



Budget Statement

MFMA Section 71 Report

28 FEBRUARY 2025

Govan Mbeki Municipality

DISTRIBUTION:

Executive Mayor: Mr. N.G. Zuma

Municipal Manager: Mr. E.N. Maseko

Acting Chief Financial Officer: Mr. E.N. Maseko

Sector Departments: National and Provincial Departments

Uploaded to the National Treasury GoMuni portal

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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 28 FEBRUARY 2025

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 28 FEBRUARY 2025

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 28 February 2025

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	R'000
Total Operating Revenue	3 300 378	3 306 726	168 398	1 908 060	2 200 252	-292 192	-13%
Less Total Operating Expenditure	3 988 528	3 959 362	605 127	2 559 375	2 659 019	-99 644	-4%
Surplus /(Deficit) for the year before grant capital revenue	-688 150	-652 636	-436 728	-651 315	-458 767	192 548	42%
Add Grant capital revenue	117 651	126 934	2 565	104 032	78 434	25 598	33%
Surplus /(Deficit) for the year	-570 499	-525 702	-434 163	-547 283	-380 333		
Total Capital Expenditure	273 903	342 543	2 398	135 564	182 411	-46 847	-26%

Operating Revenue

The overall performance on the revenue component is 13% below target.

Operating Expenditure

The overall performance on the expenditure component is 4% below target.

For the above transaction statement refer to page 8. Bulk purchases are above target by 32% and inventory consumed is above target by 2%, should the trend continue at the same rate there will be an unauthorised expenditure in these line items. The line items have been adjusted during budget adjustment and additional funds were allocated in the line items. Relatively interest on overdue accounts/finance costs is above target by 49%.

Cash Management

As of 28 February 2025, the municipality had a positive bank statement balance of R10 580 220.71 and R 940 219.90 in the current and traffic fines account respectively. Cash book had a negative balance of (R40 118 791.26).

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) - M08 - February

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										
Revenue										
Exchange Revenue										
Service charges - Electricity		562 206	994 107	994 107	50 264	540 744	662 739	(121 993)	-18%	994 107
Service charges - Water		456 094	714 085	714 085	42 101	332 430	476 057	(143 627)	-30%	714 085
Service charges - Waste Water Management		147 473	182 706	182 706	13 046	108 018	121 804	(13 787)	-11%	182 706
Service charges - Waste management		143 706	190 036	190 036	12 464	103 355	120 024	(16 680)	-14%	190 036
Sale of Goods and Rendering of Services		7 512	6 455	7 289	518	4 520	4 304	216	5%	7 289
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		237 020	213 599	213 599	18 526	169 869	142 399	17 469	12%	213 599
Interest from Current and Non Current Assets		14 911	16 375	16 375	206	3 662	10 917	(7 234)	-66%	16 375
Dividends		-	25	25	-	171	17	154	925%	25
Rent on Land		-	3	3	-	-	2	(2)	-100%	3
Rental from Fixed Assets		6 630	6 688	10 468	1 338	6 083	3 799	2 285	60%	10 468
Licence and permits		-	-	-	-	-	-	-	-	-
Operational Revenue		1 640	5 851	6 508	392	1 068	3 901	(2 832)	-73%	6 508
Non-Exchange Revenue										
Property rates		396 103	445 250	445 250	24 578	252 326	296 833	(44 508)	-15%	445 250
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		4 107	19 836	18 730	392	5 287	13 224	(7 937)	-60%	18 730
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		459 861	482 163	483 357	(6 469)	369 609	328 109	36 500	11%	483 357
Interest		27 032	21 688	21 688	2 051	21 832	14 458	7 374	51%	21 688
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	2 500	2 500	-	-	1 867	(1 667)	-100%	2 500
Other Gains		35 658	-	-	-	5 066	-	5 066	#DIV/0!	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and		2 499 952	3 300 378	3 306 726	168 398	1 908 060	2 200 252	(292 192)	-13%	3 306 726

Electricity service charges is below the target by 18%

- 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 30% 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 60%, 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) - M08 - February

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 By Type										
Employee related costs		636 744	787 368	787 368	64 811	485 500	524 912	39 352	-7%	787 368
Remuneration of councillors		35 845	35 480	35 480	2 659	22 021	23 653	(1 633)	-7%	35 480
Bulk purchases - electricity		1 051 410	853 967	1 101 613	34 227	749 328	589 311	160 017	32%	1 101 613
Inventory consumed		617 801	515 279	563 149	41 484	351 030	343 620	7 510	2%	563 148
Debt impairment		-	989 750	504 765	416 241	416 241	659 167	(242 926)	-37%	504 766
Depreciation and amortisation		126 208	165 837	145 837	8 924	80 526	110 558	30 032	-27%	145 837
Interest		279 604	140 067	170 087	7 405	139 162	93 391	45 771	49%	170 087
Contracted services		329 674	329 863	456 579	13 079	206 618	219 936	13 290	-6%	456 579
Transfers and subsidies		38 490	28 361	37 351	3 499	25 301	18 937	6 393	34%	37 361
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-
Operational costs		198 744	143 537	167 125	12 796	78 530	95 691	17 151	-18%	167 125
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		36 038	-	-	-	5 059	-	5 059	#DIV/0!	-
Total Expenditure		3 260 561	3 988 528	3 959 362	605 127	2 559 375	2 658 019	(99 644)	-4%	3 959 362

Employee related cost and Remuneration of councillors is below target by 7% and 7% respectively, due to vacant positions not yet filled and upper limit yet to be implemented.

Electricity bulk purchases expense is above target by 32%.

Contracted services are 6% below target due to reclassification journal that was done from contracted services to operational cost for EPWP.

Operational costs are below target by 18%, due to cashflow constraints some projects/activities are delayed.

Transfers and subsidies are 34% above target due to increase in indigent customers.

