

PORT ST JOHNS MUNICIPALITY BUDGET AND TREASURY OFFICE



MONTHLY BUDGET REPORT FOR THE MONTH ENDED 31 DECEMBER 2024

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Chief Financial Officer

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Acknowledged By:

Honourable Mayor

C. Mazuza

Contents

1.Budget and Treasury Office Staff Establishment	5
2.Section 71: Monthly Budget Statements	6
2.1 Consolidated view of the budget.....	7
2.2 Sources of Revenue.....	9
2.3 Grants Performance.....	14
2.4 Capital Expenditure.....	15
2.5. Operational Expenditure.....	17
2.6. Section 66 Employee related costs	20
2 Fleet Management.....	31

MONTHLY BUDGET REPORT FOR THE MONTH END OF 31 DECEMBER 2024

PURPOSE

To report on the financial performance of the Municipality for the sixth month ended 31 December 2024 in line with Section 71 of the Municipal Finance Management Act No. 56 of 2003 and Municipal Budget and Reporting Regulations gazette No 32141.

LEGAL/STATUTORY REQUIREMENTS

Section 71 of Municipal Finance Management Act No. 56 of 2003.

Section 52 (d) of Municipal Finance Management Act No. 56 of 2003.

Municipal Budget and Reporting Regulations gazette No 32141

BACKGROUND

Section 71: Monthly Budget Statements

In terms of Section 71 The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- (a) Actual revenue, per revenue source.

- (b) Actual borrowings.
- (c) Actual expenditure, per vote;
- (d) Actual capital expenditure, per vote;
- (e) the amount of any allocations received;
- (f) Actual expenditure on those allocations,

Municipal budget and reporting regulations (MBRR) – Section 28 to 30

Section (28) states that the monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required tables, charts and explanatory information, considering any guidelines issued by the Minister in terms of section 168 (1) of the Act. Tabling of monthly budget statements

Section (29) states that the mayor must table in the municipal council a monthly budget statement submitted to the mayor in terms of section 71 (1) of the Act. If the Mayor does so, the monthly budget statement must be accompanied by a mayor's report in a format set out in Schedule C.

Publication of monthly budget statements

Section (30) sub section (1) states that the monthly budget statement of a municipality must be placed on the municipality's website.

1. Budget and Treasury Office Staff Establishment

This department is formed in terms of the legislation and approved by Council when adopting the Municipal Organisational Structure, its purpose is to serve all other departments, all councillors and all other stakeholders.

Budget & Treasury has six sections under the authority of the CFO as delegated by Accounting Officer:

- Revenue and Investment Management
Senior Revenue accountant, Revenue Accountant and one cashier
- Indigent Support
Free Basic Service Practitioner and 2 Data captures
- Expenditure and Payroll management
Senior Expenditure Accountant (Vacant), Expenditure Accountant, Payroll Officer, Payroll Accountant (Vacant) and 2 Payroll clerks
- Supply chain management.
SCM Practitioner, Contracts Management Officer and Two SCM clerks (1 Vacant)
- Asset Management
Asset Accountant; Asset Clerk, Stores Clerk
- Budget and reporting
Senior Budget & Reporting Accountant, Budget & Reporting Accountant

- Internship
 - 4 financial management interns (3 females and 1 male)

Oversight and management

- Political oversight
 - Budget & Treasury standing committee members
- Strategic and management
 - CFO, PA to the CFO and two managers

The department currently has 3 critical positions that have been prioritized for recruitment and 4 interns. The internship contract ended in June 2024 and was extended until January which then makes the term for current interns to be 31 months.

Position	Status
➤ Senior Accountant expenditure	➤ Request for recruitment sent to HR
➤ Payroll Accountant	➤ Request for recruitment sent to HR
➤ SCM Clerk	➤ Request for recruitment sent to HR
➤ MFIP interns	➤ On Advert

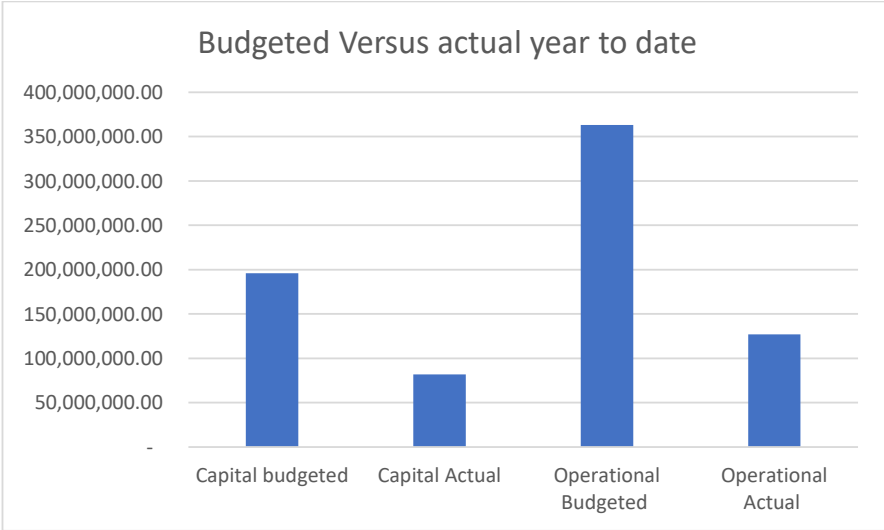
2.Section 71: Monthly Budget Statements

The Budget and Treasury Office performs budgeting, accounting analysis, financial reporting, cash management, debt management, supply chain management, fiscal management, review, and other duties

as may in terms of section 79 be delegated by the accounting officer to the Chief Financial Officer.

2.1 Consolidated view of the budget

The Municipality has a total approved budget of 503 million for revenue and expenditure. The year to- date operational spending against the operational budget is at 34.93%. Capital expenditure is at 41.80%. On the operational expenditure the line items that have under spent are the non-cash items such as depreciation and debt impairment. Employee related costs which are one of our cost drivers is 47.12% less than the budget amount year to date. Year to date revenue is sitting at 209 million. The overall spending against budget is 208 million.



EC154 Port St Johns - 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								-		
Service charges - Water								-		
Service charges - Waste Water Management								-		
Service charges - Waste management		1,141	2,937	2,937	99	602	1,248	(646)	-52%	2,937
Sale of Goods and Rendering of Services		685	732	774	-	27	385	(358)	-93%	774
Agency services		-	1,800	1,800	-	-	900	(900)	-100%	1,800
Interest								-		
Interest earned from Receivables		1,073	1,950	1,950	50	293	975	(682)	-70%	1,950
Interest from Current and Non Current Assets		17,508	107,100	122,741	566	4,391	61,370	(56,979)	-93%	122,741
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		138	500	500	12	75	250	(175)	-70%	500
Licence and permits		24	250	250	56	103	125	(22)	-17%	250
Operational Revenue		756	116	116	56	187	58	129	223%	116
Non-Exchange Revenue										
Property rates		15,560	15,000	15,000	-	15,230	7,500	7,730	103%	15,000
Surcharges and Taxes								-		
Fines, penalties and forfeits		255	380	380	-	-	190	(190)	-100%	380
Licence and permits		-	950	950	-	-	475	(475)	-100%	950
Transfers and subsidies - Operational		201,344	236,891	269,278	71,360	178,749	134,639	44,110	33%	269,278
Interest		6,473	5,550	5,550	357	1,812	2,775	(963)	-35%	5,550
Fuel Levy								-		
Operational Revenue								-		
Gains on disposal of Assets		-	-	-	-	1,059	-	1,059	#DIV/0!	-
Other Gains								-		
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		244,956	374,156	422,226	72,557	202,530	210,891	(8,362)	-4%	422,226
Expenditure By Type										
Employee related costs		105,103	132,671	134,787	11,732	63,790	66,666	(2,876)	-4%	134,060
Remuneration of councillors		14,240	16,539	16,539	1,163	7,370	8,270	(899)	-11%	16,539
Bulk purchases - electricity								-		
Inventory consumed		2,620	10,381	8,745	647	3,259	4,559	(1,300)	-29%	9,565
Debt impairment		5,678	147	294	-	-	220	(220)	-100%	294
Depreciation and amortisation		58,923	68,263	68,263	-	6	34,131	(34,125)	-100%	68,263
Interest		4,091	-	-	-	-	-	-		-
Contracted services		48,655	51,937	51,751	3,527	17,550	21,430	(3,880)	-18%	51,087
Transfers and subsidies		14,066	12,000	12,000	200	6,208	6,000	208	3%	12,000
Irrecoverable debts written off		-	-	-	-	973	-	973	#DIV/0!	-
Operational costs		64,977	70,549	70,914	6,996	27,734	32,170	(4,436)	-14%	71,475
Losses on Disposal of Assets								-		
Other Losses								-		
Total Expenditure		318,354	362,487	363,293	24,265	126,890	173,447	(46,557)	-27%	363,283
Surplus/(Deficit)		(73,398)	11,669	58,933	48,292	75,639	37,444	38,195	0	58,943
Transfers and subsidies - capital (monetary allocations)		101,773	69,146	81,146	4,322	64,291	40,573	23,718	0	81,146
Transfers and subsidies - capital (in-kind)								-		
Surplus/(Deficit) after capital transfers & contributions		28,375	80,815	140,079	52,614	139,930	78,017	61,913	0	140,089
Income Tax								-		
Surplus/(Deficit) after income tax		28,375	80,815	140,079	52,614	139,930	78,017	61,913	0	140,089
Share of Surplus/Deficit attributable to Joint Venture								-		
Share of Surplus/Deficit attributable to Minorities								-		
Surplus/(Deficit) attributable to municipality		28,375	80,815	140,079	52,614	139,930	78,017	61,913	0	140,089
Share of Surplus/Deficit attributable to Associate								-		
Intercompany/Parent subsidiary transactions								-		
Surplus/ (Deficit) for the year		28,375	80,815	140,079	52,614	139,930	78,017	61,913	0	140,089

2.2 Sources of Revenue

The Municipality generates revenue from the below listed sources inclusive of government grants. Rates are billed annually at the beginning of the new financial year and other services are billed monthly. As seen below is the table showing internal revenue sources and those performing less than what was expected are highlighted in red. This indicates that the municipality will adjust its revenue downwards during the adjustment budget.

