



Budget Statement

MFMA Section 71 Report

31 DECEMBER 2024

Govan Mbeki Municipality

DISTRIBUTION:

Executive Mayor: **Mr. N.G Zuma**

Municipal Manager: **Mr. E.N Maseko**

Acting Chief Financial Officer: **Mr. A.B.M Mavimbela**

Sector Departments: **National and Provincial Departments**

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List of Abbreviations and Acronyms used in the Monthly Budget Statement

AFS – Annual Financial Statements
AGSA - Auditor-General of South Africa
BTO - Budget and Treasury Office
CAPEX – Capital Expenditure
CFO - Chief Financial Officer

PART 1: IN-YEAR REPORT FOR THE PERIOD ENDING 31 DECEMBER 2024

TO: THE EXECUTIVE MAYOR

FROM: THE DIRECTORATE: FINANCIAL SERVICES: BUDGET & TREASURY OFFICE

MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): SECTION 71: IN-YEAR MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDING 31 DECEMBER 2024

1. Purpose

To comply with section 71(1) of the Municipal Finance Management Act (MFMA), by submission of a report in a prescribed format to the mayor within 10 working days after the end of each month on the state of the Municipality's budget.

The monthly Budget Statement also aims to provide an update on indicators critical to the municipality's viability and serve as an early warning indicator where remedial action is required. The consolidated performance is a high-level overview of the municipality's viability and sustainability.

2. Background

The Municipal Budget and Reporting Regulations (MBRR) are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver basic services by facilitating sustainability and better medium-term planning and policy choices on service delivery.

The report has been prepared in terms of the following legislative framework:

- i. The Municipal Finance Management Act – No.56 of 2003
- ii. And the Municipal Budget and Reporting Regulations

The MBRR highlights the format of the monthly budget statements.

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

The objective of these Regulations is to ensure sound and sustainable management of the budgeting and reporting practices of Municipalities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability, and appropriate lines of responsibility in the budgeting and reporting process and other relevant matters as required by the Act.

3. Executive summary

Summary of the Budget Performance for the reporting period ending 31 December 2024

Description	Original Budget 2024/2025	Monthly Actual	Year TD Actual	Year to Date Budget	Variance	YTD Variance %
	R'000	R'000		R'000	R'000	R'000
Total Operating Revenue	3 300 378	341 306	1 517 019	1 650 189	-133 170	-8%
Total Operating Expenditure	-3 988 528	-176 064	-1 629 787	-1 994 264	-364 477	-18%
Surplus /(Deficit) for the year before grant capital revenue	-688 150	165 243	-112 769	-344 075	231 307	-67%
Grant capital revenue	117 651	33 232	92 129	58 826	33 303	57%
Surplus /(Deficit) for the year	-570 499	198 474	-20 640	-285 250		
Total Capital Expenditure	-273 903	-5 578	-121 238	-136 952	-15 714	-11%

Operating Revenue

The overall performance on the revenue component is 8% below target.

Operating Expenditure

The overall performance on the expenditure component is 18% below target.

Bulk purchases are above target by 43% and inventory consumed is below target by 4%, should the trend continue at the same rate there will be an unauthorised expenditure in these line items therefore budget will be adjusted during budget adjustment processes. Relatively interest on overdue accounts/finance costs is above target by 31%.

Cash Management

As of 31 December 2024, the municipality had a positive bank statement balance of R 21 392 063.41 and R 756 776.32 in current account and traffic fine account respectively. Cash book had a negative balance of R 45 847 233.

4. Budget performance overview

4.1 Operating Revenue by Source (Table 3: Table C4 Financial Performance (Revenue))

MP307 Govan Mbeki - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 - December

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
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		562 205	994 107	—	60 627	362 673	497 053	(114 380)	-23%	604 107
Service charges - Water		456 094	714 085	—	44 040	252 545	357 042	(104 498)	-29%	714 085
Service charges - Waste Water Management		147 473	182 706	—	13 833	81 446	91 353	(9 907)	-11%	182 706
Service charges - Waste management		143 706	190 036	—	12 927	77 858	90 019	(12 160)	-14%	190 036
Sale of Goods and Rendering of Services		7 512	6 455	—	702	3 730	3 228	502	16%	6 455
Agency services		—	—	—	—	—	—	—	—	—
Interest		—	—	—	—	—	—	—	—	—
Interest earned from Receivables		237 020	213 599	—	19 187	121 812	106 900	15 013	14%	213 599
Interest from Current and Non Current Assets		14 911	18 375	—	259	3 253	8 189	(4 924)	-60%	18 375
Dividends		—	25	—	—	171	12	158	1266%	25
Rent on Land		—	3	—	—	—	2	(2)	-100%	3
Rental from Fixed Assets		6 630	5 659	—	599	4 093	2 845	1 244	44%	5 659
Licence and permits		—	—	—	—	—	—	—	—	—
Operational Revenue		1 840	5 851	—	81	997	2 525	(1 938)	-66%	5 851
Non-Exchange Revenue										
Property rates		396 103	445 250	—	33 121	194 914	222 625	(27 712)	-12%	445 250
Surcharges and Taxes		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		4 107	19 936	—	804	4 541	9 919	(5 378)	-54%	19 936
Licence and permits		—	—	—	—	—	—	—	—	—
Transfers and subsidies - Operational		459 881	492 163	—	152 396	366 533	246 081	120 851	49%	492 163
Interest		27 032	21 699	—	2 750	16 989	10 944	6 145	57%	21 699
Fuel Levy		—	—	—	—	—	—	—	—	—
Operational Revenue		—	—	—	—	—	—	—	—	—
Gains on disposal of Assets		—	2 500	—	—	—	1 250	(1 250)	-100%	2 500
Other Gains		35 658	—	—	7	5 066	—	5 066	#DIV/0!	—
Discontinued Operations		—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and		2 499 952	3 300 378	—	341 306	1 517 019	1 650 189	(133 170)	-8%	3 300 378

Electricity service charges is below the target by 23%

- The energy department is currently installing electricity meters, which is expected to increase revenue by addressing the issue of customers receiving electricity without being billed for it. Additionally, the department is also working on removing illegal connections.

Water service charges and waste water service charges are below the target by 29% and 11% respectively

- The water maintenance and installation of water meters is currently underway to address the underperforming service charges

Fines & penalties are below target by 54%, due to traffic fines subsystem not integrated to the main financial system, and only recording traffic fines settled not the total traffic fines issued.