Inventory consumed which include water purchases are above target by 2%, 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 27% below target due to due to fully depreciated assets and expired lease during the year and the fact that depreciation for the remaining months has not been processed

Finance charges is 49% 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

MP307 Govan Mbeki - Table C5: Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M08 - February

R thousands	Vote Description	Ref	Budget Year 2024/25					YTD %	Full Year		
			2023/24 Audited	Original	Adjusted	Monthly	YearTD actual				
	Capital Expenditure - Functional Classification	1									
	Governance and administration		6 741	37 050	29 360	631	4 729	24 706	(17 976)	-73%	29 380
	Finance and council		740	300	930		33	200	(467)	-83%	930
	Finance and administration		6 001	36 750	28 750	631	6 697	24 500	(17 813)	-73%	28 750
	Internal audit		-	-	-	-	-	-	-	-	-
	Community and public safety		2 173	17 150	11 550	25	57	11 433	(11 376)	-100%	11 550
	Community and social services		1 926	10 150	6 000	-	30	6 767	(5 736)	-132%	6 000
	Sport and recreation		228	7 000	3 500	25	27	4 667	(4 640)	-96%	3 500
	Public safety		19	-	50	-	-	-	-	-	50
	Housing		-	-	-	-	-	-	-	-	-
	Health		-	-	-	-	-	-	-	-	-
	Economic and environmental services		83 649	67 426	72 043	138	37 335	44 759	(7 424)	-17%	72 043
	Planning and development		52 452	67 276	56 853	163	37 290	37 992	(742)	-2%	56 853
	Road transport		15 547	10 150	15 150	(25)	65	6 767	(6 652)	-99%	15 150
	Environmental protection		4 860	-	-	-	-	-	-	-	-
	Trading services		70 289	152 277	229 571	1 805	91 459	101 548	(13 667)	-10%	229 571
	Energy services		40 954	67 390	101 390	-	63 403	44 927	(19 477)	-31%	101 390
	Water management		17 953	30 000	99 400	29	187	20 000	(16 693)	-98%	99 400
	Waste water management		11 242	38 083	41 676	1 578	13 309	25 389	(12 067)	-58%	41 676
	Asset management		-	16 804	18 804	-	14 612	11 203	(3 410)	-30%	18 804
	Other		-	-	-	-	-	-	-	-	-
	Total Capital Expenditure - Functional Classification	3	162 852	273 903	342 543	2 398	135 564	182 411	(46 847)	-26%	342 543
	Funded by:										
	National Government		103 827	114 063	123 313	1 738	87 500	75 844	(11 276)	-15%	123 313
	Provincial Government		6 760	-	-	-	-	-	-	-	-
	Local Municipality		-	-	-	-	-	-	-	-	-
	Transfers and subsidies - capital monetary allocations, (incl. Prov. Departmental)		-	-	-	-	-	-	-	-	-
	Transfers recognised capital		169 407	114 063	123 313	1 738	87 520	75 844	(11 676)	-15%	123 313
	Borrowing	5	-	-	-	-	-	-	-	-	-
	Internally generated funds		46 844	159 800	219 230	617	48 001	109 400	(58 359)	-56%	219 230
	Total Capital Funding		158 251	273 863	342 543	2 355	135 521	182 244	(48 723)	-26%	342 543

4.4 Cash flows

MP307 Govan Mbeki - Table C7 Monthly Budget Statement - Cash Flow - M08 - February

R thousands	Description	Ref	2023/24 Audited Outcome	Budget Year 2024/25						YTD variance	YTD variance %	Full Year Forecast
				Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YearTD budget			
1	CASH FLOW FROM OPERATING ACTIVITIES											
	Receipts		338 950	424 301	25 565	218 448	411 435	(192 987)	-47%	424 301		
	Property rates		1 181 476	2 206 114	102 173	918 590	2 085 107	(1 170 517)	-55%	2 206 114		
	Service charges		50 856	37 841	3 557	38 572	36 387	2 186	6%	38 849		
	Other revenue		469 898	492 153	754	374 771	524 627	(149 856)	-29%	492 153		
	Transfers and Subsidies - Operational		143 211	117 541	6 307	111 408	81 389	30 009	37%	117 541		
	Transfers and Subsidies - Capital		11 954	15 375	206	3 485	17 177	(13 693)	-80%	15 375		
	Interest:		-	25	-	-	25	(26)	-100%	25		
	Dividends		-	-	-	-	-	-	-	-		
	Payments		(1 423 200)	(3 311 223)	(55 953)	(987 307)	(2 757 548)	1 770 241	-64%	(3 311 223)		
	Suppliers and employees		-	30 000	-	-	-	-	-	30 000		
	Interest:		-	-	-	-	-	-	-	-		
	Transfers and Subsidies		-	-	-	-	-	-	-	-		
	NET CASH FROM/(USED) OPERATING ACTIVITIES		782 945	491 806	82 629	677 967	402 610	(275 356)	-68%	14 145		
	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		196 343	(261 277)	(8 408)	(127 367)	(218 037)	90 670	-42%	(261 277)		
	Capital assets		-	(261 277)	-	-	-	-	-	(261 277)		
	NET CASH FROM/(USED) INVESTING ACTIVITIES		(181 843)	(261 277)	(8 408)	(127 367)	(218 037)	(90 670)	42%	(261 277)		
	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		964 788	(247 132)	74 220	550 599	184 573	(247 132)		(247 132)		
	Cash/cash equivalents at beginning:		120 545	256 446	256 446	25 751	256 446	25 751		25 751		
	Cash/cash equivalents at month/year end:		1 085 332	555 998	9 314	576 351	441 019	576 351		(221 381)		