ITEM	Budget 2024/25	Monthly Projections	24-Nov	24-Dec	Actual Revenue Variance	% Collected	Variance Explanation
Assessment Rates	(15,000,000)	(1,250,000.00)	(179,077.83)	(107 815.83)	(1,142,184.17)	9	Decrease is due to dishonoured payment arrangement by debtors
Refuse Removal	(2,937,200)	(244,766.67)	(107,056.65)	(52 436.14)	(192,330.53)	21	Ratepayers reluctant to pay, the municipality is in the process of appointing a debt collector through a transversal process.
Short Term Investments and Call Accounts	(20,000,000)	(1,666,666.67)	(936,028.41)	(867 643.83)	(799,022.84)	52	Due to decrease in bank balances
Property Rates (interest received from debtors)	(5,550,000)	(462,500.00)	(405,592.27)	(407 074.82)	(55,425.18)	88	Slight increase is due to payment of arrear debt.
Court Fines	(300,000)	(25,000.00)	(2,100.00)	(34 372)	9,372.00	138	No commitment from user department, but a difference is noted since it was a busy month

Vehicle Registration	(1,500,000)	(125,000.00)				-	Not yet Functional
Drivers license application/duplicate drivers license	(600,000)	(50,000.00)				-	Not yet Functional
Leaners license application	(350,000)	(29,166.67)	(1,381.81)	(13 124)	(16,042.67)	45	Slight increase has been noted, and the end user department must keep it up.
sale of goods -Assets < Capitalisation Threshold (Auction)	(316,274)	(316,274.00)				-	
Drivers license: certificate	(300,000)	(25,000.00)				-	Not yet Functional
Business license: flee market and hawker stalls	(250,000)	(20,833.33)	(3,438.00)	(82,592)	61,758.67	396	Boosted by festive season hawkers at second beach.
Investment property: sub lease payment	(500,000)	(41,666.67)	(19,467.99)	(13,900)	(27,666.67)	33	Golf course, polela and eluxolweni flats not paying and were identified as revenue generating areas. Legal intervention is required
Sales of Goods and Rendering of Services: Cemetery and Burial	(20,000)	(1,666.67)				-	
Fines: Pound Fees	(75,000)	(6,250.00)				-	Not yet Functional
Publications: Tender Documents	(20,980)	(1,748.33)				-	No sales as documents are available online to be

							adjusted during adjustment budget
Sales of Goods and Rendering of Services: Application Fees for Land Usage	(15,000)	(1,250.00)				-	No applications regarding land use restrictions were filed this quarter.
Fines: Building	(5,000)	(416.67)				-	
Sales of Goods and Rendering of Services: Encroachment Fees	(5,000)	(416.67)				-	
Sales of Goods and Rendering of Services: Building Plan Approval	(20,980)	(1,748.33)				-	
Sales of Goods and Rendering of Services: Advertisements	(120,000)	(10,000.00)				-	
Revenue: Exchange Revenue - Sales of Goods and Rendering of Services - Building Plan Clause Levy	(35,000)	(2,916.67)				-	
Transaction Handling Fees	(100,000)	(8,333.33)				-	Journal for commissions not yet processed
Revenue: Exchange Revenue - Operational Revenue - Insurance Refund	(15,735)	(1,311.25)				-	No insurance refunds received for December.
Other income- Rent Halls	(220,899)	(18,408.25)	(3,370.00)	(1,272)	(17,136.25)	7	Revenue was collected only from bookings of the halls.

LG Seta	0	-				#DIV/0!	Not budgeted for to adjust during the adjustment budget
VAT refund		-	(2,815,554.53)	(2,225,270.51)		#DIV/0!	Not budgeted for to adjust during the adjustment budget
TOTALS	(50,165,108.00)	(4,470,343.50)	(3,130,049.99)	(3,805,501.13)		70.01	

Allocations Projections

Equitable Share	(203,985,000)	(67,995,000.00)	-	(67 983 000.00)		-	
Local Government Financial Management Grant	(2,600,000)	(2,600,000.00)	-			-	
Expanded Public Works Programme Integrated Grant	(1,676,000)	(419,000.00)	(755,000.00)			-	
Municipal Infrastructure Grant	(39,862,000)	(9,965,500.00)		(10 005 000.00)		-	
Integrated National Electrification Programme Grant	(31,277,000)	(7,819,250.00)	(11,777,000.00)			-	
Grant Gov-DSRAC Library	(1,003,000)	(83,583.33)				-	
OTP			(5,349,227.87)	(1 657 072.97)			
Municipal Disaster Response Grant	(25,634,000)	(25,634,000.00)				-	
TOTALS	(306,037,000.00)	(114,516,333.33)	(17,881,227.87)	(79,645,072.97)			

Services, rates and taxes

- The services offered by the municipality to its residents represent exchange transactions such as, refuse removal, leased properties, building plan fees etc whilst the non- exchange transactions are represented by rates, traffic fines and others. The collection on rates for the month of December is **R107,815.83** for all categories and is less than the monthly projections of **R1,2** million and for refuse collection **R52 436.14** has been collected and is less than the monthly projections of **R244** thousand.
- The department continues engaging its debtors in all categories to reduce their historic debt by making monthly payment arrangements. Honouring of the arranged payments is still a challenge.
- The municipality received a VAT refund of **R2 225 270.51** in the month of November.
- All municipal debt is being collected internally by revenue section for residential debtors, businesses and government departments.
- The institution did not receive any monies from the department of National Public Works and the department of Provincial Public Works in the month of December.
- The institution has one employee owing municipal rates which is not allowed in terms of Schedule 2 (10) of the code of conduct of municipal staff members and the amount owed after billing of rates is **R104 024.23**
- The institution collected an amount of **R34,372.00** on traffic fines for December 2024.
- Learner's licences and vehicle registration collected an amount of **R13,124.00** and **R0.00** for vehicle registration and the budgeted amount is R29 000. There has been a significant drop in revenue for the past months, revenue under collection is a challenge to the department if they don't have an alternative plan in improving on the collection.

- The institution received an amount of **R867 643.83** from interest on investments accounts.
- All other revenue collection items are detailed in the table above.

2.3 Grants Performance

The municipality's capital expenditure is grant funded. The municipality is expected to have spent 50% of the conditional capital grant allocation by end of December which is M06 and has spent more than 50% sitting at 53%.

GRANTS SUMMARY FOR 2024/2025 Financial period

DESCRIPTION	Adjustment Budget 2024/2025	Amount Received To date	Expenditure To date	Expenditure %
Equitable Share	R 203,985,000.00	R 152,977,000.00	R 108,480,851.00	53.2
EPWP	R 1,676,000.00	R 1,174,000.00	R 1,605,508.12	96
MIG	R 39,862,000.00	R 33,040,000.00	R 26,300,748.51	66
INEP	R 31,277,000.00	R 21,277,000.00	R 20,110,382.33	64
FMG	R 2,600,000.00	R 2,600,000.00	R 1,336,399.53	51
DSRAC	R 1,286,270.00	R 1,286,270.00	R 420,751.42	33
DISASTER RELIEF	R 57,737,686.00	R 5,127,000.00	R 21,925,977.76	38
OTP		R 7,006,300.84	R 5,349,227.86	76
Department of Transport	R 12,000,000.00		R 1,708,292.94	14
Total Grants	R 350,423,956.00	R 224,487,570.84	R 187,238,139.47	53

2.4 Capital Expenditure

Capital expenditure is mostly grant funded with MIG, MDRG and INEP contributing the most however in the current budget the municipality allocated additional funds to capital projects funded by own revenue. The total spending for capital expenditure for the month of December amounts to R10,5m which is funded by internal generated funds and conditional grants. Up to date capital expenditure amounts to R81.9 million. See table below.

