approved	Approved	Approved	YearTD actual	YearTD budget	YearTD actual			
R Allocation										
Multi-Year expenditure appropriation	2									
Vote 1 - Executive Council										
Vote 2 - Finance and Admin										
Vote 3 - Corporate										
Vote 4 - Development and Planning										
Vote 5 - Community										
Vote 6 - Infrastructure										
Vote 7 - Internal Audit										
Vote 8 -										
Vote 9 -										
Vote 10 -										
Vote 11 -										
Vote 12 -										
Vote 13 -										
Vote 14 -										
Vote 15 -										
Total Capital Multi-year expenditure	4.7									
Single Year expenditure appropriation	2									
Vote 1 - Executive Council		64	90		25	15	10	68%	90	
Vote 2 - Finance and Admin		2 203	2 225		855	931	394	73%	2 225	
Vote 3 - Corporate		116	6 725		1 694	1 694	243	17%	6 705	
Vote 4 - Development and Planning		5 070	16 360		1 702	1 722	(1 825)	-9%	16 360	
Vote 5 - Community		116 791	180 683		2 954	5 987	25 114	(19 227)	-77%	180 683
Vote 6 - Infrastructure										
Vote 7 - Internal Audit		46								
Vote 8 -										
Vote 9 -										
Vote 10 -										
Vote 11 -										
Vote 12 -										
Vote 13 -										
Vote 14 -										
Vote 15 -										
Total Capital single-year expenditure	4	126 785	182 983		6 806	10 315	30 497	(29 182)	-66%	182 983
Total Capital Expenditure		126 785	182 983		6 806	10 315	30 497	(29 182)	-66%	182 983
Capital Expenditure - Functional Classification										
Governance and administration		4 887	7 238		856	1 822	1 206	(574)	-54%	7 238
Executive and council		64	90		25	15	10	68%	90	
Finance and administration		4 890	7 145		886	1 807	1 191	(584)	-59%	7 145
Internal audit		46								
Community and public safety		3 708	18 418		77	77	1 736	(1 338)	-9%	18 418
Community and social services		894	2 810		77	77	418	(342)	-82%	2 810
Sport and recreation										
Public safety		2 104	7 900				1 317	(1 317)	-100%	7 900
Housing										
Health										
Waste and environmental services		59 066	149 738		4 248	7 881	24 906	(17 378)	-70%	149 738
Planning and development		116	6 705		1 694	1 694	243	17%	6 705	
Road transport		58 980	141 023		2 504	5 687	23 506	(17 419)	-78%	141 023
Environmental protection										
Trading services		19 211	15 800		1 628	1 628	2 606	(975)	-38%	15 800
Energy services		17 042	9 850				1 608	(1 608)	-100%	9 850
Water management										
Waste water management										
Waste management		1 388	6 180		1 424	1 625	892	632	64%	6 180
Other										
Total Capital Expenditure - Functional Classification	3	126 785	182 983		6 806	10 315	30 497	(29 182)	-66%	182 983
Funding Sources										
National Government		50 829	50 797		2 554	5 887	15 696	(10 079)	-63%	50 797
Provincial Government			900				158	(158)	-100%	900
Local Municipality										
Transfers and subsidies - capital (monetary allocations) (Net Prov Depts Agreements)		55 929	96 747		2 554	5 887	16 125	(10 236)	-63%	96 747
Transfers recognised - capital										
Borrowing	6									
Internally generated funds		66 956	85 236		4 252	4 428	16 373	(9 944)	-69%	85 236
Total Capital Funding		126 785	182 983		6 806	10 315	30 497	(29 182)	-66%	182 983

The approved annual capital budget for the financial year amounts to R 182,983,004. The capital expenditure incurred for the month ended 31 August 2024 amounted to R 6,805,603.

This represents 4% of the approved capital expenditure budget. This is below the expected performance for the month due capital projects which have not yet been implemented.