4.2 Operating Expenditure by Type (Table C4 Financial Performance (Expenditure))

MP307 Govan Mbeki - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 - December

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure By Type										
Employee related costs		536 744	787 368	-	60 710	354 805	393 684	(38 880)	-10%	787 368
Remuneration of councillors		35 846	35 480	-	3 814	16 702	17 740	(1 038)	-6%	35 480
Bulk purchases - electricity		1 051 410	853 967	-	17 780	608 956	426 964	181 972	43%	853 967
Inventory consumed		617 801	515 279	-	32 954	246 601	257 640	(11 039)	-4%	515 279
Debt impairment		-	988 750	-	-	-	494 375	(494 375)	-100%	988 750
Depreciation and amortisation		126 206	165 837	-	9 877	61 727	82 918	(21 192)	-26%	165 837
Interest		279 604	140 087	-	2 318	91 455	70 043	21 411	31%	140 087
Contracted services		329 674	329 863	-	26 024	168 946	164 931	4 014	2%	329 863
Transfers and subsidies		38 490	28 361	-	3 060	18 727	14 180	4 547	32%	28 361
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-
Operational costs		108 744	143 537	-	19 528	56 811	71 768	(14 958)	-21%	143 537
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		36 038	-	-	-	5 059	-	5 059	#DIV/0!	-
Total Expenditure		3 260 561	3 988 528	-	176 064	1 629 787	1 994 264	(364 477)	-18%	3 988 528
Surplus/(Deficit)		(768 689)	(688 150)	-	165 243	(112 769)	(344 075)	231 307	-67%	(688 150)
Transfers and subsidies - capital (monetary allocations)		118 018	117 651	-	33 232	92 129	58 826	33 303	57%	117 651
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & income tax		(642 391)	(570 499)	-	198 474	(20 640)	(285 250)			(570 499)
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(642 391)	(570 499)	-	198 474	(20 640)	(285 250)			(570 499)
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		(642 391)	(570 499)	-	198 474	(20 640)	(285 250)			(570 499)

Employee related cost and Remuneration of councillors is below target by 10% and 6% respectively, due to vacant positions not yet filled and upper limit yet to be implemented.

Electricity bulk purchases expense is above target by 43%.

Contracted services are 2% above target.

Operational costs are below target by 21%, due to cashflow constraints some projects/activities are delayed.

Transfers and subsidies are 32% above target due to increase in indigent customers, adjustment will be done during adjustment budget processes

Inventory consumed which include water purchases are below target by 4%, close monitoring will be on this item, should the trend continue, this item will be overspent before end of the financial year.

Depreciation and impairment of asset is 26% below target.

Finance charges is 31% above target due to cash constraint. Eskom and Rand Water accounts are not serviced on time resulting to interest on overdue accounts.

4.3 Capital expenditure

NP307 Govan Mbeki - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 - December											
R thousands	Vote Description	Ref	2023/24		Adjusted	Monthly	Budget Year 2024/25		YTD	YTD %	Full Year
			Audited	2023/24			YearTD actual	YearTD			
	Capital Expenditure - Functional Classification										
	Governance and administration										
	Executive and council		6 741	37 050	-	17	3 614	18 525	15 126	-82%	37 890
	Finance and administration		740	300	-	-	30	160	(117)	-78%	300
	Internal audit		6 001	36 750	-	17	3 383	16 375	(14 992)	-82%	36 750
	Community and public safety		2 173	17 150	-	-	30	8 575	(8 545)	-100%	17 150
	Community and social services		1 926	10 150	-	-	30	6 075	(6 445)	-99%	10 150
	Sport and recreation		228	7 000	-	-	-	3 500	(3 500)	-100%	7 000
	Public safety		19	-	-	-	-	-	-	-	-
	Housing		-	-	-	-	-	-	-	-	-
	Health		-	-	-	-	-	-	-	-	-
	Economic and environmental services		93 049	61 426	-	109	35 069	31 743	1 356	4%	61 426
	Planning and development		68 452	57 276	-	109	35 044	29 638	5 405	22%	57 276
	Road transport		16 547	10 150	-	-	25	5 075	(5 063)	-100%	10 150
	Environmental protection		4 050	-	-	-	-	-	-	-	-
	Trading services		10 289	152 277	-	5 453	62 727	76 139	6 583	9%	152 277
	Energy services		40 964	67 390	-	1 973	53 702	33 695	20 007	59%	67 390
	Water management		17 953	30 000	-	78	78	15 000	(14 922)	-99%	30 000
	Waste management		11 342	38 083	-	3 401	11 467	19 042	(7 355)	-59%	38 083
	Public management		-	16 804	-	-	17 256	8 402	8 853	105%	16 804
	Other		-	-	-	-	-	-	-	-	-
	Total Capital Expenditure - Functional Classification		162 832	273 803	-	5 578	121 236	136 952	(15 714)	-11%	273 803
	Funded by:										
	National Government		103 627	114 053	-	5 454	79 496	57 027	22 469	39%	114 053
	Provincial Government		5 780	-	-	-	-	-	-	-	-
	Local Municipality		-	-	-	-	-	-	-	-	-
	Transfers and subsidies - local/municipal accounts - Nat. Prov. Desam. Agencies		-	-	-	-	-	-	-	-	-
	Transfers recognised - capital		109 407	114 053	-	5 484	79 495	57 027	22 469	39%	114 053
	Borrowing		-	-	-	-	-	-	-	-	-
	Internally generated funds		48 844	159 800	-	95	41 743	79 800	(38 057)	-45%	159 800
	Total Capital Funding		158 251	273 853	-	5 578	121 236	136 827	(15 589)	-11%	273 853

4.4 Cash flows

MP307 Govan Mbeki - Table C7 Monthly Budget Statement - Cash Flow - M06 - December