EC154 Port St Johns - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) -

Vote Description	Ref	2023/24	Budget Year 2024/25		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget						
R thousands	1									
Multi-Year expenditure	2									
Vote 9 - Executive AND Council		0	–	30	–	30	13	17	135%	30
Vote 10 - LED (21: CAPEX)		–	1,100	1,100	–	–	467	(467)	-100%	1,100
Vote 11 - Municipal Manager (		–	–	30	–	30	13	17	135%	30
Vote 12 - Corporate Service (		–	33,484	8,051	2,093	4,121	3,422	700	20%	8,051
Vote 13 - Community Service		236	–	450	–	1,146	391	755	193%	650
Vote 14 - Community Services		–	–	–	–	–	–	–	–	–
Vote 15 - Financial Services (		(1)	300	335	–	35	142	(107)	-75%	335
Vote 16 - Infrastructural Engine		–	37,677	37,677	1,964	20,110	16,013	4,098	26%	37,677
Vote 17 - Executive AND Cou		–	5,000	5,000	–	–	2,125	(2,125)	-100%	5,000
Vote 18 - LED (31: CAPEX)		–	1,800	1,800	–	234	765	(531)	-69%	1,800
Vote 19 - Municipal Manager (–	–	–	–	–	–	–	–	–
Vote 20 - Corporate Services		–	–	–	–	–	–	–	–	–
Vote 21 - Community Services		448	3,050	3,350	101	1,041	1,234	(193)	-16%	3,160
Vote 22 - Financial Services (		–	2,000	2,000	–	650	850	(200)	-23%	2,000
Vote 23 - Infrastructural Engine		51,820	67,119	152,237	4,741	105,782	64,701	41,081	63%	152,237
Total Capital si	4	52,503	151,530	212,060	8,899	81,918	90,136	43,044	48%	212,070
Total Capital Expenditure		52,503	151,530	212,060	8,899	81,918	90,136	43,044	48%	212,070
Capital Expenditure - Functional Classification										
Governance and administrat		(1)	14,950	14,985	–	765	6,369	(5,604)	-88%	14,985
Executive and council		–	100	160	–	60	68	(8)	-12%	160
Finance and administration		(1)	14,850	14,826	–	705	6,301	(5,596)	-89%	14,826
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safet		6,000	–	70	–	1,146	230	917	399%	270
Community and social servi		6,000	–	70	–	1,146	230	917	399%	270
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmenta		46,504	133,530	193,275	8,798	130,228	82,142	48,086	59%	193,275
Planning and development		–	2,900	2,900	–	234	1,232	(998)	-81%	2,900
Road transport		46,504	130,630	190,375	8,798	129,994	80,909	49,084	61%	190,375
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		–	3,050	3,800	101	1,041	1,425	(384)	-27%	3,610
Energy sources		–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		–	3,050	3,800	101	1,041	1,425	(384)	-27%	3,610
Other		–	–	–	–	–	–	–	–	–
Total Capital E	3	52,503	151,530	212,130	8,899	81,918	90,165	43,015	48%	212,140
Funded by:										
National Government		35,223	94,780	138,884	6,641	82,049	59,026	23,024	39%	138,884
Provincial Government		16,038	–	–	1,983	19,986	–	19,986	#DIV/0!	–
District Municipality		–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private		–	–	–	–	–	–	–	–	–
Transfers recognised - capita		51,262	94,780	138,884	8,624	54,261	59,026	(4,765)	-8%	138,884
Borrowing	6	–	–	–	–	–	–	–	–	–
Internally generated funds		1,242	56,750	57,085	275	27,657	24,271	3,386	14%	57,095
Total Capital Funding		52,503	151,530	195,969	8,899	81,918	83,297	(1,378)	-2%	195,979

2.5. Operational Expenditure

Employee costs and general expenditure are the highest in terms of spending. Creditors were paid within the specified time in terms of Section 65 of the MFMA. All third-party payments were paid on the 18th of the month December 2024.

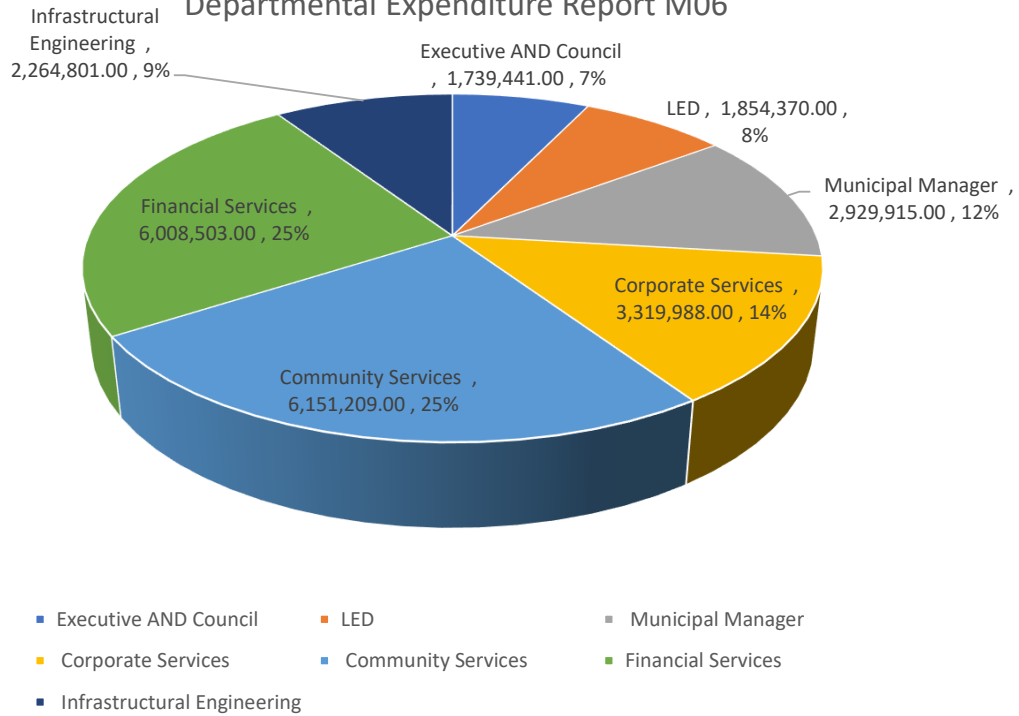
Expenditure per category	Budget 2024/25 R	Monthly Budget	Actual Exp Nov	Actual Exp Dec	Variance Explanation
Employee Related Costs	R132 671 111,00	R11 055 925.91	R11 611 406	R11 732 342	Increase is due to leave paid out and new employees and settlement of grievances amounting to 1,632,730.00
Councillor & Ward Committee Allowances	R22 539 238.00	R1 878 269.83	R2 155 122	R1 657 862	Decrease is due to backpay that was paid in the previous month
General Expenses	R122 055 223.00	R10 171 268.00	R9 463 767	R12 322 700	Increase is caused by high number of invoices received and paid, as we were approaching festive break.
Fuel and Oil	8,164,999.00	680,417.00	R600 000	R332 053.19	The amount of fuel is lower in the month of December due to the festive break
Consultants	7,669,999	983,698	R121 024.94	R1 087 662.48	This month has increased as we paid consultants for VAT services, Financial Statements and Indigent Management System

Repairs and Maintenance	12,392,932	1,032,744,40	R1 232 035	R 921 071.99	The institution has an old fleet which requires maintenance regularly for both vehicles and plant and also there was an invoice for tyres
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Expenditure by Vote

Most of the expenditure for the month of December comes from at community services and Finance at 25%, followed by corporate services due to increase on employee costs (leave encashment, new appointment and overtime etc).

Departmental Expenditure Report M06



2.6. Section 66 Employee related costs

The total expenditure to date for employee related costs including councillors is R12.2. million. The overtime amount is quite high as it is still above R500 000 and needs close monitoring. See the table below. This makes up 55% of the total operational expenditure.

MFMA Section 66 Monthly Report							
TYPE OF EXPENDITURE	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	YTD ACTUAL
	Jul-24	Aug-24	Sept-2024	Oct-2024	Nov-2024	Dec-2024	TOTAL
Basic Salaries & Wages	5,867,731.05	5,746,827.28	7,501,627.60	7,136,673.45	7,972,453.20	7,875,732.26	42,101,044.84
Pension and UIF Contributions	926,714.02	944,692.52	1,090,115.73	1,023,093.03	1,049,999.63	1,048,016.67	6,082,631.60
Medical Aid Contributions	486,912.76	515,521.36	531,057.94	551,557.72	551,249.32	553,502.92	3,189,802.02

Other CC	77,641.98	78,300.78	94,705.58	88,695.53	102,628.68	98,203.56	540,176.11
Overtime	720,562.38	539,615.99	554,715.14	637,711.72	394,165.73	330,185.60	3,176,956.56
Bonus	254,865.25	357,252.65	510,865.13	524,263.40	412,192.03	755,855.80	2,815,294.26
Car Allowance	351,779.98	344,279.98	344,279.98	359,279.98	366,779.98	401,220.83	2,167,620.73
Housing Allowance	2,132.82	2,132.82	2,420.76	4,830.80	4,830.80	4,830.80	21,178.80
Other benefits and allowances	359,617.73	459,282.63	447,888.54	427,849.87	357,869.28	427,554.01	2,480,062.06
Leave payment	-	62,823.45	268,003.67	14,907.55	895,047.03	542,396.26	1,783,177.96
Long Service Awards	30,772.54	47,321.49	21,208.80	11,728.92	63,489.77	53,415.94	227,937.46
TOTAL	9,078,730.51	9,098,050.95	11,366,888.87	10,780,591.97	12,170,705.45	12,090,914.65	64,585,882.40

2.7 Creditors Age Analysis

The Municipality is able to pay its creditors when they become due and strives to pay all creditors within the 30 days.

EC154 Port St Johns - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

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	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	(2,333)	1,240	1,721	(2,818)	1,596	(596)	(930)	3,635	1,514
Auditor General	0800	-	-	(1,557)	1,290	301	-	-	(13)	21
Other	0900	-	-	-	-	-	-	-	-	-
Medical Aid deductions										
Total By Customer Type	1000	(2,333)	1,240	164	(1,528)	1,897	(596)	(930)	3,622	1,535

Below are the top 5 trade creditors

#	Supplier	Amount
1	VENFOLOMABONA CONSULTING	35,000.00
2	R-DATA	51,095.28
3	LIKAMVA GEOMATICS	59,600.00
4	WAYLYN MECHANICAL SERVICES	97,631.47
5	BARLOWORLD EQUIPMENT	152,040.80
	Total	395,367.55

2.8 Collection Rate

The collection rate below is calculated on billing vs revenue collected however when calculating revenue collected vs debtors balance the collection rate of the municipality comes to an overall of 0.21%.