3.1.6 C6 Monthly Budget Statement –Financial Position

EC441 Matatiele - Table C6 Monthly Budget Statement - Financial Position - M02 - August

Description	Ref	Budget Year 2024/25				
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands						
ASSETS						
Current assets						
Cash and cash equivalents		258 145	290 162	-	354 052	290 162
Trade and other receivables from exchange transactions		(23 839)	126 604	-	(41 924)	126 604
Receivables from non-exchange transactions		154 305	37 651	-	156 954	37 651
Current portion of non-current receivables		-	-	-	-	-
Inventory		3 992	3 041	-	4 642	3 041
VAT		82 852	18 836	-	84 578	18 836
Other current assets		6 546	5 048	-	8 044	5 048
Total current assets		482 001	481 343	-	506 346	481 343
Non current assets						
Investments		-	-	-	-	-
Investment property		4 960	4 960	-	4 960	4 960
Property, plant and equipment		1 090 015	981 457	-	1 052 552	981 457
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		1 543	1 543	-	1 543	1 543
Intangible assets		1 153	652	-	573	652
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
Total non current assets		1 097 671	988 611	-	1 058 627	988 611
TOTAL ASSETS		1 579 671	1 469 954	-	1 625 973	1 469 954
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		-	-	-	-	-
Consumer deposits		1 780	472	-	1 780	472
Trade and other payables from exchange transactions		39 952	126 890	-	38 306	126 890
Trade and other payables from non-exchange transactions		27 259	20 746	-	43 692	20 746
Provision		20 371	29 993	-	26 769	29 993
VAT		83 146	20 285	-	88 421	20 285
Other current liabilities		2 961	-	-	-	-
Total current liabilities		175 400	198 386	-	196 968	198 386
Non current liabilities						
Financial liabilities		-	-	-	-	-
Provision		21 827	39 250	-	23 768	39 250
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		14 497	-	-	16 556	-
Total non current liabilities		36 325	39 250	-	40 325	39 250
TOTAL LIABILITIES		211 794	237 637	-	237 293	237 637
NET ASSETS	2	1 367 878	1 232 317	-	1 388 680	1 232 317
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 002 118	1 146 081	-	992 414	1 146 081
Reserves and funds		365 760	86 236	-	396 267	86 236
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	1 367 878	1 232 317	-	1 388 680	1 232 317

3.1.7 C7 Monthly Budget Statement –Cash Flow

EC441 Matatiele - Table C7 Monthly Budget Statement - Cash Flow - M02 - August

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										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		52 673	52 546	52 646	6 594	10 593	8 774	3 918	22%	52 646
Service charges		85 259	80 376	80 376	7 066	15 212	13 366	3 836	14%	80 376
Other revenue		22 975	84 503	84 603	2 967	3 485	14 064	(10 598)	-75%	84 503
Transfers and Subsidies - Operational		348 670	360 244	360 244	7 590	141 887	80 041	81 816	136%	360 244
Transfers and Subsidies - Capital		114 964	96 747	96 747	4 402	35 022	16 125	18 897	117%	96 747
Interest		24 009	28 813	28 813	2 901	5 409	4 802	607	13%	28 813
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(260 721)	(525 383)	(525 383)	(27 810)	(59 197)	(87 564)	28 367	-32%	(525 383)
Interest		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		386 835	177 947	177 947	3 233	152 480	29 658	(122 822)	-61%	177 947
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		(167 906)	(182 983)	(182 983)	(7 443)	(11 314)	(30 497)	19 185	-53%	(182 983)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(167 906)	(182 983)	(182 983)	(7 443)	(11 314)	(30 497)	(19 183)	63%	(182 983)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		553 741	(5 936)	(5 936)	(4 210)	141 166	(836)			(5 936)
Cash/cash equivalents at beginning:		254 787	295 199	295 199		255 145	295 199			255 145
Cash/cash equivalents at month/year end:		808 526	290 162	290 162		399 311	294 359			253 106

**PART 2 –SUPPORTING DOCUMENTATION
SECTION 4**

Debtors Analysis

Table SC3 presented below summarises the Debtors Age Analysis as at 31 August 2024.