5. In-year budget statement tables

MP307 Govan Mbeki – Table C1 Monthly Budget Statement Summary – M08 - February

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	445 250	24 578	252 325	296 633	(44 508)	-15%	445 250	
	Service charges	1 309 477	2 070 934	2 070 934	126 865	1 084 547	1 380 622	(296 075)	-21%	2 070 934	
	Investment revenue	14 911	16 375	16 375	206	3 682	10 917	(7 234)	-66%	16 375	
	Transfers and subsidies - Operational	459 661	492 163	493 357	(6 469)	363 609	328 109	35 500	11%	493 357	
	Other own revenue	319 599	275 656	280 811	23 219	203 896	183 771	20 126	11%	—	
	Total Revenue (excluding capital transfers and contributions)	2 495 952	3 300 378	3 306 726	168 398	1 908 060	2 200 252	(292 192)	-13%	3 306 726	
	Employee costs	636 744	787 368	787 368	64 811	485 560	524 912	(39 352)	-7%	787 368	
	Remuneration of Councilors	35 846	35 480	35 480	2 659	22 021	23 653	(1 633)	-7%	35 480	
	Depreciation and amortisation	126 208	165 837	145 837	8 924	80 526	110 558	(30 032)	-27%	145 837	
	Interest	279 604	140 087	170 087	7 405	139 162	93 391	45 771	49%	170 087	
	Inventory consumed and bulk purchases	1 665 211	1 369 246	1 654 761	75 711	1 100 358	912 831	187 527	21%	1 654 761	
	Transfers and subsidies	38 490	28 361	37 361	3 499	25 301	18 907	6 393	34%	37 361	
	Other expenditure	474 457	1 462 150	1 128 470	442 118	706 448	974 766	(268 318)	-28%	1 128 470	
	Total Expenditure	3 260 561	3 988 528	3 959 362	605 127	2 559 375	2 659 019	(99 644)	-4%	3 959 362	
	Surplus/(Deficit)	(760 609)	(688 150)	(652 636)	(436 728)	(651 315)	(458 767)	(192 548)	42%	(652 636)	
	Transfers and subsidies - capital (monetary allocations)	118 018	117 651	126 934	2 565	104 032	78 434	25 598	33%	126 934	
	Share of surplus/ (deficit) of associates	—	—	—	—	—	—	—	—	—	
	Surplus/(Deficit) after capital transfers & Share of surplus/ (deficit) of associates	(642 591)	(570 499)	(525 702)	(434 163)	(547 283)	(380 333)	(166 950)	44%	(525 702)	
	Surplus/ (Deficit) for the year	(642 591)	(570 499)	(525 702)	(434 163)	(547 283)	(380 333)	(166 950)	44%	(525 702)	
	Capital expenditure & funds sources										
	Capital expenditure	162 852	273 903	342 543	2 398	135 564	182 411	(46 847)	-26%	342 543	
	Capital transfers recognised	109 407	114 053	123 313	1 738	87 520	75 844	11 676	15%	123 313	
	Borrowing	—	—	—	—	—	—	—	—	—	
	Internally generated funds	48 844	159 600	219 230	617	48 001	106 400	(58 399)	-55%	219 230	
	Total sources of capital funds	158 251	273 653	342 543	2 355	135 521	182 244	(46 723)	-26%	342 543	
	Financial position										
	Total current assets	2 749 188	1 244 845	1 226 500	—	2 327 891	—	—	—	1 226 500	
	Total non current assets	2 942 620	2 936 479	3 020 119	—	3 106 405	—	—	—	3 020 119	
	Total current liabilities	7 551 067	4 141 563	4 162 061	—	5 498 779	—	—	—	4 162 061	
	Total non current liabilities	373 318	369 440	369 440	—	2 572 488	—	—	—	369 440	
	Community wealth/Equity	(2 232 577)	(329 679)	(284 881)	—	(2 636 970)	—	—	—	(284 881)	
	Cash flows										
	Net cash from (used) operating	782 945	491 806	14 145	82 629	677 967	402 610	(275 356)	-68%	14 145	
	Net cash from (used) investing	181 843	(192 253)	(261 277)	(8 408)	(127 367)	(218 037)	(90 670)	42%	(261 277)	
	Net cash from (used) financing	—	—	—	—	—	—	—	—	—	
	Cash/cash equivalents at the month/year end	1 085 332	565 998	9 314	—	576 351	441 019	(135 332)	-31%	(221 361)	
	Debtors & creditors analysis										
	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	
	165 884	89 665	84 627	76 591	76 873	72 993	75 075	3 162 843	3 804 552	3 804 552	
	118 025	223 162	38 668	78 275	96 602	117 139	201 147	5 404 313	6 277 331	6 277 331	

MP307 Govan Mbeki - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M07 - January

R thousands	Description	Ref	2023/24 Audited	Budget Year 2024/25						YTD %	Full Year	
				Original	Adjusted	Monthly	YearTD actual	YearTD	YTD			
1	Revenue - Functional											
	<i>Governance and administration</i>											
	Executive and council		936 182	985 052	-	36 322	621 996	574 613	47 383	8%	985 052	
	Finance and administration		465	-	(80)	-	-	-	-	8%	985 052	
	Internal audit		935 718	985 052	-	36 402	621 713	574 613	47 099	#DIV/0!	-	
	<i>Community and public safety</i>											
	Community and social services		7 708	26 569	-	650	6 360	15 498	(9 138)	-58%	26 569	
	Sport and recreation		2 094	2 485	-	177	1 166	1 450	(284)	-20%	2 485	
	Public safety		-	-	-	2	2	-	2	#DIV/0!	-	
	Housing		5 515	24 083	-	471	5 120	14 049	(8 929)	-64%	24 083	
	Health		99	-	-	-	72	-	72	#DIV/0!	-	
	<i>Economic and environmental services</i>											
	Planning and development		82 822	82 696	-	6 378	57 763	48 239	9 524	20%	82 696	
	Road transport		77 242	81 099	-	3 656	48 107	47 308	799	2%	81 099	
	Environmental protection		5 579	1 597	-	2 722	9 656	932	8 724	936%	1 597	
	<i>Trading services</i>											
	Energy sources		1 591 257	2 323 712	-	188 631	1 155 009	1 355 499	(200 490)	-15%	2 323 712	
	Water management		838 314	1 082 138	-	128 089	651 199	631 247	19 951	3%	1 082 138	
	Waste water management		490 602	817 913	-	37 704	289 776	477 116	(187 340)	-39%	817 913	
	Waste management		148 548	219 337	-	14 358	105 379	127 947	(22 567)	-18%	219 337	
	<i>Other</i>		113 794	204 324	-	10 481	108 655	119 189	(10 534)	-9%	204 324	
	Total Revenue - Functional		2 617 970	3 416 029	-	231 981	1 841 129	1 993 850	(152 721)	-8%	3 416 029	
	Expenditure - Functional											
	<i>Governance and administration</i>											
	Executive and council		850 044	1 766 780	-	85 905	461 425	1 030 622	(569 197)	-55%	1 766 780	
	Finance and administration		67 846	77 135	-	6 144	44 449	44 995	(546)	-1%	77 135	
	Internal audit		777 174	1 684 934	-	79 515	414 797	982 878	(568 081)	-58%	1 684 934	
	<i>Community and public safety</i>											
	Community and social services		208 551	224 539	-	246	2 179	2 748	(569)	-21%	224 539	
	Sport and recreation		72 984	78 140	-	8 636	56 414	45 581	10 832	24%	78 140	
	Public safety		29 404	39 631	-	802	5 704	23 118	(17 414)	-75%	39 631	
	Housing		96 690	94 941	-	9 429	65 992	55 382	10 610	19%	94 941	
	Health		8 501	10 691	-	731	5 438	6 236	(798)	-13%	10 691	
	<i>Economic and environmental services</i>											
	Planning and development		972	1 137	-	83	712	663	49	7%	1 137	
	Road transport		96 432	91 545	-	10 642	66 260	53 401	12 859	24%	91 545	
	Environmental protection		31 408	40 312	-	3 587	23 678	23 515	163	1%	40 312	
	<i>Trading services</i>											
	Energy sources		64 994	47 711	-	7 055	42 582	27 832	14 751	53%	47 711	
	Water management		30	3 521	-	-	-	2 054	(2 054)	-100%	3 521	
	Waste water management		2 105 532	1 995 663	-	208 934	1 292 304	1 111 637	180 667	16%	1 995 663	
	Waste management		1 439 028	1 144 866	-	146 970	913 650	667 939	245 812	37%	1 144 866	
	<i>Other</i>		457 865	507 026	-	44 246	260 079	295 765	(35 686)	-12%	507 026	
	Total Expenditure - Functional		3 260 561	3 988 528	-	324 461	1 954 249	2 326 642	(372 393)	-16%	3 988 528	
	Surplus/ (Deficit) for the year		(642 591)	(570 499)	-	(92 480)	(113 120)	(332 792)	219 672	-66%	(570 499)	