R thousands	Ref	Description	2023/24		Budget Year 2024/25					Full Year Forecast	
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance		YTD variance %
	1										
		CASH FLOW FROM OPERATING ACTIVITIES									
		Receipts									
		Property rates	338 950	421 981	421 981	25 847	162 547	210 990	(48 443)	-23%	421 981
		Service charges	1 181 475	2 206 114	2 206 114	99 877	685 757	1 103 057	(417 300)	-38%	2 206 114
		Other revenue	60 856	37 841	37 841	11 746	32 930	18 920	14 009	74%	37 841
		Transfers and Subsidies - Operational	469 698	492 163	492 163	152 568	363 312	248 081	117 230	48%	492 163
		Transfers and Subsidies - Capital	143 211	117 651	117 651	13 629	105 101	58 826	46 275	79%	117 651
		Interest:	11 954	16 375	16 375	259	3 066	9 188	(5 122)	-63%	16 375
		Dividends	-	25	25	-	-	12	(12)	-100%	25
		Payments									
		Suppliers and employees	(1 423 200)	(2 903 344)	(2 903 344)	(52 023)	(636 592)	(1 400 172)	563 580	-40%	(2 900 344)
		Interest:	-	-	-	-	-	-	-	-	-
		Transfers and Subsidies	-	-	-	-	-	-	-	-	-
		NET CASH FROM/(USED) OPERATING ACTIVITIES	782 945	491 806	491 806	251 704	516 120	245 903	(270 217)	-110%	491 806
		CASH FLOWS FROM INVESTING ACTIVITIES									
		Receipts									
		Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-
		Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-
		Decrease (increase) in non-current investments	(14 500)	-	-	-	-	-	-	-	-
		Payments									
		Capital assets	196 343	(192 253)	(192 253)	(5 910)	(102 967)	(56 127)	(6 840)	7%	(192 253)
		NET CASH FROM/(USED) INVESTING ACTIVITIES	181 843	(192 253)	(192 253)	(5 910)	(102 967)	(96 127)	6 840	-7%	(192 253)
		CASH FLOWS FROM FINANCING ACTIVITIES									
		Receipts									
		Short term loans	-	-	-	-	-	-	-	-	-
		Borrowing long term/re-financing	-	-	-	-	-	-	-	-	-
		Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-
		Payments									
		Repayment of borrowing	-	-	-	-	-	-	-	-	-
		NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	-	-	-	-	-	-	-
		NET INCREASE/ (DECREASE) IN CASH HELD	964 788	299 552	299 552	245 794	413 153	149 776	-	-	299 552
		Cash/cash equivalents at beginning:	120 545	256 446	256 446	-	25 751	256 446	-	-	25 751
		Cash/cash equivalents at month/year end:	1 085 332	555 998	555 998	-	438 904	406 222	-	-	325 303

5. In-year budget statement tables

MP307 Govan Mbeki - Table C1 Monthly Budget Statement Summary - M06 - December

R thousands	Description	Budget Year 2024/25										
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast		
	Financial Performance											
	Property rates	396 103	445 250	-	33 121	194 914	222 625	(27 712)	-12%	445 250		
	Service charges	1 309 477	2 070 934	-	131 626	794 521	1 035 467	(240 945)	-23%	2 070 934		
	Investment revenue	14 911	16 375	-	259	3 263	8 188	(4 924)	-60%	16 375		
	Transfers and subsidies - Operational	459 861	492 163	-	152 396	366 933	246 081	120 851	49%	492 163		
	Other own revenue	319 599	275 656	-	23 903	157 398	137 828	19 560	14%	-		
	Total Revenue (excluding capital transfers and contributions)	2 499 952	3 300 378	-	341 306	1 517 019	1 650 189	(133 170)	-8%	3 300 378		
	Employee costs	636 744	787 368	-	60 710	364 805	393 684	(38 880)	-10%	787 368		
	Remuneration of Councilors	35 946	35 480	-	3 814	16 702	17 740	(1 038)	-6%	35 480		
	Depreciation and amortisation	126 208	165 837	-	9 877	61 727	82 918	(21 192)	-26%	165 837		
	Interest	279 604	140 087	-	2 318	91 455	70 043	21 411	31%	140 087		
	Inventory consumed and bulk purchases	1 669 211	1 369 246	-	50 733	855 557	664 623	170 934	25%	1 369 246		
	Transfers and subsidies	39 490	28 361	-	3 060	18 727	14 180	4 547	32%	28 361		
	Other expenditure	474 457	1 462 150	-	45 551	230 815	731 075	(500 260)	-68%	1 462 150		
	Total Expenditure	3 260 561	3 988 528	-	176 064	1 629 787	1 994 264	(364 477)	-18%	3 988 528		
	Surplus/(Deficit)	(760 609)	(688 150)	-	165 243	(112 769)	(344 075)	231 307	-67%	(688 150)		
	Transfers and subsidies - capital (monetary allocations)	118 018	117 651	-	33 232	92 129	58 826	33 303	57%	117 651		
	Transfers and subsidies - capital (in-kind)	(642 591)	(570 499)	-	198 474	(20 640)	(285 250)	264 610	-93%	(570 499)		
	surplus/(Deficit) after capital transfers & Share of surplus/ (deficit) of associate	(642 591)	(570 499)	-	198 474	(20 640)	(285 250)	264 610	-93%	(570 499)		
	Surplus/ (Deficit) for the year	(642 591)	(570 499)	-	198 474	(20 640)	(285 250)	264 610	-93%	(570 499)		
	Capital expenditure & funds sources											
	Capital expenditure	162 852	273 903	-	5 578	121 238	136 952	(15 714)	-11%	273 903		
	Capital transfers recognised	109 407	114 053	-	5 484	79 495	57 027	22 468	39%	114 053		
	Borrowing	-	-	-	-	-	-	-	-	-		
	Internally generated funds	48 844	159 600	-	95	41 743	79 800	(38 057)	-48%	159 600		
	Total sources of capital funds	158 251	273 653	-	5 578	121 238	136 827	(15 589)	-11%	273 653		
	Financial position											
	Total current assets	2 637 780	1 244 845	-		2 480 880				1 244 845		
	Total non current assets	2 942 622	2 936 479	-		3 110 763				2 936 479		
	Total current liabilities	7 551 067	4 141 563	-		5 238 381				4 141 563		
	Total non current liabilities	373 318	369 440	-		2 574 995				369 440		
	Community wealth/Equity	(2 343 983)	(329 879)	-		(2 221 734)				(329 879)		
	Cash flows											
	Net cash from (used) operating	782 945	491 806	-	251 704	516 120	245 903	(270 217)	-110%	491 806		
	Net cash from (used) investing	181 843	(192 253)	-	(5 910)	(102 967)	(96 127)	6 840	-7%	(192 253)		
	Net cash from (used) financing	-	-	-	-	-	-	-	-	-		
	Cash/cash equivalents at the month/year end	1 085 332	555 958	-	555 958	438 904	406 222	(32 682)	-8%	325 303		
	Debtors & creditors analysis											
	Debtors Age Analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 DYS-1 Yr	Over 1Yr	Total		
	Total By Income Source	174 535	87 408	83 557	77 150	76 281	76 922	73 427	3 124 560	3 775 840		
	Debtors Age Analysis	86 197	111 206	111 120	145 379	202 113	181 891	174 847	5 057 469	6 070 221		