EC411 Matatiele - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 - August		Budget Year 2024/25									Total over 90 days	Actual Bad Debts Written Off against Debtors	Repayment - Bad Debts (to Council Policy)
Description	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1Yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	9 952	1 407	771	729	589	926	485	1 908	12 926	4 806	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	2 382	6 144	56	18	580	649	570	82 068	92 333	63 791	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	955	688	460	461	425	401	384	28 289	31 992	26 951	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	7	7	7	-	-
Interest on Asset Debtor Accounts	1810	1 355	1 379	1 405	1 528	1 589	1 653	1 529	96 266	66 671	52 329	-	-
Receivables unauthorised irregular, irregular and wasteful expenditure	1920	-	-	-	-	-	-	-	-	-	-	-	-
Other	1930	277	1 681	223	223	153	286	488	25 029	27 716	26 174	8	-
Total By Income Source	2006	16 682	18 597	2 969	2 947	3 495	3 879	3 448	293 778	241 645	217 257	8	-
2023/24 - totals only		29 281	37 941	3 242	3 031	3 394	3 285	2 924	167 658	254 242	176 624	-	-
Debtors Age Analysis By Costcenter Group													
Organs of State	2200	2 212	6 326	1 665	1 729	1 892	2 109	1 645	84 053	92 664	91 430	-	-
Commercial	2300	6 529	3 219	43	481	386	471	707	40 348	52 613	42 265	8	-
Households	2400	1 057	1 657	782	750	1 117	1 102	1 094	79 375	86 368	63 442	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Costcenter Group	2006	10 802	10 307	2 909	2 947	3 495	3 879	3 448	293 778	241 645	217 257	8	-

The total debt book for August 2024 of R 241,475,833, inclusive of R 13,965,938.30 advance payments.

The total debt book for August 2024 of R 227 509 894.70 (including current of R 9,892,710.71 which is not yet due) has decreased by R 10,475,400.27 from the previous month closing balance of R 237 985 294. Debt is made up of the following:

- **Residential debt:**
R 97,089,768
- **Commercial debt**
R 36,622,697
- **Government debt**
R 99,646,940.24
- **Other**
R 7,815,262

The municipality implements the credit control and debt collection policy. There are two areas in which the municipality is not able to collect and the debt totals to R 84,072,196.14

- **Maluti**
R 66,873,688.95 (including current)
- **Cedarville**
R 17,198,507.19 (including current)

The municipality makes use of debt collectors in implementing the credit and debt collection policy.

The municipality makes use of debt collectors in implementing the credit and debt collection policy. A new service provider has been appointed to start looking at debt that is older than 90 days. The following to be handed over:

The following has been handed over:

Residential H/O R 86,094,860

Business H/O R 30,806,608

Churches H/O R 137,087

Farms H/O R 3,891,244

No collected made for August 2024.

SECTION 5 -CREDITORS' ANALYSIS

Supporting Table SC4

EC441 Matatiele - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 - August

Description	NT Code	Budget Year 2024/25									Total	Prior year totals for credit (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year			
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	-	-	-	-	-	-	-	-	-	-	-

The municipality makes an extra effort that creditors are paid within 30 days as per MFMA, therefore municipality paid its creditors within 30 days for the month ended 31 August 2024.

SECTION 6- INVESTMENT POTFOLIO ANALYSIS

Conditional and Unconditional investment monitoring Information

Aug-24

Investment Management

Conditional Investments -Description	Opening Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Municipal Infrastructure Grant	16 594 997.76	77 875.27	-239 025.10	-77 875.27	16 433 847.93
INEP	1 316 189.51	8 009 353.76	-4 212 580.19	-9353.76	5 112 963.08
EPWP	-	-	-	-	-
Municipal Electrification Intervention	324 528.95	2 136.21	-	-2 136.21	326 665.16
Disaster Management	18 194 569.97	119 027.71	-	-119 027.71	18 313 597.68
Library and Archives	-	-	-	-	-
Finance Management Grant	-	1 171.00	-	-7.65	1 171.00
Smart Grid	65 002.73	427.80	-	-42.80	65 430.53
Establishment Plan	223 762.25	1 263.80	-	-1 263.80	225 026.05
Housing Development Fund	2 280 872.93	12 882.25	-	-12 882.25	2 293 755.18
Dedea	694 096.99	3 920.22	-	-3 920.22	698 017.21
Total Conditional Investments	39 694 021	8 228 058	- 4 451 605	- 226 510	43 470 474