MP307 Govan Mbeki - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M07 - January

R thousands	Vote Description	2023/24		Budget Year 2024/25					Full Year	
		Ref	Audited	Original	Adjusted	Monthly	YearTD	YTD		YTD %
Revenue by Vote										
1	Vote 1 - 01 EXECUTIVE AND COUNCIL		73 722	77 528	-	3 319	45 767	543	1.2%	77 528
	Vote 2 - 02 Corporate Services		24 471	25 600	-	58	14 877	(57)	-0.4%	25 600
	Vote 3 - 03 Planning and Development		10 164	12 380	-	469	7 170	(51)	-0.7%	12 380
	Vote 4 - 04 Community Services		(23 864)	25 969	-	623	6 131	(8 667)	-58.6%	25 969
	Vote 5 - 05 Financial Services		905 166	950 643	-	36 132	602 361	47 819	8.6%	950 643
	Vote 6 - Technical Services		1 483 043	2 120 986	-	180 872	1 056 010	(181 232)	-14.6%	2 120 986
	Vote 7 - 06 Technical services Continued		-	-	-	-	-	-	-	-
	Vote 8 - 01 Executive and Council continued		-	-	-	-	-	-	-	-
	Vote 9 - 04 Community Services continued		145 267	205 524	-	10 509	108 812	(11 077)	-9.2%	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	-	231 961	1 841 120	(152 721)	-7.7%	3 418 029
Expenditure by Vote										
1	Vote 1 - 01 EXECUTIVE AND COUNCIL		84 046	92 090	-	6 279	45 948	(7 772)	-14.5%	92 090
	Vote 2 - 02 Corporate Services		122 734	300 269	-	11 201	85 469	(89 688)	-51.2%	300 269
	Vote 3 - 03 Planning and Development		40 788	905 881	-	3 831	28 286	(500 144)	-94.6%	905 881
	Vote 4 - 04 Community Services		215 917	239 230	-	20 265	130 812	(8 739)	-6.3%	239 230
	Vote 5 - 05 Financial Services		566 524	441 866	-	62 415	291 152	33 397	13.0%	441 866
	Vote 6 - Technical Services		2 102 670	1 863 853	-	208 258	1 292 204	204 956	18.9%	1 863 853
	Vote 7 - 06 Technical services Continued		-	-	-	-	-	-	-	-
	Vote 8 - 01 Executive and Council continued		6 728	6 613	-	920	6 295	2 438	63.2%	6 613
	Vote 9 - 04 Community Services continued		121 153	138 726	-	11 291	74 083	(6 840)	-8.5%	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	-	324 461	1 954 249	(372 393)	-16.0%	3 988 528
	Surplus/ (Deficit) for the year	2	(642 591)	(570 499)	-	(92 480)	(113 120)	(332 792)	-66.0%	(570 499)

MP307 Goven Mbeki - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 - February

R thousands	Ref	Description	Budget Year: 2024/25						YTD variance	YTD variance %	Full Year Forecast
			2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget			
		REVENUE									
		Exchange Revenue	582 206	664 107	594 107	59 254	59 254	640 744	(121 993)	-18%	594 107
		Service charges - Electricity	714 085	714 085	714 085	42 101	42 101	932 430	(143 627)	-30%	714 085
		Service charges - Water	147 473	182 708	182 708	13 046	13 046	109 318	(113 787)	-11%	182 708
		Service charges - Waste Management	143 700	180 036	180 036	12 454	12 454	103 355	(119 681)	-14%	180 036
		Sale of Goods and Rendering of Services	7 512	6 455	7 289	518	518	4 304	216	5%	7 289
		Agency services	-	-	-	-	-	-	-	-	-
		Interest:	-	-	-	-	-	-	-	-	-
		Interest earned from Receivables	237 030	213 590	213 590	18 525	18 525	159 869	17 469	12%	213 590
		Interest from Current and Non Current Assets	14 911	16 376	16 376	208	208	3 682	(7 234)	-66%	16 376
		Dividends	-	25	25	-	-	171	154	925%	25
		Rent on Land	-	3	3	-	-	2	2	-100%	3
		Rent from Fixed Assets	6 630	5 698	5 698	1 339	1 339	6 083	2 285	80%	10 498
		License and permits	-	-	-	-	-	-	-	-	-
		Operational Revenue	1 640	6 851	6 851	352	352	1 089	(2 832)	-73%	6 851
		Non-Exchange Revenue	-	-	-	-	-	-	-	-	-
		Property rates	395 103	445 250	445 250	24 578	24 578	252 325	(44 508)	-15%	445 250
		Surcharges and Taxes	-	19 836	19 836	352	352	5 287	(7 937)	-80%	19 836
		Fines, penalties and others	-	-	-	-	-	-	-	-	-
		License and permits	459 861	452 163	452 163	16 459	16 459	363 696	35 500	11%	452 163
		Transfers and subsidies - Operations/	27 032	21 088	21 088	2 051	2 051	21 832	7 374	51%	21 088
		Interest:	-	-	-	-	-	-	-	-	-
		Fuel Levy	-	-	-	-	-	-	-	-	-
		Operational Revenue	-	2 500	2 500	-	-	-	(1 667)	-100%	2 500
		Gains on disposal of Assets	35 658	-	-	-	-	5 096	5 066	#DIV/0!	-
		Other Gains	-	-	-	-	-	-	-	-	-
		Discontinued Operations	-	-	-	-	-	-	-	-	-
		Total Revenue (excluding capital transfers and	2 499 952	3 300 378	3 306 730	188 398	188 398	1 908 060	(292 192)	-13%	3 306 730
		Expenditure BY TYPE									
		Employee related costs	256 744	787 368	787 368	64 811	64 811	485 550	(39 352)	-7%	787 368
		Remuneration of councillors	35 846	35 480	35 480	2 659	2 659	22 021	(1 633)	-7%	35 480
		Bulk purchases - electricity	1 051 410	853 957	853 957	34 227	34 227	749 328	180 017	32%	1 051 410
		Inventory consumed	617 801	515 279	515 279	41 464	41 464	343 520	7 510	2%	515 279
		Dep: equipment	-	988 750	988 750	415 241	415 241	416 241	(242 928)	-37%	988 750
		Depreciation and amortisation	126 208	166 837	166 837	8 924	8 924	80 626	(130 032)	-27%	166 837
		Interest:	279 604	140 087	140 087	7 405	7 405	139 132	45 771	49%	140 087
		Contracted services	329 874	325 863	325 863	19 076	19 076	206 618	(13 290)	-8%	325 863
		Transfers and subsidies	38 460	28 351	28 351	3 499	3 499	25 301	6 393	34%	38 460
		Irrecoverable debts written off	-	-	-	-	-	-	-	-	-
		Operational costs	198 744	143 537	143 537	12 759	12 759	79 530	(17 161)	-18%	198 744
		Losses on Disposal of Assets	-	-	-	-	-	-	-	-	-
		Other Losses	35 036	-	-	-	-	5 656	5 059	#DIV/0!	-
		Total Expenditure	3 280 561	3 986 528	3 959 362	605 127	605 127	2 559 375	(99 644)	-4%	3 959 362
		Surplus/(Deficit)	(780 609)	(681 150)	(652 632)	(436 728)	(436 728)	(951 315)	(192 548)	42%	(652 632)
		Transfers and subsidies - capital (in-kind)	118 018	117 651	126 934	2 636	2 636	78 434	25 598	33%	118 018
		Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
		Surplus/(Deficit) after capital transfers & contributions	(642 591)	(570 499)	(525 702)	(434 163)	(434 163)	(547 263)	-	-	(525 702)
		Income Tax	-	-	-	-	-	-	-	-	-
		Surplus/(Deficit) after Income tax	(642 591)	(570 499)	(525 702)	(434 163)	(434 163)	(547 263)	-	-	(525 702)
		Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-	-	-
		Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-	-	-	-
		Surplus/(Deficit) attributable to municipality	(642 591)	(570 499)	(525 702)	(434 163)	(434 163)	(547 263)	-	-	(525 702)
		Share of Surplus/Deficit attributable to Associates	-	-	-	-	-	-	-	-	-
		Intracompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-
		Surplus/(Deficit) for the year	(642 591)	(570 499)	(525 702)	(434 163)	(434 163)	(547 263)	-	-	(525 702)