December- 2024

Description	Annual Budget	Billing	November Collection	December Collection	% Collection
Assessment rates	15,000,000.00	1 250 000	179 077.83	107 815.83	9%
Refuse Removal	2,937,200.00	244 767	107 056.65	52 436.14	21%

2.9 Debtors Age Analysis

The municipality had a total consumer debtors balance of R82 565 247.00 ranging between 0 day to over a year, and for last month was R82 202 670.00, there is an increase of R362 577.00 detailed below by age of total debtor's balance:

EC154 Port St Johns - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2024/25									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	1,842	561	469	11,273	465	461	57,747	(2,189)	70,630	67,757	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	163	161	159	156	153	150	10,834	(3)	11,774	11,290	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	162	-	162	162	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	-	-	-	-	-
Total By Income Source	2000	2,005	722	629	11,429	618	611	68,743	(2,192)	82,565	79,209	-	-
2023/24 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	214	203	144	6,991	154	151	26,174	(1,839)	32,191	31,631	-	-
Commercial	2300	506	186	168	2,206	155	156	11,957	(256)	15,078	14,218	-	-
Households	2400	1,286	333	316	2,232	309	305	30,611	(97)	35,296	33,361	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	2,005	722	629	11,429	618	611	68,743	(2,192)	82,565	79,209	-	-

The total debt that can be deemed as irrecoverable amounts is R79 209 105.00 for the month of December 2024 determined based on being more than 90 days in arrears and this is 95.94% of the total debtor's balance.

Provincial Public Works	Analysis of Debt						Total
		Current	30 Days	60 Days	90 Days	120 Days +	

		5,702,720.79	6,906.23	6,869.88	5,088.79	14,932,103.98	20,653,689.67
	Total	5,702,720.79	6,906.23	6,869.88	5,088.79	14,932,103.98	20,653,689.67

National Public Works	Analysis of Debt						Total
		Current	30 Days	60 Days	90 Days	120 Days +	
		898,291.78	23,935.45	23,935.41	17,065.54	5,230,790.16	6,194,018.34
	Total	898,291.78	23,935.45	23,935.41	17,065.54	5,230,790.16	6,194,018.34

2.8 Revenue enhancement

There was no scheduled Revenue enhancement steering committee meeting for the month of **December**.

Top 10 Debtors

Commented [TS1]: Revenue enhancement sits quarterly, please update with results of the one that sat in november

Commented [OM2R1]: This one is for the month of December CFO, I have updated it on the quarterly report.

ACCOUNT	C/CODE	CURRENT	30 Days	60 Days	90 Days	120+ Days	Movement	Total	ACCOUNT NAME
---------	--------	---------	---------	---------	---------	-----------	----------	-------	--------------

10000980	HOUSEHOLD	185,020.00	0.00	0.00	0.00	3,390,650.19	+13,873.58	3,575,670.19	DOROTHY LILLY MORRIS
30000364	GOVERNMENT-PROVINCIAL	73,578.56	0.00	0.00	0.00	767,568.39	+4,074.11	841,146.95	Mdlankala JSS
10000873	FARMS	3,001.25	1,715.00	1,715.00	1,715.00	660,498.68	+2,444.38	668,644.93	JM SIGCAU
20001241	GOVERNMENT-NATIONAL	0.00	0.00	0.00	0.00	658,052.05	+3, 135.61	658,052.05	NATIONAL P. WORKS
10002094	GOVERNMENT-PROVINCIAL	159,640.00	0.00	0.00	0.00	476,325.85	+3,192.80	635,965.85	Government of Transkei
10000019	BUSINESS	23,180.00	0.00	0.00	0.00	526,983.97	+3,258.89	550,163.97	QUMA FUNERAL SERVICES CC
10000843	GOVERNMENT-NATIONAL	12,650.00	0.00	0.00	0.00	507,251.68	+1,877.43	519,901.68	NATIONAL PUBLIC WORKS
10001060	BUSINESS	6,716.70	3,358.33	3,358.33	3,358.33	458,346.78	+810.09	475,138.47	LADHOW TRUST
30000385	GOVERNMENT-PROVINCIAL	138,517.50	0.00	0.00	0.00	367,547.81	+1,734.15	506,065.31	Lutshaya SSS
30000419	GOVERNMENT-PROVINCIAL	139,305.00	0.00	0.00	0.00	343,762.91	+1,160.88	483,067.91	Kwamsikwa JSS

We are engaging with government departments; we have submitted invoices to National Public works and still waiting for other payments. The section is busy engaging with the department of Rural development in settling their debt.

Valuation Roll

Port St Johns Municipality has started a process of compiling the general valuation roll for a period of 5 years, the valuation process has started and is done by Gov- pro and the date of implementation will be the 1st of July 2025.

Below shows the progress on the valuation roll process. Green shows the complete stages, blue means in progress and yellow shows stages not yet started.



The above milestones have been completed



The project is currently at the stage of finalising the property values which will be submitted to cogta for quality review and then publicise for public viewing.

2.11 Cash and cash equivalents

As at the end of December 2024, the Municipality had the below bank accounts and balances with FNB and Standard Bank. The balances are inclusive of interest from call accounts. As at the end of December 2024 the municipality has a total of eight bank accounts including the main account.

Account Type	Bank	Account type	Acc. Name	Balance	Recons
63007016735	FNB	Main Account	Port St Johns	2,462,979.26	31/12/2024
63008238081	FNB	Disaster Call Account	Port St Johns	17,059,054.97	31/12/2024
63008239261	FNB	Operational Account	Port St Johns	50,580,971.48	31/12/2024
63008236407	FNB	INEP Call Account	Port St Johns	122,391.95	31/12/2024
63008237778	FNB	MIG Call account	Port St Johns	5,685,044.50	31/12/2024
63008239790	FNB	Call Account	Port St Johns	7,037,227.99	31/12/2024

76205998069	FNB	Investment Account	Port St Johns	42,304, 051.71	31/12/2024
388649569	Standard Bank	Investment Account	Port St Johns	60,000,000.00	31/12/2024
Total				<u>182,788,742.60</u>	

2.12. Asset Management

In compliance with the requirements of **MFMA section 63**, the municipality has a complete and GRAP compliant asset register that is reviewed, verified and balances checked for accuracy regularly. The asset register is continuously updated with newly acquired assets (additions), revaluations, impairments, reviewed useful lives and depreciation charges. The **Fixed Asset Register (FAR)** has a total carrying value of **R 852,511,859** Additions comprises of new assets purchased during the month and this includes work in progress for construction of roads and bridge.

FAR SUMMARY AS AT 31 DECEMBER 2024

Category	Opening Bal	Additions	Disposal /Transfers	Accumulated Depreciation	Carrying Value
Buildings	20,290,546	-	-	6,714,875	13,497.638
Community assets	56,296,041	-	-	17,795,784	38,109,712
Furniture and fixtures	3,140,662	12,900		2,458,825	684,363.00
IT equipment	5,193,729	243,588.00		3,124,386	2,559,147.24
Infrastructure	737,227,890		-	415,814,773	317,417,648
Infrastructure - WIP	180,399,239	8,225,749		-	389,539.116
Land	73,876,552	-	-	-	73,876,552.00
Plant and machinery	50,574,995	-		40,320,947	11,361,266.00
Heritage Assets2	123,700	-	-	-	123,700
Transport assets	10,262,240	586,749.70		4,550,144	6,082.135
	1,137,385,596	9,068,986.70	-	490,779,734	853.251,277.24

Insurance

- All the Municipal assets are insured with Mpumelelo Financial Services.
- There are currently three (3) insurance claims outstanding.

STORES Management

- Inventory management is done at Municipal Stores which are situated at Municipal warehouse offices.
- At Stores we are having different types of inventories classified as follows:
 - Fuel and oil (e.g Petrol)
 - Cleaning Material (e.g Plastic Bales)
 - Mechanical tools (e.g Tyres)
 - Gardening (e.g. Bush Knives)

SUMMARY OF INVENTORY STOCK

ITEM	AMOUNT
Opening balance as of 1st December	R 2,382,702.00
Purchases	R403,072.00
Issued	(R 355,955.70)
Closing balance as of 31 December	R2,429,818.30

For the month of December 2024, there's no inventory items reported lost.

2 Fleet Management

Fuel Usage

Fuel usage the month of December is **R 465 187,91**

Below is the usage per vehicle.