Aug-24

Unconditional Investments -Description	Opening Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Call Acc STD CRR	190 884 582.18	7 500 000.00	-	-1 159 752.39	198 384 582.18
Call Acc STD CRR	13 044 023.64	76 441.55	-	-76 441.55	13 120 465.19
Call ACC FNB Surplus Cash	6 805 395.80	-	-	-38 436.50	6 805 395.80
Nedbank 32 Days	7 791 557.48	56 248.57	-	-56 248.57	7 847 806.05
Nedbank	64 763 899.63	7 663 192.32	-45 000 000.00	-621 417.65	27 427 091.95
Nedbank relief fund	916 983.22	6 035.70	-	-6 035.70	923 018.92
Nedbank COV -19 Solidarity	111 137.29	731.60	-	-731.60	111 868.89
Nedbank Retention	67 118.88	441.75	-	-441.75	67 560.63
Termination Guarantee	144 640.82	-	-	-952.01	144 640.82
NEDBANK	30 202 677.54	232 703.84	-	-232 703.84	30 435 381.38
Account Gaurantee	6 202 000.00	-	-	-40 822.66	6 202 000.00
	320 934 016	15 535 795	- 45 000 000	- 2 233 984	291 469 812
Total Investments as at 31 August 2024					334 940 286

The investment portfolio of the municipality as at 31 August 2024 amounted to as indicated below.

As at 31 August 2024 the conditional investments amounted to **R 43,470,474** and unconditional investments amounted to **R 291,469,812**. Total investments as at 31 August 2024 amounted to **R 334,940,286**.

These invested funds are those funds for the capital projects that have not yet been implemented. The interest raised from these short-term investments is already included in the budget at an estimate.

This indicates that the municipality as at 31 August 2024 had sufficient cash to operate for a period more than 3 months without receiving grants to cover operating costs.

The following reflects bank balances at 31st August 2024

Description	August 2024
Nedbank Primary Account:	1,995,663.66
Standard bank Account:	4,287,984.72
FNB Money Market Account:	3,489,328.56
Total Cash held as at 31 August 2024	9,772,976.94

The above table reflects the Cashbook balance is R 9,772,976.94 and Bank statement balance of R 334,940,286. Total investments as at 31 August 2024 amounted to R 344,713,262.94.

SECTION 7 ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

7.1 Supporting Table SC6

EC441 Matatiele - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M02 - August

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										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		405 237	355 426	-	2 669	154 810	59 236	95 572	164.3%	355 426
Expanded Public Works Programme Integrated Grant		3 974	3 800	-	910	969	647	322	49.8%	3 980
Integrated National Electrification Programme Grant		41 000	26 648	-	-	-	4 441	(4 441)	-100.0%	26 548
Local Government Financial Management Grant		1 700	1 700	-	1 710	1 700	203	1 417	505.0%	1 700
Municipal Infrastructure Grant	3	54 593	2 879	-	-	18 674	489	18 194	3791.5%	2 879
Equitable Share		303 970	320 321	-	-	133 467	53 397	80 060	150.0%	320 321
Provincial Government:		-	4 815	-	-	-	863	(863)	-98.8%	4 816
Specify (Add grant description)		-	1 750	-	-	-	292	(292)	-100.0%	1 750
Specify (Add grant description)		-	3 065	-	-	-	571	(571)	-100.0%	3 066
District Municipality:		100	-	-	-	-	-	-	-	-
Specify (Add grant description)		100	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants		405 237	360 244	-	2 669	154 810	60 641	94 769	157.8%	360 244
Capital Transfers and Grants										
National Government:		32 706	95 797	-	-	8 327	15 966	(7 639)	-47.8%	95 797
Municipal Disaster Relief Grant		32 706	41 092	-	-	-	5 849	(6 849)	-100.0%	41 092
Municipal Infrastructure Grant		-	54 705	-	-	-	9 117	(9 117)	-100.0%	54 705
Integrated National Electrification Programme Grant		-	-	-	-	8 327	-	8 327	ND/N/D	-
Provincial Government:		3 981	950	-	-	767	158	609	384.4%	950
Specify (Add grant description)		-	950	-	-	-	158	(158)	-100.0%	950
Specify (Add grant description)		3 331	-	-	-	767	-	767	ND/N/D	-
Specify (Add grant description)		650	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants		36 687	96 747	-	-	9 094	16 125	(7 031)	-43.6%	96 747
TOTAL RECEIPTS OF TRANSFERS & GRANTS		441 924	456 991	-	2 669	163 904	76 766	87 738	114.2%	456 991