MP307 Govan Mbeki - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 - December

R thousands	Description	Ref	2023/24		Budget Year 2024/25			YTD	YTD %	Full Year
			Audited	Original	Adjusted	Monthly	YearTD actual			
	Revenue - Functional	1								
	<i>Governance and administration</i>									
	Executive and council		936 182	985 052	-	189 316	492 526	93 149	19%	985 052
	Finance and administration		465	-	-	-	80	80	#DIV/0!	-
	Internal audit		935 718	985 052	-	(122)	492 526	92 785	19%	985 052
	<i>Community and public safety</i>									
	Community and social services		7 708	26 589	-	782	13 284	(7 574)	-57%	26 589
	Sport and recreation		2 094	2 485	-	80	1 243	(254)	-20%	2 485
	Public safety		-	-	-	-	-	-	-61%	-
	Housing		5 515	24 083	-	697	12 042	(7 393)	#DIV/0!	24 083
	Health		99	-	-	5	72	72	-	-
	<i>Economic and environmental services</i>									
	Planning and development		82 822	82 696	-	13 670	41 348	10 037	24%	82 696
	Road transport		77 242	81 099	-	13 670	40 550	3 902	10%	81 099
	Environmental protection		5 579	1 597	-	-	798	6 136	768%	1 597
	<i>Trading services</i>									
	Energy sources		1 597 257	2 323 712	-	170 770	1 161 856	(195 478)	-17%	2 323 712
	Water management		839 314	1 082 138	-	84 051	541 089	(15 960)	-3%	1 082 138
	Waste water management		490 602	817 913	-	43 959	252 072	(156 885)	-39%	817 913
	Waste management		148 548	219 337	-	18 466	109 669	(18 647)	-17%	219 337
	Other	4	113 794	204 324	-	24 293	102 162	(3 987)	-4%	204 324
	Total Revenue - Functional	2	2 617 970	3 418 029	-	374 538	1 709 014	(99 867)	-6%	3 418 029
	Expenditure - Functional									
	<i>Governance and administration</i>									
	Executive and council		850 044	1 766 780	-	55 876	883 390	(507 870)	-57%	1 766 780
	Finance and administration		67 846	77 135	-	48 172	38 568	(263)	-1%	77 135
	Internal audit		777 174	1 684 984	-	293	842 467	(507 184)	-60%	1 684 984
	<i>Community and public safety</i>									
	Community and social services		208 551	224 539	-	19 832	114 379	(423)	-18%	224 539
	Sport and recreation		72 984	78 140	-	8 576	39 070	8 508	22%	78 140
	Public safety		29 404	39 631	-	1 041	19 816	(14 914)	-75%	39 631
	Housing		96 690	94 941	-	9 099	47 470	9 092	19%	94 941
	Health		8 501	10 691	-	1 001	5 346	(638)	-12%	10 691
	<i>Economic and environmental services</i>									
	Planning and development		96 432	91 545	-	10 699	45 772	9 846	22%	91 545
	Road transport		31 408	40 312	-	3 658	20 156	(65)	0%	40 312
	Environmental protection		64 994	47 711	-	7 041	23 856	11 671	49%	47 711
	<i>Trading services</i>									
	Energy sources		2 105 532	1 905 663	-	89 657	1 084 270	131 438	14%	1 905 663
	Water management		1 439 028	1 144 866	-	40 474	572 433	194 247	34%	1 144 866
	Waste water management		457 865	507 026	-	32 703	253 513	(37 680)	-15%	507 026
	Waste management		119 140	144 586	-	9 741	72 293	(14 966)	-21%	144 586
	Other		89 500	109 185	-	6 740	54 592	(10 164)	-19%	109 185
	Total Expenditure - Functional	3	3 260 581	3 988 528	-	176 064	1 629 787	(364 477)	-16%	3 988 528
	Surplus/ (Deficit) for the year		(642 591)	(570 499)	-	198 474	(285 250)	284 610	-93%	(570 499)

MP307 Govan Mbeki - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 - December

R thousands	Vote Description	Ref	2023/24		Budget Year 2024/25				YTD %	Full Year	
			Audited	Original	Adjusted	Monthly	YearTD	YTD			
	Revenue by Vote	1	73 722	77 528	-	13 153	42 448	38 764	3 684	9.5%	77 528
	Vote 1 - 01 EXECUTIVE AND COUNCIL		24 471	25 600	-	252	14 819	12 800	2 019	15.8%	25 600
	Vote 2 - 02 Corporate Services		10 164	12 380	-	966	6 701	6 190	511	6.3%	12 380
	Vote 3 - 03 Planning and Development		(23 864)	25 369	-	804	5 509	12 684	(7 175)	-56.6%	25 369
	Vote 4 - 04 Community Services		905 166	950 643	-	188 621	566 230	475 321	90 908	19.1%	950 643
	Vote 5 - 05 Financial Services		1 483 043	2 120 986	-	146 477	875 137	1 060 493	(185 356)	-17.5%	2 120 986
	Vote 6 - Technical Services		-	-	-	-	-	-	-	-	-
	Vote 7 - 06 Technical services Continued		-	-	-	-	-	-	-	-	-
	Vote 8 - 01 Executive and Council continued		-	-	-	-	-	-	-	-	-
	Vote 9 - 04 Community Services continued		145 267	205 524	-	24 267	98 304	102 762	(4 458)	-4.3%	205 524
	Vote 10 -		-	-	-	-	-	-	-	-	-
	Vote 11 -		-	-	-	-	-	-	-	-	-
	Vote 12 -		-	-	-	-	-	-	-	-	-
	Vote 13 -		-	-	-	-	-	-	-	-	-
	Vote 14 -		-	-	-	-	-	-	-	-	-
	Vote 15 -		-	-	-	-	-	-	-	-	-
	Total Revenue by Vote	2	2 617 970	3 418 029	-	374 538	1 609 147	1 709 014	(99 857)	-5.8%	3 418 029
	Expenditure by Vote	1	84 046	92 090	-	7 811	39 668	46 045	(6 377)	-13.8%	92 090
	Vote 1 - 01 EXECUTIVE AND COUNCIL		122 734	300 269	-	7 721	74 267	150 135	(75 868)	-50.5%	300 269
	Vote 2 - 02 Corporate Services		40 788	905 881	-	5 289	24 455	452 940	(428 455)	-94.6%	905 881
	Vote 3 - 03 Planning and Development		215 917	239 230	-	15 195	110 547	119 615	(9 069)	-7.6%	239 230
	Vote 4 - 04 Community Services		566 524	441 866	-	37 480	228 737	220 933	7 804	3.5%	441 866
	Vote 5 - 05 Financial Services		2 102 670	1 863 853	-	91 232	1 083 946	931 927	152 019	16.3%	1 863 853
	Vote 6 - Technical Services		-	-	-	-	-	-	-	-	-
	Vote 7 - 06 Technical services Continued		-	-	-	-	-	-	-	-	-
	Vote 8 - 01 Executive and Council continued		6 728	6 613	-	920	5 375	3 306	2 069	62.6%	6 613
	Vote 9 - 04 Community Services continued		121 153	138 726	-	10 416	62 792	69 363	(6 571)	-9.5%	138 726
	Vote 10 -		-	-	-	-	-	-	-	-	-
	Vote 11 -		-	-	-	-	-	-	-	-	-
	Vote 12 -		-	-	-	-	-	-	-	-	-
	Vote 13 -		-	-	-	-	-	-	-	-	-
	Vote 14 -		-	-	-	-	-	-	-	-	-
	Vote 15 -		-	-	-	-	-	-	-	-	-
	Total Expenditure by Vote	2	3 260 561	3 988 528	-	176 064	1 629 787	1 984 264	(364 477)	-18.3%	3 988 528
	Surplus/ (Deficit) for the year	2	(642 591)	(570 499)	-	198 474	(20 640)	(285 250)	264 610	-92.8%	(570 499)