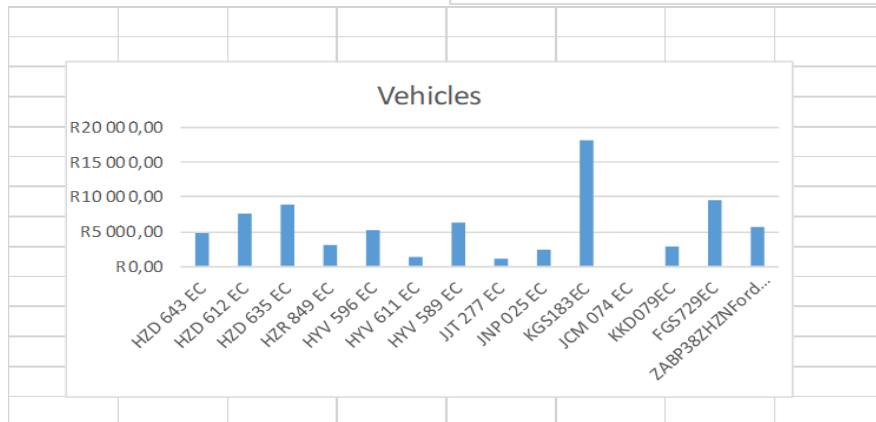
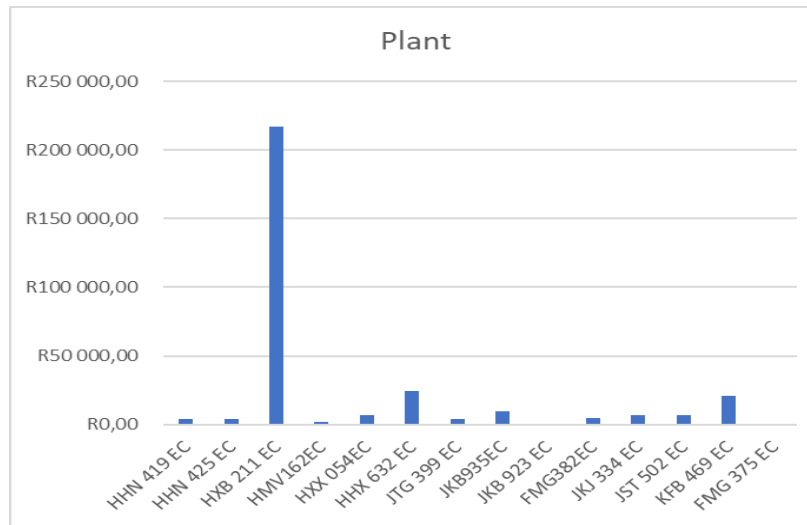
MUNICIPAL FLEET						
REG.NO	DESCRIPTION	DEPARTMENT	CONDITION	FUEL USAGE- NOVEMBER	FUEL USAGE- DECEMBER	LICENSE DATE
1. HZD 635 EC	FORD RANGER -PICK UP BAKKIE	Office of the Hon.Mayor	Fair and working	R 6 508,65	R 12 078,58	30/09/202 5
2. HZD 643 EC	FORD RANGER	LED	Fair and working	R 7 161,75	R 3 701,05	30/09/202 5
3. HZR 849 EC	FORD RANGER- PICK UP BAKKIE	Community Services-Traffic	Fair and working	R 4 796,72	R 6 451,65	30/09/202 5
4. HZD 612 EC	FORD RANGER PICK UP BAKKIE	Engineering	Poor condition and working	R 7 788,79	R 5 512,80	30/09/202 5
5. HYV 596 EC	FORD FOCUS	Community Services-Traffic	Fair and working	R 3 671,50	R 5 732,55	31/07/202 5
6. HYV 611 EC	FORD-PICK UP BAKKIE	Engineering	Working/ bad condition	R 1 457,05	R 1 591,70	31/07/202 5
7. HYV 589 EC	FORD PICK UP BAKKIE	Engineering	Working/ Bad condition	R 5 688,72	R 7 118,15	31/07/202 5

08. HWW 550 EC	DUMPER	Engineering	Working/Bad condition	N/A		31/07/2025
09. HWW 548 EC	MOTOR GRADER	Engineering	Working/Bad condition	N/A		31/07/2025
10. HWW 543 EC	MOTOR GRADER	Engineering	Working/bad condition	N/A		31/07/2025
11. HWW 538 EC	DUMPER	Engineering	In repairs/ Bad condition	R 23 999,95	R 15 419,00	31/07/2025
12. HHX 632 EC	MAN LOW BED HORSE - TRAILER	Engineering	In repairs Port Shepstone		R 25 141,75	31/10/2025
14. HXB 207 EC	DUMPER	Engineering	Working / Bad condition	N/A		31/07/2025
15. HMV 162 EC	TRACTOR	Community Services	Working/ good condition	R 2 126,05	R 3 609,43	31/07/2025
16. JJT 277 EC	FORD RANGER-PICK UP BAKKIE	Engineering	Poor condition and working	R 1 186,60		31/07/2025
17.JPL 577 EC	AUDI Q5	Mayor's Office	Not working /Mechanical	N/A	N/A	
18. JNP 025 EC	TOYOTA COROLLA	BTO	Working/ Good condition	R 2 488,05	R 7 551,75	31/03/2025
19. JST 502 EC	ISUZU TANKER TRUCK	Community Services	Working/good condition	R 6 803,87	R 10 719,30	29/02/2025
20. JCM 074 EC	FORD RANGER PICK UP BAKKIE	Communications	Not working, bad condition	N/A	N/A	31/03/2025
21. JKJ 334 EC	ISUZU TIPPER TRUCK	Engineering	Working/ Fair	R 27 761,40	R 21 163,35	31/07/2025

22. JKB 923 EC	ISUZU TIPPER Truck	Engineering	Not Working/ Repairs	N/A	R 12 720,80	31/07/202 5
23. JKB 929 EC	ISUZU TIPPER TRUCK	Engineering	Working/ Fair	N/A	N/A	31/07/202 5
24. JKB 935 EC	ISUZU TIPPER TRUCK	Engineering	Working/ Fair	R 9 474,50	R 4 157,25	31/07/202 5
25. FGS 730 EC	TOYOTA HILUX	Community Service	Working/ bad condition	N/A	R 3 087,55	30/09/202 5
26. FGS 729 EC	TOYOTA HILLUX- Pick UP BAKKIE	Community Services	Working/ Bad condition	R 8 021,20	R 9 079,22	30/09/202 5
27. FMG 382 EC	MAN REFUSE TRUCK	Community Services	Working/ Bad condition	R 4 827,50	R 5 515,03	31/10/202 5
28. FMG 375EC	Crane TRUCK	Engineering	Working/ Bad condition	N/A		31/07/202 5
29. HX 054 EC	MOTOR GRADER	Engineering	Working/ Bad condition	N/A	R 3 825,25	31/07/202 5
30. HHN 425 EC	MAN TANKER	Engineering	Working/ Bad condition	R 3 863,00	R 13 537,25	31/10/202 5
31. HHN 419 EC	Water cart	Engineering	Working/Fair	R 4 186,90	R 9 033,81	31/07/202 5

32. HXX 054 EC	ISUZU REFUSE TRUCK	Community Services	Working/ Fair	N/A	R 10 994,85	29/02/2025
33. JTG 399 EC	TLB	Engineering	Working/ Good condition	R 3 790,65	R 2 431,97	31/03/2025
34. KDH 312 EC	TOYOTA HILLUX PICK UP BAKKIE	Community Services	Working/New	N/A	R 6 551,83	29/02/2025
35. HYC 823 EC	ROLLER	Engineering	On repairs in EL	N/A	N/A	31/07/2025
36. EXCAVATOR	CAT 323D	Engineering	Not Working/Repairs	N/A	N/A	N/A
37 EXCAVATOR	CAT320D	Engineering	Working/Bad condition	N/A	N/A	N/A
38. FMN 461 EC	BELL TLB	Engineering	Working/Bad condition	N/A	N/A	31/07/2025
39. FMN 460 EC	SINGLE DRUM ROLLER	Engineering	Working/ Bad condition	N/A	N/A	31/07/2025
40. HXB 211 EC	DIESEL BOWSER	Engineering	Working/ Bad condition	R 201 802,00	R 168 969,10	31/03/2025
41. HXB 212 EC	CAT TLB	Engineering	Not Working/ Repairs	N/A	R 13 162,58	31/07/2025
42. KCC 336 EC	CAT GRADER	Engineering	Working/Good Condition	N/A	N/A	30/11/2025
43. KFB 469 EC	UD TRUCKS	Community Services	Working /Good Condition	R 20 585,20	R 28 094,05	31/05/2025

45. JVH 921 EC	GRANT CORE TRAILER	Engineering	Repairs Port Shepstone	N/A	N/A	31/08/2025
46. HXB 204 EC	ROLLER	Engineering	Working/ Bad condition	N/A	N/A	31/07/2025
47. HZN 027 EC	BULLDOZER	Engineering	Working/ Bad condition	N/A	N/A	30/09/2025
48. KFP 001 EC	Toyota Hilux S/C Bakkie	Community Services	Working, in good condition	N/A	N/A	30/06/2025
49. NEW(NO REG)	TOYOTA FORTUNER	Office of the Hon.Mayor	NEW	N/A	N/A	N/A
50. KGS 183 EC	TOYOTA FORTUNER	Office of the Hon.Speaker	Working /in good condition	R 13 967,85	R 14 466,38	31/10/2025
51. KKD 079 EC	VW POLO	Community Services	NEW	R 3 825,65	R 5 020,30	31/05/2025
52. KLN 707 EC	TOYOTA HILUX	Speaker's Office	NEW	N/A	R 1 822,00	31/10/2025
TOTAL FUEL FROM THE FILLING STATION TOTAL				R 381 916,70	R 304 947,76 R 160 240,15 R 465 187,91	



Vehicle Tracking

Reg. No	Make	Tracking Working	Camera Working	Issue	Feedback
1. HVW550EC	Dumper	Yes	Yes	Updating with a lot of panic signals	Truck has a mechanical problem, need to be operating/ in good condition to be attended.
2. CAT0320DVKGF04295	Excavator	Yes	No	The camera is damaged, and needs a replacement	Replacement was unsuccessful, technicians could not cross the river to reach the machine, operator was not available to assist.
3. HVW 538 EC	Dumper	N/A	N/A	New installation	Unsuccessful, technicians could not cross the river to reach the truck, and the operator was not available to assist.