The Municipality have received the conditional grant and unconditional grants allocations amounting to R 2,6 million for both operations grants and capital grants, this amount exclude the allocation received of R 4,9 million received for Disaster Grant which was not receipted.

7.2 Supporting Table SC7

EC441 Matatiele - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M02 - August

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										
EXPENDITURE										
Operating expenditures of Transfers and Grants										
National Government:		49 511	35 107	-	22	7 109	5 851	1 338	22.9%	35 107
Expanded Public Works Programme Integrated Grant		3 974	3 950	-	-	-	547	(647)	-100.0%	3 880
Integrated National Electrification Programme Grant		41 000	26 648	-	4 210	11 260	4 441	6 819	153.5%	26 648
Municipal Disaster Relief Grant		-	-	-	(4 268)	(4 268)	-	(4 268)	#DIV/0!	-
Local Government Financial Management Grant	3	1 677	1 700	-	77	182	283	(102)	-35.9%	1 700
Municipal Infrastructure Grant		2 880	2 879	-	-	15	439	(465)	-96.9%	2 879
Provincial Government:		3 648	4 816	-	1 188	1 513	883	711	88.5%	4 816
Specify (Add grant description)		0	-	-	-	-	-	-	-	-
Specify (Add grant description)		309	1 750	-	14	26	292	(268)	-91.9%	1 750
Specify (Add grant description)		3 331	3 066	-	1 164	1 486	511	979	191.5%	3 066
District Municipality:		100	-	-	-	-	-	-	-	-
Specify (Add grant description)		100	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants		53 256	39 923	-	1 198	8 782	6 654	2 048	38.8%	39 923
Capital Transfers and Grants										
National Government:		69 024	95 797	-	3 435	7 183	-15 966	(8 864)	-58.9%	95 797
Municipal Disaster Relief Grant		16 807	41 092	-	1 273	2 515	5 849	(4 333)	-63.3%	41 092
Municipal Infrastructure Grant		52 117	54 705	-	2 162	4 587	9 117	(4 530)	-49.7%	54 705
Integrated National Electrification Programme Grant		0	-	-	-	-	-	-	-	-
Provincial Government:		(8 578)	950	-	(4 482)	(8 821)	158	(8 179)	-166.7%	950
Specify (Add grant description)		-	950	-	-	-	158	(158)	-100.0%	950
Specify (Add grant description)		(4 500)	-	-	-	-	-	-	-	-
Specify (Add grant description)		(2 078)	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	(4 482)	(8 821)	-	(8 821)	#DIV/0!	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants		62 449	96 747	-	(967)	(918)	16 125	(17 043)	-186.7%	96 747
TOTAL EXPENDITURE OF TRANSFERS & GRANTS		115 699	136 670	-	223	7 784	22 778	(14 994)	-65.8%	136 670

The total operating grant expenditure amounts to R 1,2 million and Capital grant expenditure amounts to R 3,4 million inclusive of R 248,827 MIG salaries as at 31 August 2024. Total expenditure for the month amounts to R 4,6 million which represents 4% when compared to the total allocation as per the Dora. The tables above reflect on the performance of these respective conditional grants which indicates that the municipality is well on track to meet its target of fully spending the 2024/25 allocated funds.