MP307 Govan Mbeki - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 - December

Rt thousands	Description	Ref	Budget Year: 2024/25							Full Year Forecast											
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance		YTD variance %										
562 205	Revenue																				
384 107	Exchange Revenue																				954 107
714 095	Service charges - Electricity																				714 095
192 708	Service charges - Water																				182 708
183 035	Service charges - Waste Water Management																				180 035
143 705	Service charges - Waste management																				143 705
7 512	Sale of Goods and Rendering of Services																				8 455
	Agency services																				
	Interest																				
237 020	Interest earned from Receivables																				213 569
14 611	Interest from Current and Non Current Assets																				18 975
	Dividends																				25
	Rent on Land																				3
6 630	Rental from Fixed Assets																				5 668
	Licence and permits																				
	Operational Revenue																				
1 840	Non-Exchange Revenue																				5 851
365 103	Property rates																				445 250
4 107	Surcharges and Taxes																				
	Fines, penalties and forfeits																				
	Licence and permits																				
459 861	Transfers and subsidies - Operational																				492 163
27 032	Interest																				21 888
	Fuel Levy																				
	Operational Revenue																				
	Gains on disposal of Assets																				
35 559	Other Gains																				2 500
	Discontinued Operations																				
2 499 952	Total Revenue (excluding capital transfers and Expenditure By Type)																				3 300 378
635 744	Employee related costs																				787 368
36 493	Remuneration of councillors																				35 480
1 051 410	Bulk purchases - electricity																				853 937
617 801	Inventory consumed																				515 279
	Debt impairment																				
126 209	Depreciation and amortisation																				185 937
279 604	Interest																				140 087
329 674	Contracted services																				329 863
38 490	Transfers and subsidies																				28 361
	Irrecoverable debts written off																				
108 744	Operational costs																				143 537
	Losses on Disposal of Assets																				
26 039	Other Losses																				
3 280 567	Total Expenditure																				3 988 528
(790 609)	Surplus/(Deficit)																				(888 150)
118 018	Transfers and subsidies - capital (monetary allocations)																				117 551
	Transfers and subsidies - capital (in-kind)																				
(642 591)	Surplus/(Deficit) after capital transfers & contributions																				(570 499)
	Income Tax																				
	Surplus/(Deficit) after income tax																				
	Share of Surplus/Deficit attributable to Joint Venture																				
	Share of Surplus/Deficit attributable to Minorities																				
	Surplus/(Deficit) attributable to municipality																				
	Share of Surplus/Deficit attributable to Associate																				
	Intercompany/Parent subsidiary transactions																				
	Surplus/ (Deficit) for the year																				(570 499)

MP307 Govan Mbeki - Table C6 Monthly Budget Statement - Financial Position - M06 - December

Description	Ref	2023/24			Budget Year 2024/25		Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual		
R thousands	1						
ASSETS							
Cash and cash equivalents		(30 737)	581 262	—	(9 281)	591 262	
Trade and other receivables from exchange transactions		707 950	399 704	—	385 046	399 704	
Receivables from non-exchange transactions		434 068	1 110 969	—	143 499	1 110 969	
Current portion of non-current receivables		—	—	—	—	—	
Inventory		19 401	19 428	—	(9 337)	19 428	
VAT		1 504 633	133 483	—	1 668 748	133 483	
Other current assets		2 535	—	—	204	—	
Total current assets		2 637 780	1 244 845	—	2 480 980	1 244 845	
Non current assets							
Investments		(13 551)	—	—	1 119	—	
Investment property		1 304 984	1 149 475	—	1 297 559	1 149 475	
Property, plant and equipment		1 645 583	1 780 810	—	1 906 269	1 780 810	
Biological assets		—	—	—	—	—	
Living and non-living resources		5 431	5 431	—	5 431	5 431	
Intangible assets		0	951	—	191	951	
Trade and other receivables from exchange transactions		175	812	—	175	812	
Non-current receivables from non-exchange transactions		—	—	—	—	—	
Other non-current assets		—	—	—	—	—	
Total non-current assets		2 942 622	2 936 479	—	3 110 763	2 936 479	
TOTAL ASSETS		5 580 402	4 181 325	—	5 591 642	4 181 325	
LIABILITIES							
Current liabilities							
Bank overdraft		—	—	—	—	—	
Financial liabilities		7 029	285	—	7 189	295	
Consumer deposits		32 502	29 017	—	33 117	29 017	
Trade and other payables from exchange transactions		6 202 511	3 984 015	—	3 789 769	3 984 015	
Trade and other payables from non-exchange transactions		27 908	85 227	—	18 291	85 227	
Provision		49 942	43 009	—	63 123	43 009	
VAT		1 229 204	—	—	1 355 913	—	
Other current liabilities		2 172	—	—	—	—	
Total current liabilities		7 551 067	4 141 563	—	5 238 381	4 141 563	
Non current liabilities							
Financial liabilities		5 529	427	—	2 507	427	
Provision		327 951	327 719	—	359 919	327 719	
Long term portion of trade payables		—	—	—	2 153 806	—	
Other non-current liabilities		39 939	41 256	—	59 864	41 256	
Total non-current liabilities		373 319	369 440	—	2 574 995	369 440	
TOTAL LIABILITIES		7 924 385	4 511 003	—	7 813 376	4 511 003	
NET ASSETS	2	(2 343 983)	(329 679)	—	(2 221 734)	(329 679)	
COMMUNITY WEALTH/EQUITY							
Accumulated surplus/(deficit)		(2 343 983)	(329 679)	—	(2 221 734)	(329 679)	
Reserves and funds		—	—	—	—	—	
Other		—	—	—	—	—	
TOTAL COMMUNITY WEALTH/EQUITY	2	(2 343 983)	(329 679)	—	(2 221 734)	(329 679)	