4. HZN027EC	Bulldozer	No	No	Unit not updating	VINs not corresponding, machine details to be verified and rectified.
5.HYC 823EC	Roller	No	N/A	Requested for camera installation	Not installed Machine is still on repairs
6.HZR 849 EC	Ford D/C Bakkie	Yes	Yes	Dash camera cable loose	Repaired
7.JNP 025 EC	Toyota Corolla	Yes	Yes	Starter issue	Repaired
8. KLN 707 EC	Toyota Hilux	Yes	Yes	Dash camera Deinstallation	De-installed

1. Indigent Registration and Indigent Support

1.2 Indigent Registration

The total number of indigents for the previous month was 18 041, there were 02 new applications that was collected from ward 4 and 9 for the month of December 2024, leading to a total number of 18 043 to our register, see the table below:

Ward	O/B-of indigents	Additions	Total No. of Indigents
Ward 01	1286	00	1286
Ward 02	827	00	827
Ward 03	1106	00	1106
Ward 04	1111	01	1112
Ward 05	727	00	727
Ward 06	622	00	622
Ward 07	1201	00	1201
Ward 08	1119	00	1119
Ward 09	747	01	748
Ward 10	967	00	967
Ward 11	632	00	632
Ward 12	816	00	816
Ward 13	834	00	834
Ward 14	630	00	630
Ward 15	540	00	540
Ward 16	1025	00	1025
Ward 17	1100	00	1100
Ward 18	1062	00	1062

Ward 19	955	00	955
Ward 20	734	00	734
Total	18 041	02	18 043

1.1 Indigent Support

The municipality offers the following services to our indigents: Free basic electricity, alternative energy and refuse removal. The total number supplied with FBE for the month of December was 3 473 as per the schedule received from Eskom, no alternative energy was supplied and refuse collection was rendered in Ward 6 for the month of December 2024. See the table below:

Wards	No. of people receiving FBE	No. of people receiving Alternative Energy	No. of people receiving refuse removal	Total
Ward 1	185	-	-	185
Ward 2	302	-	-	302
Ward 3	257	-	-	257
Ward 4	102	-	-	102
Ward 5	115	-	-	115
Ward 6	127	-	444	571
Ward 7	262	-	-	262
Ward 8	124	-	-	124
Ward 9	184	-	-	184
Ward 10	166	-	-	166
Ward 11	136	-	-	136
Ward 12	162	-	-	162

Ward 13	171	-	-	171
Ward 14	133	-	-	133
Ward 15	176	-	-	176
Ward 16	170	-	-	170
Ward 17	185	-	-	185
Ward 18	188	-	-	188
Ward 19	138	-	-	138
Ward 20	190	-	-	190
Total	3 473	00	444	3 917

Issues for Management attention

#	Challenges	Recommendation	Progress
1.	Connectivity for accessing the financial system is still an issue leading to delays with processing	Service to improve network coverage.	None
2.	The following Critical positions are still vacant: 1. Senior Expenditure Accountant 2. Payroll Accountant 3. Fleet Inspector 4. Finance Interns	1. Facilitate recruitment of prioritised posts: Senior Expenditure accountant,	Interns advert was advertised waiting for short listing. Senior Expenditure accountant, SCM

	5. SCM Practitioner	Payroll Accountant, Finance Interns, and Fleet inspectors.	Practitioner and Payroll were submitted to Corporate Services.
3.	The Municipality is not reachable by phone	Corporate services to assist by sorting out the telephone issues	None
4.	The Municipality Website not functional leading to non-compliance within the institution as we are not able to upload documents	The website must be fixed	The Website is partially addressing the challenge.
5.	Submission of Requisitions without specification	Detailed specifications must be submitted with the order failure will result in the rejection of the requisition	
6.	In adequate security over municipal assets resulting in theft	Fitting of cameras Private security fencing	

6. In-year Budget Statement Tables

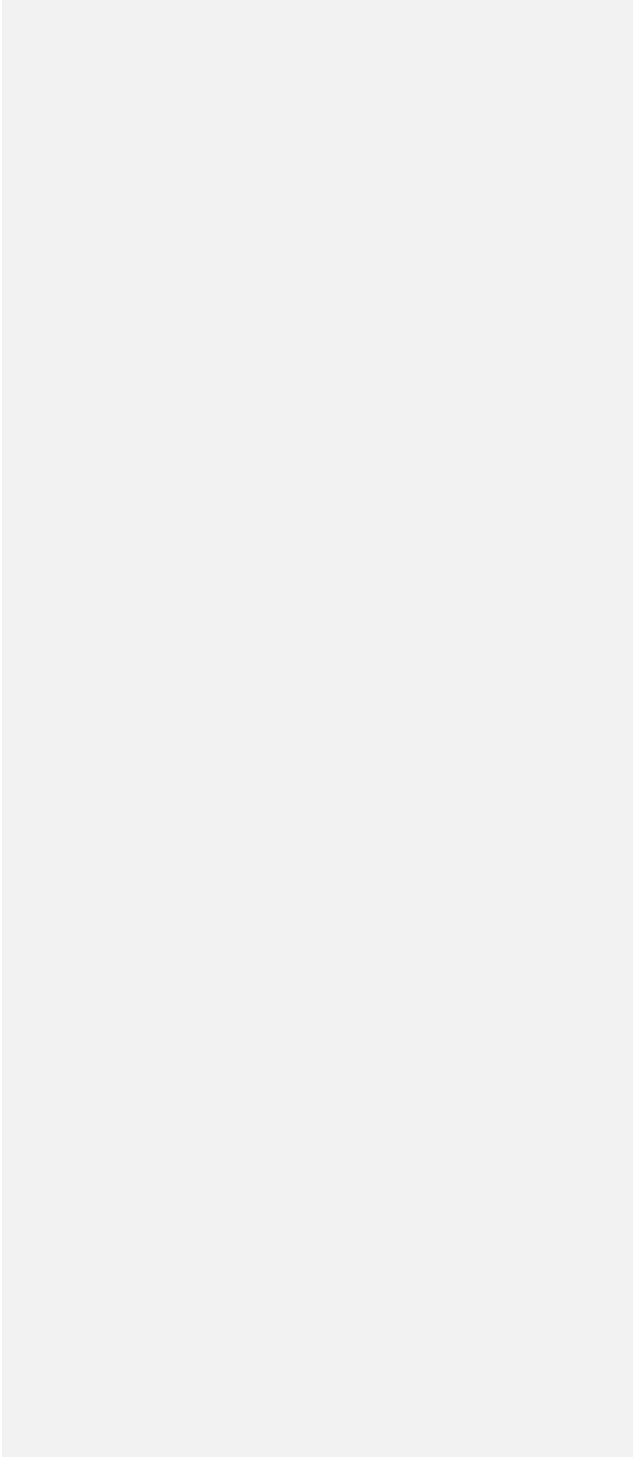
As per section 9 of the MBRR Schedule C attachment, the in-year budget statement tables must consist of the tables in the Attachments to this Schedule, namely

- (a) Table C1 s71 Monthly Budget Statement Summary

EC154 Port St Johns - Table C1 Monthly Budget Statement Summary - M06 December

Description	2023/24		Budget Year 2024/25						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	15,560	15,000	15,000	-	15,230	7,500	7,730	103%	15,000
Service charges	1,141	2,937	2,937	99	602	1,248	(646)	-52%	2,937
Investment revenue	17,508	107,100	122,741	566	4,391	61,370	(56,979)	-93%	122,741
Transfers and subsidies - Operational	201,344	236,891	269,278	71,360	178,749	134,639	44,110	0	269,278
Other own revenue	9,403	12,228	12,270	531	3,557	6,133	(2,577)	-42%	-
Total Revenue (excluding capital transfers and contributions)	244,956	374,156	422,226	72,557	202,530	210,891	(8,362)	-4%	422,226
Employee costs	105,103	132,671	134,787	11,732	63,790	66,666	(2,876)	-4%	134,060
Remuneration of Councillors	14,240	16,539	16,539	1,163	7,370	8,270	(899)	-11%	16,539
Depreciation and amortisation	58,923	68,263	68,263	-	6	34,131	(34,125)	-100%	68,263
Interest	4,091	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	2,620	10,381	8,745	647	3,259	4,559	(1,300)	-29%	9,565
Transfers and subsidies	14,066	12,000	12,000	200	6,208	6,000	208	3%	12,000
Other expenditure	119,310	122,633	122,959	10,523	46,257	53,820	(7,564)	-14%	122,856
Total Expenditure	318,354	362,487	363,293	24,265	126,890	173,447	(46,557)	-27%	363,283
Surplus/(Deficit)	(73,398)	11,669	58,933	48,292	75,639	37,444	38,195	102%	58,943
Transfers and subsidies - capital (monetary)	101,773	69,146	81,146	4,322	64,291	40,573	23,718	58%	81,146
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	28,375	80,815	140,079	52,614	139,930	78,017	61,913	79%	140,089
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	28,375	80,815	140,079	52,614	139,930	78,017	61,913	79%	140,089
Capital expenditure & funds sources									
Capital expenditure	-	-	-	-	-	-	-	-	-
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	-	-	-	-	-	-	-	-	-
Financial position									
Total current assets	193,593	194,754	193,440		212,913				193,440
Total non current assets	643,843	575,175	635,775		714,529				635,785
Total current liabilities	125,270	65,367	65,389		85,322				65,389
Total non current liabilities	15,781	13,725	13,725		16,629				13,725
Community wealth/Equity	664,328	690,837	750,101		685,388				750,101
Cash flows									
Net cash from (used) operating	173,132	65,319	(321,557)	93,852	243,776	(204,231)	(448,006)	219%	(426,213)
Net cash from (used) investing	(46,002)	(151,214)	(204)	(6,751)	(28,820)	-	28,820	#DIV/0!	-
Net cash from (used) financing	(333)	-	-	-	(333)	-	333	#DIV/0!	-
Cash/cash equivalents at the month/year end	279,730	36,093	(199,773)	87,101	387,030	(82,243)	(469,273)	571%	(304,226)
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	2,005	722	629	11,429	618	611	68,743	(2,192)	82,565
Creditors Age Analysis									
Total Creditors	(2,333)	1,240	164	(1,528)	1,897	(596)	(930)	3,622	1,535