MP307 Govan Mbeki - Table C6 Monthly Budget Statement - Financial Position - M08 - February

R thousands	Description	Ref	2023/24	Budget Year 2024/25		Full Year Forecast
			Audited Outcome	Original Budget	Adjusted Budget	
	ASSETS	1				
	Current assets					
	Cash and cash equivalents		(30 737)	581 262	48 656	48 656
	Trade and other receivables from exchange transactions		707 850	369 704	911 553	911 553
	Receivables from non-exchange transactions		434 058	110 969	80 970	90 970
	Current portion of non-current receivables		—	—	—	—
	Inventory		130 809	15 428	51 939	51 939
	VAT		1 504 933	133 483	133 483	133 483
	Other current assets		2 635	—	—	—
	TOTAL CURRENT ASSETS		2 749 189	1 244 845	1 226 500	1 226 500
	Non-current assets					
	Investments		(13 551)	—	—	—
	Investment property		1 304 982	1 148 475	1 148 475	1 148 475
	Property, plant and equipment		1 645 583	1 780 810	1 964 492	1 964 492
	Biological assets		—	—	—	—
	Living and non-living resources		5 431	5 431	5 431	5 431
	Intangible assets		0	951	909	909
	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		2 942 620	2 936 479	3 020 119	3 020 119
	TOTAL ASSETS		5 691 808	4 181 325	4 246 619	4 246 619
	LIABILITIES					
	Current liabilities					
	Bank overdraft		—	—	—	—
	Financial liabilities		7 028	295	—	—
	Consumer deposits		32 502	29 017	29 017	29 017
	Trade and other payables from exchange transactions		6 202 511	3 984 015	4 016 599	4 016 599
	Trade and other payables from non-exchange transactions		27 808	85 227	74 140	74 140
	Provision		49 842	43 009	43 009	43 009
	VAT		1 229 204	—	—	—
	Other current liabilities		2 172	—	—	—
	TOTAL CURRENT LIABILITIES		7 551 087	4 141 563	4 162 661	4 162 661
	Non-current liabilities					
	Financial liabilities		5 529	427	427	427
	Provision		327 951	327 718	327 718	327 718
	Long term portion of trade payables		—	—	—	—
	Other non-current liabilities		39 839	41 288	41 288	41 288
	TOTAL NON-CURRENT LIABILITIES		373 319	369 440	369 440	369 440
	TOTAL LIABILITIES	2	7 924 385	4 511 003	4 531 501	4 531 501
	NET ASSETS		(2 232 577)	(329 679)	(284 881)	(284 881)
	COMMUNITY WEALTH/EQUITY					
	Accumulated surplus/(deficit)		(2 232 577)	(329 679)	(284 881)	(284 881)
	Reserves and funds		—	—	—	—
	Other		—	—	—	—
	TOTAL COMMUNITY WEALTH/EQUITY	2	(2 232 577)	(329 679)	(284 881)	(284 881)

PART 2: SUPPORTING DOCUMENTATION

6. Debtors' Analysis

The total debtors book balance as at 28 February 2025 amounts to R 3 804 552 000. Organs of state contribute 1.33% of the total outstanding debt while commercial and households contribute 7.75% and 90.92% respectively. The debtors' payment rate for the month is 65%.