PART 2: SUPPORTING DOCUMENTATION

6. Debtors' Analysis

The total debtors book balance as at 31 December 2024 amounts to R 3 775 840 000. The debtors' payment rate for the month is 64%.

Description	NT Code	Budget Year 2024/25									
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dns-1 Yr	Over 1Yr	Total	Total over 90 days
R thousands											
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Water	1200	48 679	20 582	22 789	19 892	19 301	18 999	17 043	590 062	1 147 225	1 055 176
Trade and Other Receivables from Exchange Transactions - Electricity	1300	45 135	14 263	11 563	10 924	10 445	10 322	9 423	354 556	476 079	404 719
Receivables from Non-exchange Transactions - Property Rates	1400	29 280	11 248	9 390	8 658	8 332	8 234	9 895	294 526	359 353	319 435
Receivables from Exchange Transactions - Waste Water Management	1500	14 879	9 410	8 919	8 214	7 892	7 665	6 936	357 432	421 337	388 129
Receivables from Exchange Transactions - Waste Management	1600	13 859	9 311	8 116	7 555	7 375	7 150	6 675	329 340	389 384	358 097
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	22 125	22 314	22 173	21 722	24 533	24 208	23 854	778 550	939 480	872 867
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1920	-	-	-	-	-	-	-	-	-	-
Other	1900	579	279	206	194	413	454	911	30 045	32 992	31 917
Total By Income Source	2000	174 535	87 408	83 557	77 150	78 281	76 922	73 427	3 124 560	3 775 840	3 430 340
2023/24 - totals only		185 082	104 400	87 169	84 471	79 028	155 802	70 453	3 000 449	3 776 654	3 430 003
Debtors Age Analysis By Customer Group											
Organs of State	2200	5 671	2 310	1 798	1 497	1 499	1 507	1 376	35 372	51 017	41 239
Commercial	2300	48 673	9 140	6 782	6 556	6 324	6 608	7 267	201 976	292 338	228 743
Households	2400	120 192	79 958	74 977	69 097	70 459	69 908	64 784	2 897 211	3 432 485	3 160 359
Other	2500	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	174 535	87 408	83 557	77 150	78 281	76 922	73 427	3 124 560	3 775 840	3 430 340

7. Creditors' Analysis

The total creditors balance for the month of December 2024 amounted to R 6 070 221 000. 98.5% creditors are above 30 days. The major creditors are Eskom and Rand Water.

MP307 Govan Mbeki - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

R thousands	Description	NT Code	Budget Year 2024/25										Total		
			0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year					
	Creditors Age Analysis by Customer Type														
	Bulk Electricity	0100	28 330	63 755	84 301	131 008	192 456	171 404	113 994	4 411 390	5 196 638				
	Bulk Water	0200	33 015	28 880	12 196	7 190	7 469	7 324	7 540	691 175	794 789				
	PAYE deductions	0300													
	VAT (output less input)	0400													
	Pensions / Retirement deductions	0500													
	Loan repayments	0600													
	Trade Creditors	0700	24 852	18 571	14 623	20 694					83 665				
	Auditor General	0800				54					54				
	Other	0900													
	Total By Customer Type	1000	86 197	111 206	111 120	145 433	202 113	181 891	126 151	5 106 110	6 070 221				

5. Investment portfolio analysis

INVESTMENT REGISTER: DECEMBER 2024

Segment Description	Account Nr	Date of Investment	Opening Balance 01/12/2024	Investments Made	Investment Withdrawals/ Reversal	Interest Capitalized/ Accrued	Closing Balance 31/12/2024
Long-Investments							
Old Mutual Shares C0777197766	Share nr C0777197766		27 096.93				27 096.93
Old Mutual Shares C0777027950	Share nr C0777027950		372 939.00				372 939.00
Sanlam U0063349159	Share nr U0063349159		198 415.84				198 415.84
Nedbank (70) Withdrawal	70 Shares		17 948.70				17 948.70
Nedbank (966) Withdrawal	966Shares		247 692.06				247 692.06
Quilter plc (624)	Share nr 1521061685		17 228.64				17 228.64
Quilter plc (8599)	Share nr 1521053495		237 418.39				237 418.39
			1 118 739.56	-	-	-	1 118 739.56
Short-term Investments							
Standard Bank Money Market Call Acc.	038787024(003)	26/11/2014	517 130.46			3 228.17	520 358.63
Standard Bank Tiered Rate Call Acc.	038787024(008)	13/08/2014	26 909 164.48		11 000 000.00	123 122.69	16 032 287.17
Standard Bank Money Market Call Acc.	038787024(009)	05/06/2016	21 487 402.35		2 000 000.00	132 939.96	19 620 342.31
			48 913 697.29	-	13 000 000.00	259 290.82	36 172 988.11
			50 032 436.85	-	13 000 000.00	259 290.82	37 291 727.67

Allocation and grant receipts and expenditure

Performance of Capital Grants

Grants	Allocation per DoRA	Received Including rollover	YTD Expenditure	Unspent 2024/2025	YTD %
Integrated National Electrification Programme Grant	32 240 000.00	32 240 000.00	21 041 941.53	11 198 058.47	65%
Municipal Infrastructure Grant	77 418 000.00	69 285 000.00	56 920 640.61	12 364 359.39	74%
Municipal Disaster Recovery Grant	15 758 000.00	9 451 000.00	10 416 647.71	-	66%
Water Services Infrastructure	-	1 972 377.75	-	1 972 377.75	0%
Total	125 416 000.00	112 948 377.75	88 379 229.85	24 569 147.90	70%

- Total Municipal Infrastructure Grant is inclusive of Project Management Unit operational allocation amounting to R3 870 900. Resulting in a difference on total Capital programme performance. Furthermore, the Capital budget YTD reflecting on C5 Schedule excludes VAT hence the difference of R8 883 629.85.
- It should be noted that total Municipal Infrastructure Grant allocation has been reduced and the adjustment will be reflected on C-schedules after the February Adjustment budget.