(b) Table C2 Monthly Budget Statement - Financial Performance (standard classification)



EC154 Port St Johns - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

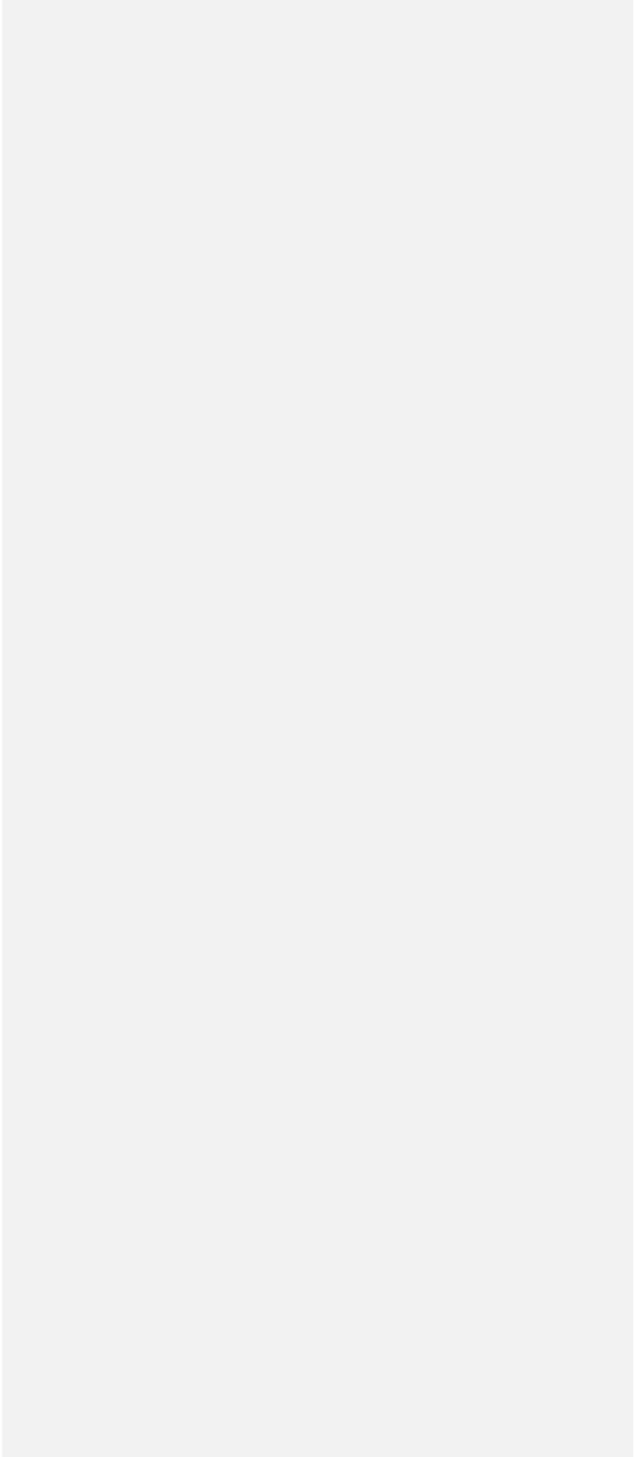
Description	Ref	2023/24		Budget Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		173,946	336,837	352,479	69,257	149,373	176,235	(26,866)	-15%	352,479
Executive and council		86,007	-	-	-	37,775	-	37,775	#DIV/0!	-
Finance and administration		87,939	336,837	352,479	69,257	111,598	176,235	(64,642)	-37%	352,479
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		22,326	-	-	-	9,451	-	9,451	#DIV/0!	-
Community and social services		22,326	-	-	-	9,451	-	9,451	#DIV/0!	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		149,317	103,432	147,861	7,523	107,395	73,929	33,466	45%	147,861
Planning and development		21,502	951	951	-	9,444	475	8,968	1886%	951
Road transport		127,815	102,481	146,910	7,523	97,951	73,453	24,498	33%	146,910
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		1,141	3,032	3,032	99	602	1,296	(694)	-54%	3,032
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		1,141	3,032	3,032	99	602	1,296	(694)	-54%	3,032
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	346,730	443,302	503,372	76,879	266,821	251,464	15,356	6%	503,372
Expenditure - Functional										
Governance and administration		158,026	166,292	166,292	13,995	64,356	78,155	(13,798)	-18%	166,292
Executive and council		67,886	49,872	49,872	3,730	22,584	24,175	(1,590)	-7%	49,872
Finance and administration		90,140	112,122	112,122	10,196	41,198	51,962	(10,764)	-21%	112,122
Internal audit		-	4,299	4,299	69	574	2,018	(1,444)	-72%	4,299
Community and public safety		43,797	1,916	2,174	25	114	1,069	(955)	-89%	2,174
Community and social services		43,797	1,916	2,174	25	114	1,069	(955)	-89%	2,174
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		125,186	132,762	132,933	4,120	33,858	63,105	(29,247)	-46%	131,833
Planning and development		11,075	31,841	31,841	1,854	12,930	15,205	(2,275)	-15%	31,841
Road transport		114,110	100,921	101,091	2,266	20,928	47,900	(26,973)	-56%	99,991
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	61,517	61,894	6,126	28,561	31,117	(2,556)	-8%	62,984
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	61,517	61,894	6,126	28,561	31,117	(2,556)	-8%	62,984
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	327,008	362,487	363,293	24,265	126,890	173,447	(46,557)	-27%	363,283
Surplus/ (Deficit) for the year		19,721	80,815	140,079	52,614	139,930	78,017	61,913	0.79358305	140,089

(c) Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote)

EC154 Port St Johns - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 D

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue by Vo	1									
Vote 1 - Executive AND Coun		64,505	-	-	-	28,331	-	28,331	#DIV/0!	-
Vote 2 - LED (21: IE)		21,502	-	-	-	9,444	-	9,444	#DIV/0!	-
Vote 3 - Municipal Manager (2		21,502	-	-	-	9,444	-	9,444	#DIV/0!	-
Vote 4 - Corporate Services (4		21,617	16	16	-	9,663	8	9,656	122751.4%	16
Vote 5 - Community Services		23,467	4,340	4,623	143	10,473	2,091	8,382	400.8%	4,623
Vote 6 - Financial Services (2)		66,322	340,497	356,180	69,257	101,934	178,088	(76,154)	-42.8%	356,180
Vote 7 - Infrastructural Enginee		127,815	98,449	142,553	7,480	97,530	71,276	26,254	36.8%	142,553
Vote 8 - (34: IE)		-	-	-	-	-	-	-		-
Total Revenue	2	346,730	443,302	503,372	76,879	266,821	251,464	15,356	6.1%	503,372
Expenditure by	1									
Vote 1 - Executive AND Coun		42,546	96,262	96,264	7,485	45,493	47,093	(1,600)	-3.4%	95,585
Vote 2 - LED (21: IE)		11,075	31,906	31,906	1,853	13,071	15,194	(2,123)	-14.0%	31,806
Vote 3 - Municipal Manager (2		17,668	36,811	36,854	4,940	15,696	17,568	(1,872)	-10.7%	37,376
Vote 4 - Corporate Services (2		33,490	36,089	36,164	2,170	14,122	16,476	(2,354)	-14.3%	36,237
Vote 5 - Community Services		50,184	30,319	30,835	3,114	13,527	15,666	(2,139)	-13.7%	32,108
Vote 6 - Financial Services (2)		47,352	116,623	116,623	3,838	20,551	55,605	(35,054)	-63.0%	116,723
Vote 7 - Infrastructural Enginee		82,619	14,477	14,647	865	4,429	5,844	(1,416)	-24.2%	13,447
Vote 8 - (34: IE)		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
Total Expendit	2	284,934	362,487	363,293	24,265	126,890	173,447	(46,557)	-26.8%	363,283
Surplus/ (Defic	2	61,796	80,815	140,079	52,614	139,930	78,017	61,913	79.4%	140,089

(d) Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure)