MP307 Govan Mbeki - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 - February

Description	NT Code	Budget Year 2024/25										Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dys-1 Yr	Over 1Yr							
R thousands																
Debtors Age Analysis By Income Source																
Trade and Other Receivables from Exchange Transactions - Water	1200	45 937	20 895	22 407	19 367	21 033	18 984	19 780	965 729	1 151 842	1 062 902	(11 674)	-			
Trade and Other Receivables from Exchange Transactions - Electricity	1300	40 857	14 770	11 961	10 783	9 860	9 788	9 632	366 714	473 275	468 887	(14 366)	-			
Receivables from Non-exchange Transactions - Property Rates	1400	26 847	11 843	10 139	9 149	8 327	7 954	7 757	288 327	370 144	321 515	(4 345)	-			
Receivables from Exchange Transactions - Waste Water Management	1500	13 951	9 654	9 216	8 065	8 036	7 446	7 166	357 643	421 310	388 289	(12 493)	-			
Receivables from Exchange Transactions - Waste Management	1600	13 281	9 502	9 531	7 898	7 379	7 113	6 991	328 478	390 271	358 856	(11 992)	-			
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-			
Interest on Arrear Debtor Accounts	1910	21 437	22 368	21 928	22 123	21 642	21 639	24 321	806 265	961 923	896 190	-	-			
Recoverable unauthorised, irregular, hush and wasteful expenditure	1920	-	-	-	-	-	-	-	-	-	-	-	-			
Other	1900	4 075	632	-	206	170	184	386	29 787	35 888	30 756	(28 463)	-			
Total By Income Source	2000	165 884	89 665	84 637	76 591	76 873	72 993	75 075	3 162 843	3 804 552	3 464 375	(83 613)	-			
2023/24 - totals only		155 368	100 483	94 923	89 281	80 552	79 306	76 157	3 193 766	3 873 814	3 523 042	(83 613)	-			
Debtors Age Analysis By Customer Group																
Organs of State	2200	6 674	2 823	1 937	1 362	1 461	1 372	1 391	33 080	50 239	38 705	-	-			
Commercial	2300	44 421	9 631	7 086	5 186	5 855	5 806	6 747	211 328	295 038	234 900	-	-			
Households	2400	114 786	78 111	76 006	69 034	69 657	66 816	67 937	2 918 426	3 459 275	3 190 769	(83 613)	-			
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-			
Total By Customer Group	2600	165 884	89 665	84 637	76 591	76 873	72 993	75 075	3 162 843	3 804 552	3 464 375	(83 613)	-			

7. Creditors' Analysis

The total creditors balance for the month of February 2025 amounted to R6 277 331 000. 98% creditors are above 30 days. The major creditors are Eskom and Rand Water.

MP307 Govan Mbeki - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February

Description	NT Code	Budget Year 2020/21										Total		
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year					
R thousands														
Creditors Age Analysis By Customer Type														
Bulk Electricity	0100	44 010	139 099	15 468	63 755	84 301	107 008	192 456	4 696 788					5 342 884
Bulk Water	0200	6 582	14 437	-	7 582	7 627	7 190	7 469	784 348					835 235
PAYE deductions	0300													-
VAT (output less input)	0400													-
Pensions / Retirement deductions	0500													-
Loan repayments	0600													-
Trade Creditors	0700	37 433	26 965	23 200	6 938	4 675								99 211
Auditor General	0800													-
Other	0900													-
Total By Customer Type	1000	88 025	180 501	38 668	78 275	96 603	114 198	199 925	5 481 136					6 277 331

5. Investment portfolio analysis

Segment Description	Account Nr	Date of Investment	Opening Balance 01/02/2025	Investments Made	Investment Withdrawals/ Reversal	Fair Value Adjustment	Interest Capitalized /Accrued	Closing Balance 28/02/2025
Long-Investments								
Old Mutual Shares C0777197766	Share nr C0777197766		27 096.93	-	-	-	-	27 096.93
Old Mutual Shars 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 Account	038787024(003)	26/11/2014	523 606.95	-	-	-	2 851.86	526 458.81
Standard Bank Tiered Rate Call Account	038787024(008)	13/08/2014	21 139 596.92	10 000 000.00	18 500 000.00	-	127 702.43	12 767 299.35
Standard Bank Money Market Call Account	038787024(009)	05/06/2016	5 323 082.20	10 000 000.00	5 000 000.00	-	75 290.02	10 398 372.22
			26 986 286.07	20 000 000.00	23 500 000.00	-	205 844.31	23 692 130.38
			28 105 025.63	20 000 000.00	23 500 000.00	-	205 844.31	24 810 869.94

Allocation and grant receipts and expenditure

Performance of Capital Grants

Grants	Allocation per DoRA	Received Including rollover	Expenditure as at 28 February 2025	Unspent/Over spending 2024/2025	YTD %
Integrated National Electrification Programme Grant	R32 240 000.00	R32 240 000.00	R28 885 039.56	R3 354 960.43	90%
Municipal Infrastructure Grant	R77 418 000.00	R69 285 000.00	R63 328 877.30	R5 956 122.70	86%
Municipal Disaster Recovery Grant	R7 883 000.00	R15 304 126.00	R12 304 817.18	R2 999 308.82	80%
Water Services Infrastructure	R	R1 972 377.75	R	R1 972 377.75	0%
Total	R117 541 000.00	R118 801 503.75	R104 518 734.06	R14 736 643.69	88%

- Total Municipal Infrastructure Grant allocation is inclusive of Project Management Unit operational allocation amounting to R3 870 900 which has been fully spent to date. Furthermore, the Capital budget YTD reflecting on page 9 (C5 Schedule) excludes VAT and PMU Cost component expenditure hence the difference of R16 998 878.34.
- WSIG the amount of R1 972 377.75 was a saving on the Embalenhle water project which was implemented during 2022/23 financial year. National treasury was formal requested to offset the amount against the Govan Mbeki Municipality equitable share, and this was never implemented by national treasury.
Department of water affairs has since been engaged to allow the municipality to utilise the money to other related water and sanitation project. Proposal and motivation have been prepared and submitted to department of water and sanitation and national treasury and approval is still awaited.

Performance of Operational Grants

Grants	Allocation per DoRA	Received Including rollover	Expenditure as at 28 February 2025	Unspent/Over spending 2024/2025	YTD %
Extended Public works Programme	1 597 000.00	1 597 000.00	1 597 000.00	0.00	100%
Financial Management Grants	3 500 000.00	3 500 000.00	982 185.52	2 517 814.48	28%
Infrastructure Skills Development Grant	24 400 000.00	24 400 000.00	24 400 000.00	0.00	100%
Arts and Culture	-	91 608.25	0	91 608.25	0%
LG Seta	1 000 000.00	1 153 860.68	1 079 519.20	74 341.47	94%
Economic Development and Tourism	-	313 901.00	0	313 901.00	0%
Gert Sibande District Municipality	-	274 580.00	0	274 580.00	0%
Energy Efficiency Demand Grant	-	3 469.83	0	3 469.83	0%
Point Duty Officer (SASOL)	3 400 000.00	992 525.00	1 656 903.00	-664 378.00	167%
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	0.00	100%
Total	491 963 000.00	375 108 952.39	372 884 086.72	2 703 865.67	99%

- In addition to EPWP grant the municipality has spent R1 375 236.20 during the month of February 2025 and R11 132 664.40 to date for the EPWP program using internally generated funds, to realize greater and prolonged employment opportunities.
- In terms of the Economic Development and Tourism grant (R 313 901.00), the institution resolved to use this grant to support the development of small and micro enterprises within the jurisdiction of Govan Mbeki municipality. A notice for funding was advertised on 04 February 2025 until 14 February 2025 on all the municipality's boards, pay points and municipal web page encouraging interested companies to apply for support.