Performance of Operational Grants

Grants	Allocation per DoRA	Received Including rollover	Expenditure as at 31 December 2024	Unspent 2024/2025	YTD %
Extended Public works Programme	1 597 000.00	1 118 000.00	1 597 000.00	-	100%
Financial Management Grants	3 500 000.00	3 500 000.00	R910 054.60	R2 589 945.40	26%
Infrastructure Skills Development Grant	24 400 000.00	14 000 000.00	14 000 000.00	-	57%
Arts and Culture	-	91 608.25	-	91 608.25	0%
LG Seta	1 000 000.00	1 153 860.68	876 571.20	277 289.48	88%
Economic Development and Tourism	-	313 901.00	-	313 901.00	0%
Gert Sibande District Municipality	-	274 580.00	-	274 580.00	0%
Energy Efficiency Demand Grant	-	3 469.83	-	3 469.83	0%
Point Duty Officer (SASOL)	3 400 000.00	687 174.00	1 310 018.50	-622 844.50	0%
Pre-Capacity grant	-	165 007.63	72 479.00	92 528.63	44%
Equitable share	458 066 000.00	343 096 000.00	343 096 000.00	-	75%
Total	491 963 000.00	364 899 034.39	R361 862 123.30	3 643 322.59	

10. Councillor and board member allowances and employee benefits for November 2024

Total staff compliment 1227 (Full time)
 Staff resignations 3
 Staff Appointments 5

MP307 Govan Mbeki - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 - December

Summary of Employee and Councillor remuneration R thousands	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year to actual	Year to budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		25 817	24 545	24 545	2 952	12 381	12 273	119	1%	24 545
Pension and UIF Contributions		3 929	3 171	3 171	434	1 827	1 588	241	15%	3 171
Medical Aid Contributions		294	552	552	26	156	276	(121)	-44%	552
Motor Vehicle Allowance		1 947	4 108	4 108	165	978	2 054	(1 076)	-52%	4 108
Telephone Allowance		2 843	3 103	3 103	227	1 354	1 552	(198)	13%	3 103
Housing Allowance		-	-	-	-	-	-	-	-	-
Other benefits and allowances		21	-	-	-	-	-	-	-	-
Sub Total - Councillors		35 846	35 400	35 480	3 814	16 702	17 740	(1 038)	-6%	35 480
% Increase	1		1.0%	1.0%						1.0%
Senior Managers of the Municipality										
Basic Salaries and Wages		6 687	5 833	5 833	432	3 338	2 916	422	14%	5 833
Pension and UIF Contributions		836	1 350	1 350	39	200	675	(475)	-61%	1 350
Medical Aid Contributions		229	189	189	20	136	99	37	37%	189
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		944	803	803	63	396	402	(6)	1%	803
Telephone Allowance		126	180	180	7	56	90	(34)	-28%	180
Housing Allowance		-	-	-	-	-	-	-	-	-
Other benefits and allowances		130	58	58	7	73	29	44	351%	58
Payments in lieu of leave		787	787	787	-	306	394	(88)	-27%	787
Long service awards		-	-	-	-	-	-	-	-	-
Post retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Security		-	-	-	-	-	-	-	-	-
Aging and cost related allowance		1 077	1 273	1 273	22	22	837	(815)	-97%	1 273
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		10 330	10 483	10 483	580	4 588	5 249	(661)	12%	10 483
% Increase	1		1.5%	1.5%						1.5%
Other Municipal Staff										
Basic Salaries and Wages		302 105	426 784	426 784	34 462	203 507	213 302	(9 795)	-6%	426 784
Pension and UIF Contributions		88 821	103 579	103 579	7 354	43 778	51 790	(8 011)	-15%	103 579
Medical Aid Contributions		44 992	56 925	56 925	3 256	19 394	27 962	(8 568)	-31%	56 925
Overtime		66 784	33 438	33 438	6 328	35 798	16 719	(19 049)	118%	33 438
Performance Bonus		25 136	83 523	83 523	2 706	15 847	81 761	(25 915)	-52%	83 523
Motor Vehicle Allowance		17 547	21 687	21 687	1 568	9 414	10 844	(1 429)	13%	21 687
Telephone Allowance		2 534	3 339	3 339	217	1 294	1 673	(379)	22%	3 339
Housing Allowance		2 071	11 454	11 454	178	1 077	5 732	(4 654)	-81%	11 454
Other benefits and allowances		54 161	19 430	19 430	2 067	11 898	9 715	2 180	22%	19 430
Payments in lieu of leave		7 552	9 163	9 163	479	3 722	4 581	(859)	19%	9 163
Long service awards		-	477	477	-	239	239	-	100%	477
Post retirement benefit obligations		-	547	547	289	1 761	274	1 488	544%	547
Entertainment		-	-	-	-	-	-	-	-	-
Security		-	-	-	-	-	-	-	-	-
Aging and cost related allowance		7 529	7 529	7 529	1 236	5 757	3 764	1 993	53%	7 529
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		620 414	776 884	776 884	60 130	310 211	388 443	(38 226)	-10%	776 884
% Increase	1		24.8%	24.8%						24.8%
Total Parent Municipality		672 590	822 847	822 847	64 524	371 507	411 424	(39 917)	-10%	822 847
% Increase	4		22.3%	22.3%						22.3%
TOTAL SALARY, ALLOWANCES & BENEFITS		672 590	822 847	822 847	64 524	371 507	411 424	(39 917)	-10%	822 847
% Increase	4		22.3%	22.3%						22.3%
TOTAL MANAGERS AND STAFF		636 744	787 368	787 368	60 710	354 805	393 684	(38 880)	-10%	787 368