SECTIONS 8

Table SC8 presents the expenditure of councillor and staff benefits at 31 August 2024

EC441 Matatiele - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 - August

Summary of Employee and Councillor remuneration	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD Budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C					D	
Councillors (Political Office Bearers and Other)	1									
Basic Salaries and Wages		12 101	13 980	13 988	972	1 947	2 326	(379)	-16%	13 988
Pension and UIF Contributions		800	1 054	1 054	67	133	176	(43)	-24%	1 054
Medical Aid Contributions		697	137	137	87	134	23	111	487%	137
Motor Vehicle Allowance		(4)	2 787	2 737	-	-	480	(460)	-100%	2 787
Cellphone Allowance		2 547	2 876	2 876	213	422	479	(57)	-12%	2 876
Housing Allowances		6 926	5 620	5 620	590	1 172	907	235	25%	5 620
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		23 978	26 401	26 401	1 999	3 808	4 498	(592)	-13%	26 401
% increase	4		14.4%	14.4%						14.4%
Senior Managers of the Municipality	5									
Basic Salaries and Wages		2 158	2 908	2 908	104	501	484	(183)	-38%	2 908
Pension and UIF Contributions		(13)	301	301	4	9	60	(41)	-83%	301
Medical Aid Contributions		-	293	293	-	-	64	(44)	-100%	293
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		114	687	687	-	-	154	(114)	-100%	687
Motor Vehicle Allowance		1 152	2 856	2 856	168	338	478	(136)	-29%	2 856
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		1 683	906	906	77	354	151	3	2%	906
Other benefits and allowances		0	1	1	0	0	0	(0)	-83%	1
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		172	589	589	10	20	95	(74)	-78%	589
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		5 168	8 688	8 498	364	822	1 415	(593)	-42%	8 498
% increase	4		64.8%	64.8%						64.8%
Other Municipal Staff										
Basic Salaries and Wages		104 079	116 202	116 202	7 275	14 807	19 367	(4 560)	-24%	116 202
Pension and UIF Contributions		15 431	17 227	17 227	1 279	2 559	2 871	(312)	-11%	17 227
Medical Aid Contributions		8 972	6 468	6 468	625	1 041	1 078	(37)	-3%	6 468
Overtime		4 042	2 130	2 130	362	806	395	451	127%	2 130
Performance Bonus		7 280	8 942	8 942	939	1 355	1 397	(138)	-9%	8 942
Motor Vehicle Allowance		7 700	8 544	8 544	600	1 282	1 474	(222)	-15%	8 544
Cellphone Allowance		6	7	7	1	1	1	(0)	-8%	7
Housing Allowances		9 197	5 421	5 421	236	808	803	(95)	-44%	5 421
Other benefits and allowances		2 866	1 231	1 231	223	445	240	117%	1 231	
Payments in lieu of leave		1 240	-	-	-	40	-	40	#DIV/0!	-
Long service awards		491	-	-	-	17	-	17	#DIV/0!	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		153 974	166 512	166 512	11 493	22 834	27 752	(4 918)	-19%	166 512
% increase	4		8.7%	8.7%						8.7%
Total Parent Municipality		182 296	201 481	201 481	13 725	27 464	33 667	(6 163)	-18%	201 481

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

Remuneration related expenditure for the month ended 31 August 2024 amounted **R 13,7 million** of which the expenditure **R 1,9 million** relates to Remuneration of Councillors and

R 11,8 million, to Managers and staff, that represents **7%** of the budgeted amount for this category and the expenditure is less than expected performance for the month.

Also, the increase that has been budgeted for will only come into effect once negotiations for the final increases over the MTREF are agreed upon by the unions and SALGA.

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

QUALITY CERTIFICATE

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

QUALITY CERTIFICATE

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

The monthly budget statements (Section 71 Report) on the implementation of the budget and financial state of affairs of the municipality for the month ended 31 August 2024 has been prepared in accordance with the Municipal Finance Management Act 2003 and Regulations made under that Act.

Print Name: Lizo Matiwane

Acting Municipal Manager of Matatiele Local Municipality

Signature:  _____

Date: 12-09-2024