10. Councillor and board member allowances and employee benefits for February 2025

Total staff compliment 1 245 (Full time)
 Staff resignations 8
 Staff Appointments 2

MP307 Govan Mbeki - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M08 - February

Summary of Employee and Councillor remuneration	Rtl	2023/24	Budget Year 2024/25							
		Adjusted Outcome	Original Budget	Adjusted Budget	Monthly actual	Year FD actual	Year FD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		26 817	24 545	24 545	1 845	16 287	16 363	(77)	0%	24 545
Pension and UIF Contributions		3 929	3 171	3 171	286	2 402	2 114	288	14%	3 171
Medical Aid Contributions		294	552	552	27	210	368	(158)	-43%	552
Motor Vehicle Allowance		1 845	4 108	4 108	170	1 315	2 738	(1 424)	-52%	4 108
Telephone Allowance		2 843	3 103	3 103	227	1 807	2 065	(252)	-13%	3 103
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		21	-	-	-	-	-	-	-	-
Sub Total Councillors		35 846	35 480	35 480	2 659	22 021	23 653	(1 633)	7%	35 480
% Increase			-1 0%	-1 0%						-1 0%
Senior Managers of the Municipality										
Basic Salaries and Wages		6 887	5 633	5 170	431	4 201	3 888	312	6%	5 170
Pension and UIF Contributions		836	1 366	784	30	339	900	(561)	-62%	784
Medical Aid Contributions		229	199	296	21	177	133	45	34%	296
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		944	803	883	53	501	536	(34)	-6%	883
Telephone Allowance		126	180	127	7	70	120	(50)	-21%	127
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		130	58	145	7	65	39	43	124%	145
Payments in lieu of leave		101	787	613	-	306	525	(219)	-42%	613
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Aging and post related allowance		1 077	1 273	289	25	70	649	(779)	-92%	289
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		10 230	10 483	11 706	584	5 751	6 989	(1 238)	18%	11 706
% Increase			1 5%	9 4%						9 4%
Other Municipal Staff										
Basic Salaries and Wages		302 195	426 784	447 639	34 853	270 305	284 623	(14 318)	-5%	447 639
Pension and UIF Contributions		69 821	103 576	96 200	10 275	61 508	69 063	(7 546)	-11%	96 200
Medical Aid Contributions		43 692	55 825	43 830	3 630	26 595	37 287	(10 688)	-26%	43 830
Overtime		66 754	33 438	68 880	6 483	50 122	22 292	27 830	125%	68 880
Performance Bonus		25 136	63 523	45 349	1 897	22 183	56 682	(33 516)	-60%	45 349
Motor Vehicle Allowance		11 947	21 597	19 574	1 548	12 503	14 458	(1 955)	-14%	19 574
Telephone Allowance		2 534	3 339	2 793	230	1 737	2 226	(490)	-22%	2 793
Housing Allowances		2 071	11 454	3 050	191	2 290	7 642	(5 353)	-70%	3 050
Other benefits and allowances		94 151	19 430	25 249	2 002	16 170	12 553	3 216	25%	25 249
Payments in lieu of leave		7 562	9 183	7 348	1 468	6 902	6 108	(207)	-3%	7 348
Long service awards		-	477	349	-	-	318	(718)	-100%	349
Post-retirement benefit obligations		-	947	3 764	306	2 387	368	2 023	924%	3 764
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Aging and post related allowance		7 268	7 529	11 951	1 384	6 129	3 019	3 160	62%	11 951
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		626 414	776 884	776 062	64 228	479 809	517 923	(38 114)	-7%	776 062
% Increase			24 9%	23 0%						23 0%
Total Parent Municipality		672 590	822 847	822 847	67 471	587 581	548 565	(40 984)	7%	822 847
% Increase			22 3%	22 3%						22 3%
TOTAL SALARY ALLOWANCES & BENEFITS		672 590	822 847	822 847	67 471	587 581	548 565	(40 984)	7%	822 847
% Increase			22 3%	22 3%						22 3%
TOTAL MANAGERS AND STAFF		636 744	787 368	787 368	64 811	485 560	524 912	(39 352)	-7%	787 368

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

12. Capital programme performance

Project Name	Funding	Total Budget	Adjusted Budget	Monthly Expenditure February 2025	Vat	Amount Inclusive Vat	YTD Expenditure	Available Balance as at 28 February 2025
Construction of stormwater concrete pipeline EXT22 Emba	MDRG	7 883 000.00	5 234 855.00	1 575 698.84	236 354.83	1 812 053.67	1 812 053.67	3 422 801.33
Rehabilitation of Stormwater System in Trichardt	MDRG	-	2 186 145.61				2 186 144.61	1.00
Rehabilitation of Stormwater System in Bethal	MDRG	-	4 240 000.00				3 509 443.56	730 556.44
Rehabilitation of Stormwater System in Leandra/Lebohanga	MDRG	-	3 643 000.00				3 643 000.00	0.00
Kinross waste treatment plant	WSIG	-	1 972 378.00				-	1 972 378.00
Finance Interns Laptops	FMG	250 000.00	250 000.00				-	250 000.00
Emzinoni Substation Phase 3	INEP	32 240 000.00	32 240 000.00				28 885 039.56	3 354 960.44
Upgrading of Lebohanga Stadium in Leandra (Phase 2)	MIG	10 000 000.00	10 000 000.00				-	10 000 000.00
Embalenhle Bulk Replacement/Upgrade (Phase 1)	MIG	20 125 978.00	20 125 978.00				19 674 670.65	451 307.35
Emzinoni Bulk water supply	MIG	10 000 000.00	3 000 000.00				265 288.58	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	17 000 000.00	22 330 968.00	162 635.79	24 395.37	187 031.16	22 693 696.07	-362 728.07
Procurement of Specialised Vehicles for Waste Management	MIG	16 804 322.00	16 804 322.00				16 804 322.00	0.00
Water Services	Revenue	30 000 000.00	-				-	0.00
Refurbishment of Trichardt Road	Revenue	-	5 000 000.00				-	5 000 000.00
Workshop Modernisation	Revenue	3 000 000.00	-				-	0.00
vehicle clamps	Revenue	-	50 000.00				-	50 000.00
Furniture & Equipment (MM's Office)	Revenue	100 000.00	100 000.00				2 350.61	97 649.39
Furniture & Equipment (Financial Services)	Revenue	150 000.00	150 000.00				159 076.86	-9 076.86
Furniture & Equipment (Planning and Development)	Revenue	150 000.00	150 000.00				184 345.00	-34 345.00
Furniture & Equipment (Community Services)	Revenue	150 000.00	150 000.00				35 006.00	114 994.00
Furniture and OE Technical services	Revenue	150 000.00	150 000.00				9 430.00	140 570.00
Furniture & Equipment (Technical Services)	Revenue	150 000.00	150 000.00				97 175.00	52 825.00