11. Material variances to the service delivery and budget implementation plan

12. Capital programme performance

Description	Funding	Original Budget 2024/2025	Monthly Expenditure Excl. VAT	VAT 15%	Monthly Expenditure Inc VAT	YTD Expenditure	Available as at 31 December 2024	Balance as at 31 December
Upgrading of Leobang Stadium in Leandra (Phase 2)	MIG	10 000 000.00	-	-	-	-	10 000 000.00	
Embalenhle Bulk Replacement/Upgrade (Phase1)	MIG	20 125 978.00	-	-	-	19 674 670.65	451 307.35	
Emzinoni Bulk water supply	MIG	3 000 000.00	-	-	-	285 288.58	2 714 711.42	
Upgrade of cement gravity main pipe in Kinross	MIG	1 285 832.00	-	-	-	-	1 285 832.00	
Construction of Bulk water line and reservoir in Leandra	MIG	22 330 988.00	109 024.71	16 353.71	125 378.42	20 156 349.38	2 174 618.62	
Procurement of Specialised Vehicles for Waste Management	MIG	16 804 322.00	-	-	-	16 804 332.00	- 10.00	
Construction of stormwater concrete pipeline EXT22 Emba	MDRG	7 883 000.00	3 401 446.22	510 216.93	3 911 663.15	10 416 647.71	2 533 647.71	
Emzinoni Substation Phase 3	INEP	32 240 000.00	1 973 258.31	295 988.75	2 269 247.06	21 041 941.53	11 198 058.47	
Kinross waste treatment plant	Revenue	3 000 000.00	-	-	-	-	3 000 000.00	
Resurfacing of road	Revenue	20 000 000.00	-	-	-	-	20 000 000.00	
Chief Albert Luthuli Road Rehabilitation	Revenue	10 000 000.00	-	-	-	-	10 000 000.00	
Water Services	Revenue	30 000 000.00	78 027.00	11 704.05	89 731.05	89 731.05	29 910 268.95	
Acquisition of Smart Meters	Revenue	30 000 000.00	-	-	-	40 757 848.66	- 10 757 848.66	
Refurbishment of Leandra Offices	Revenue	5 000 000.00	-	-	-	-	5 000 000.00	
Refurbishment of Kinross offices	Revenue	5 000 000.00	-	-	-	-	5 000 000.00	
Upgrading of Emzinoni Stadium	Revenue	5 000 000.00	-	-	-	-	5 000 000.00	
Upgrading of Leandra Stadium	Revenue	2 000 000.00	-	-	-	-	2 000 000.00	
Brendon Village Electrification	Revenue	5 000 000.00	-	-	-	-	5 000 000.00	
Workshop Modernisation	Revenue	3 000 000.00	-	-	-	-	3 000 000.00	
Installation of sewer network; pipeline in Eendracht	Revenue	5 200 000.00	-	-	-	-	5 200 000.00	
Charl Cilliers sewer rectification and pump station	Revenue	2 000 000.00	-	-	-	-	2 000 000.00	
Furniture & Equipment (Community Services)	Revenue	150 000.00	-	-	-	35 006.00	114 994.00	
Furniture & Equipment (Financial Services)	Revenue	150 000.00	-	-	-	159 076.86	- 9 076.86	
Furniture and OE Technical services	Revenue	150 000.00	-	-	-	9 430.00	140 570.00	
Furniture & Equipment (Technical Services)	Revenue	150 000.00	-	-	-	28 750.00	121 250.00	
Furniture & Equipment (Corporate Services)	Revenue	150 000.00	16 540.00	2 481.00	19 021.00	19 021.00	130 979.00	
Furniture & Equipment (Planning and Development)	Revenue	150 000.00	-	-	-	184 345.00	- 34 345.00	
Furniture & Equipment (Executive and Council)	Revenue	200 000.00	-	-	-	-	200 000.00	
Furniture & Equipment (MM's Office)	Revenue	100 000.00	-	-	-	16 728.48	83 271.52	
Munsoft Hardware Upgrade	Revenue	1 200 000.00	-	-	-	-	1 200 000.00	
Insurance	Revenue	5 000 000.00	-	-	-	-	5 000 000.00	

Description	Funding	Original Budget 2024/2025	Monthly Expenditure Excl. VAT	VAT 15%	Monthly Expenditure Inc VAT	YTD Expenditure	Available Balance as at 31 December 2024
Acquisition of Fleet	Revenue	25 000 000.00		-	-	5 505 231.54	19 494 768.46
Computer Equipment	Revenue	2 000 000.00		-	-	1 247 019.77	752 980.23
TOTAL		273 270 100.00	5 578 296.24	836 744.44	6 415 040.68	136 431 418.21	136 838 681.79

13. Other supporting documents

See Attached Annexure C

14. Conclusion

Year-to-Date Target	Year-to-Date Target %	Year-to-Date Actual	Year-to-Date Actual %	Under Performance
R 963 356 500.00	50%	R 421 009 720.60	21.85%	-R 542 346 779.40

Overview on performance of Budget Funding Plan

Council approved the 2024/25 Budget Funding Plan (BFP) together with the budget on the 31st of May 2024.

The progress recorded as at 31 December 2024 is at 21.85%. The total anticipated revenue is R1 926 713 000 of which an amount of R421 009 720.60 has been collected to date.

15. Annexure A: C-schedules

16. Annexure B: Compliance with the conditions for Municipal Debt Relief

17. Municipal Manager's quality certification

QUALITY CERTIFICATE

I **E.N. Maseko**, the Municipal Manager of **Govan Mbeki Municipality**, hereby certify that: -

- The monthly budget statement report; and
- The supporting documentation for the month of **December 2024** has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name: ABM Mavimbela

Acting Chief Financial Officer of Govan Mbeki Municipality (MP307)

Signature:

Date: 15/1/2025

Print Name: E.N. Maseko

Municipal Manager of Govan Mbeki Municipality (MP307)

Signature:

Date: 17/1/2025

18. Recommendations

It is recommended that that the Mayoral Committee / Mayoral Committee meeting take note of -

1. The monthly budget statement for the month ending 31 December 2024.
2. The non-compliance emanating from the municipality's debt relief self-assessment as well as the Provincial Treasury's independent assessment set-out in paragraph 16 above;
3. The following remedial actions necessary and / or undertaken to improve the municipality's monthly compliance in terms of the Debt Relief Conditions:
 - Increase collection rate to enable the municipality to pay its Eskom current account within 30 days.
 - Continuous implementation of revenue enhancement to improve cashflow status of the municipality.
 - Initiate a cut-off drive to enforce compliance, targeting businesses & government that have not met their payment obligations to improve cashflow status of the municipality.
4. The balance of the Eskom bulk account amounting to R5 196 638 000 and Rand Water bulk water account R794 788 000.