Project Name	Funding	Total Budget	Adjusted Budget	Monthly Expenditure February 2025	Vat	Amount Inclusive Vat	YTD Expenditure	Available Balance as at 28 February 2025
Furniture & Equipment (Corporate Services)	Revenue	150 000.00	150 000.00				154 546.20	-4 546.20
Renovations & Upgrade of Bethal Council Chamber	Revenue	-	250 000.00				-	250 000.00
Furniture & Equipment (Executive and Council)	Revenue	200 000.00	280 000.00				-	280 000.00
Furniture & Equipment (Facilities)	Revenue	-	850 000.00				-	850 000.00
Pressure management at Emba extension 15 reservoir bulk water line	Revenue	-	1 000 000.00				-	1 000 000.00
Cleaning of GMM Reservoirs (Water quality improvement)	Revenue	-	1 000 000.00				-	1 000 000.00
Munsoft Hardware Upgrade	Revenue	1 200 000.00	1 200 000.00	588 000.00	88 200.00	676 200.00	676 200.00	523 800.00
Drilling of boreholes at Bethal, Emzisoni, Trichardt and eMbalenhle.	Revenue	-	1 500 000.00				-	1 500 000.00
Upgrading of Emzisoni Stadium	Revenue	5 000 000.00	1 500 000.00				-	1 500 000.00
Charl Cilliers sewer ratification and pump station	Revenue	2 000 000.00	1 500 000.00				-	1 500 000.00
Reconstruction of Leandra Offices	Revenue	5 000 000.00	2 000 000.00				-	2 000 000.00
Reconstruction of Kinross offices	Revenue	5 000 000.00	2 000 000.00				-	2 000 000.00
Upgrading of Leandra Stadium	Revenue	2 000 000.00	2 000 000.00				-	2 000 000.00
Computer Equipment	Revenue	2 000 000.00	2 000 000.00				10 339.10	2 000 000.00
Kinross waste treatment plant	Revenue	3 000 000.00	3 000 000.00				-	1 989 660.90
Sijongile Ndamase refurbishment	Revenue	-	3 000 000.00				-	3 000 000.00
Refurbishment of Secunda Reservoir booster pump station	Revenue	-	3 500 000.00				-	3 000 000.00
Refurbishment of roof at eMbalenhle Ext 15 reservoir	Revenue	-	3 500 000.00				-	3 500 000.00
Insurance	Revenue	5 000 000.00	5 000 000.00				-	3 500 000.00
Brendon Village Electrification	Revenue	5 000 000.00	5 000 000.00				-	5 000 000.00
Installation of sewer network; pipeline in Eendracht	Revenue	5 200 000.00	5 200 000.00				-	5 000 000.00
Replacement and upliftment of water meters within GMM	Revenue	-	7 000 000.00				-	5 200 000.00
Refurbishment of roof at eMbalenhle Ext 15 reservoir	Revenue	-	4 500 000.00				-	7 000 000.00
Replacement of Evander Water AC Pipes	Revenue	-	9 000 000.00	28 822.00	4 323.30	33 145.30	33 145.30	4 500 000.00
Chief Albert Luthuli Road Rehabilitation	Revenue	10 000 000.00	10 000 000.00				-	8 966 854.70
Resurfacing of road	Revenue	20 000 000.00	15 000 000.00				-	10 000 000.00
Acquisition of Fleet	Revenue	25 000 000.00	20 000 000.00				5 505 231.55	15 000 000.00
Acquisition of Smart Meters & Meter boxes	Revenue	30 000 000.00	64 000 000.00				44 019 400.92	14 494 768.45
TOTAL		273 903 300.00	304 143 478.61	2 355 156.63	353 273.49	2 708 430.12	150 379 905.24	153 763 573.37

CAPITAL PROJECT PERFORMANCE REPORT

- Upgrading of Lebohang stadium in Leandra Phase 2 (R10 000 000.00 and 2 million of internal funding): Bid submission has been concluded and currently busy with the evaluation of bidders.
- Emzinoni bulk water supply (R10 000 000.00): Bid submission has been concluded and currently busy with the evaluation of bidders.
- Construction of stormwater concrete pipeline of Ext 22 Embalenhle (R7 883 000.00): The project is at construction stage, however there were some delays and since been unlocked.
- Kinross Waste Water Treatment Works (R3 000 000.00): At the finalisation stage of procurement.
- Resurfacing of roads (R15 000 000.00): The municipality is finalizing the scope and identification of the street to be targeted.
- Chief Albert Luthuli Road rehabilitation (R10 000 000.00): The contractor has been appointed and contraction has started.
- Water Services (R30 000 000.00): Various projects under the line item are at the procurement stage and others already commenced.
- Upgrading of Emzinoni stadium (R1 500 000.00): Draft design stage.
- Installation of Network pipeline in Eendracht (R5 200 000.00): Bid submission has been concluded and currently busy with the evaluation of bidders and additional funding to be augmented through budget maintenance by CoGSTA
- The tender is closed and in a process of evaluation
- Charl Cilliers sewer reticulation and pumpstation (R2 000 000.00): The consultant is appointed, and the project is at the planning and Design stage
- Brendan electrification (R5 000 000.00): Consultant has been appointed to do the designs and thereafter procurement processes will commence.
- Reconstruction of Leandra offices (R2 000 000.00): Rescoping
- Reconstruction of Kinross offices (R2 000 000.00): Rescoping

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 1 284 475 333.33	66.67%	R 379 468 548.29	20.0%	-R 905 006 785.04

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 28 February 2025 is at 20%. The total anticipated revenue is R1 926 713 000 of which an amount of R 379 468 548.29 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 **February 2025** has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name: E.N. Maseko

Acting Chief Financial Officer of Govan Mbeki Municipality (MP307)

Signature: 

Date:

Print Name: E.N. Maseko

Municipal Manager of Govan Mbeki Municipality (MP307)

Signature: 

Date:

18. Recommendations

It is recommended that that the Mayoral Committee meeting takes note of -

1. The monthly budget statement for the month ending 28 February 2025.
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 342 884 056.00 and Rand Water bulk water account R835 235 497.00