EC154 Port St Johns - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

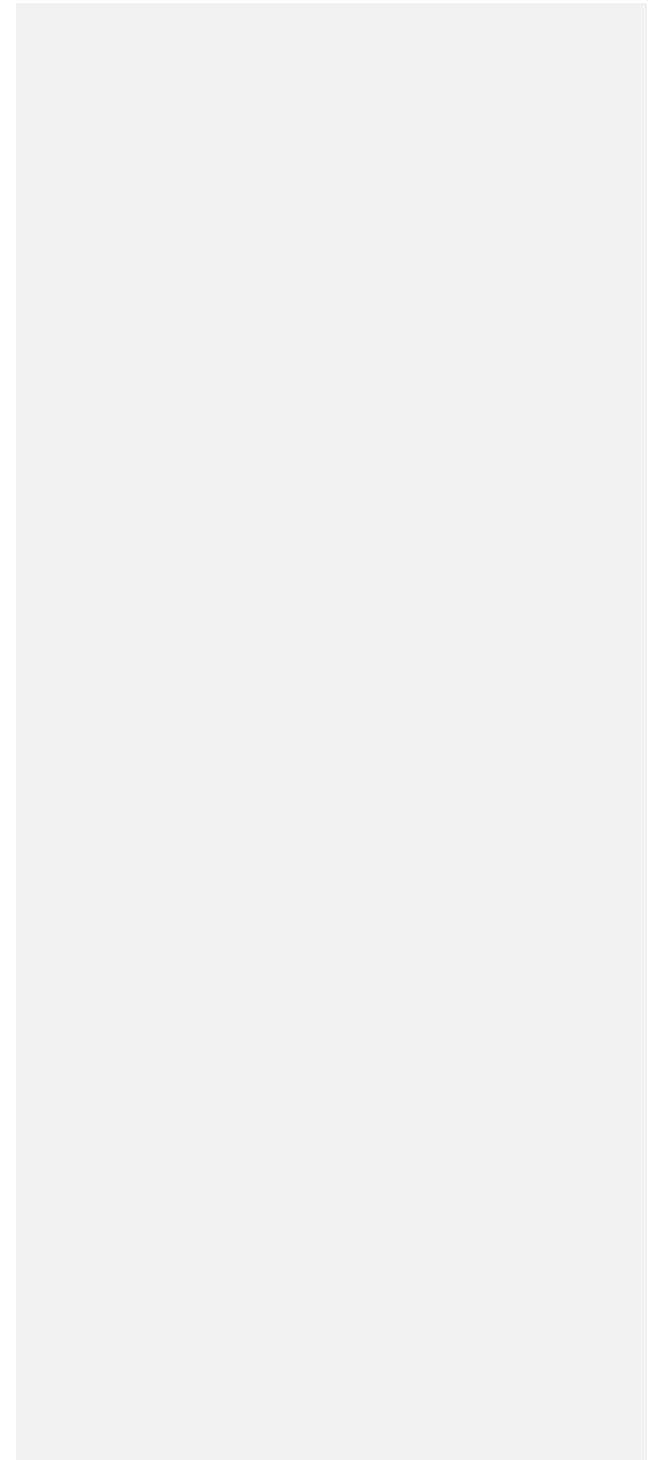
Description	Ref	2023/24			Budget Year 2024/25					Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity										
Service charges - Water										
Service charges - Waste Water Management										
Service charges - Waste management		1,141	2,937	2,937	99	602	1,248	(646)	-52%	2,937
Sale of Goods and Rendering of Services		685	732	774	-	27	385	(358)	-93%	774
Agency services		-	1,800	1,800	-	-	900	(900)	-100%	1,800
Interest										
Interest earned from Receivables		1,073	1,950	1,950	50	293	975	(682)	-70%	1,950
Interest from Current and Non Current Assets		17,508	107,100	122,741	566	4,391	61,370	(56,979)	-93%	122,741
Dividends										
Rent on Land										
Rental from Fixed Assets		138	500	500	12	75	250	(175)	-70%	500
Licence and permits		24	250	250	56	103	125	(22)	-17%	250
Operational Revenue		756	116	116	56	187	58	129	223%	116
Non-Exchange Revenue										
Property rates		15,560	15,000	15,000	-	15,230	7,500	7,730	103%	15,000
Surcharges and Taxes										
Fines, penalties and forfeits		255	380	380	-	-	190	(190)	-100%	380
Licence and permits		-	950	950	-	-	475	(475)	-100%	950
Transfers and subsidies - Operational		201,344	236,891	269,278	71,360	178,749	134,639	44,110	33%	269,278
Interest		6,473	5,550	5,550	357	1,812	2,775	(963)	-35%	5,550
Fuel Levy										
Operational Revenue										
Gains on disposal of Assets		-	-	-	-	1,059	-	1,059	#DIV/0!	-
Other Gains										
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		244,956	374,156	422,226	72,557	202,530	210,891	(8,362)	-4%	422,226
Expenditure By Type										
Employee related costs		105,103	132,671	134,787	11,732	63,790	66,666	(2,876)	-4%	134,060
Remuneration of councillors		14,240	16,539	16,539	1,163	7,370	8,270	(899)	-11%	16,539
Bulk purchases - electricity										
Inventory consumed		2,620	10,381	8,745	647	3,259	4,559	(1,300)	-29%	9,565
Debt impairment		5,678	147	294	-	-	220	(220)	-100%	294
Depreciation and amortisation		58,923	68,263	68,263	-	6	34,131	(34,125)	-100%	68,263
Interest		4,091	-	-	-	-	-	-		-
Contracted services		48,655	51,937	51,751	3,527	17,550	21,430	(3,880)	-18%	51,087
Transfers and subsidies		14,066	12,000	12,000	200	6,208	6,000	208	3%	12,000
Irrecoverable debts written off		-	-	-	-	973	-	973	#DIV/0!	-
Operational costs		64,977	70,549	70,914	6,996	27,734	32,170	(4,436)	-14%	71,475
Losses on Disposal of Assets										
Other Losses										
Total Expenditure		318,354	362,487	363,293	24,265	126,890	173,447	(46,557)	-27%	363,283
Surplus/(Deficit)		(73,398)	11,669	58,933	48,292	75,639	37,444	38,195	0	58,943
Transfers and subsidies - capital (monetary allocations)		101,773	69,146	81,146	4,322	64,291	40,573	23,718	0	81,146
Transfers and subsidies - capital (in-kind)										
Surplus/(Deficit) after capital transfers & contributions		28,375	80,815	140,079	52,614	139,930	78,017	61,913	0	140,089
Income Tax										
Surplus/(Deficit) after income tax		28,375	80,815	140,079	52,614	139,930	78,017	61,913	0	140,089
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality		28,375	80,815	140,079	52,614	139,930	78,017	61,913	0	140,089
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions										
Surplus/ (Deficit) for the year		28,375	80,815	140,079	52,614	139,930	78,017	61,913	0	140,089

(e) Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)

EC154 Port St Johns - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - I

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure	2									
Vote 9 - Executive AND Council		0	-	30	-	30	13	17	135%	30
Vote 10 - LED (21: CAPEX)		-	1,100	1,100	-	-	467	(467)	-100%	1,100
Vote 11 - Municipal Manager (C)		-	-	30	-	30	13	17	135%	30
Vote 12 - Corporate Services (C)		-	33,484	8,051	2,093	4,121	3,422	700	20%	8,051
Vote 13 - Community Services		236	-	450	-	1,146	391	755	193%	650
Vote 14 - Community Services		-	-	-	-	-	-	-	-	-
Vote 15 - Financial Services (C)		(1)	300	335	-	35	142	(107)	-75%	335
Vote 16 - Infrastructural Engineering		-	37,677	37,677	1,964	20,110	16,013	4,098	26%	37,677
Vote 17 - Executive AND Council		-	5,000	5,000	-	-	2,125	(2,125)	-100%	5,000
Vote 18 - LED (31: CAPEX)		-	1,800	1,800	-	234	765	(531)	-69%	1,800
Vote 19 - Municipal Manager (C)		-	-	-	-	-	-	-	-	-
Vote 20 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 21 - Community Services		448	3,050	3,350	101	1,041	1,234	(193)	-16%	3,160
Vote 22 - Financial Services (C)		-	2,000	2,000	-	650	850	(200)	-23%	2,000
Vote 23 - Infrastructural Engineering		51,820	67,119	152,237	4,741	105,782	64,701	41,081	63%	152,237
Total Capital Expenditure	4	52,503	151,530	212,060	8,899	81,918	90,136	43,044	48%	212,070
Total Capital Expenditure		52,503	151,530	212,060	8,899	81,918	90,136	43,044	48%	212,070
Capital Expenditure - Functional Classification										
Governance and administration		(1)	14,950	14,985	-	765	6,369	(5,604)	-88%	14,985
Executive and council		-	100	160	-	60	68	(8)	-12%	160
Finance and administration		(1)	14,850	14,826	-	705	6,301	(5,596)	-89%	14,826
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		6,000	-	70	-	1,146	230	917	399%	270
Community and social services		6,000	-	70	-	1,146	230	917	399%	270
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental		46,504	133,530	193,275	8,798	130,228	82,142	48,086	59%	193,275
Planning and development		-	2,900	2,900	-	234	1,232	(998)	-81%	2,900
Road transport		46,504	130,630	190,375	8,798	129,994	80,909	49,084	61%	190,375
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	3,050	3,800	101	1,041	1,425	(384)	-27%	3,610
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	3,050	3,800	101	1,041	1,425	(384)	-27%	3,610
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	3	52,503	151,530	212,130	8,899	81,918	90,165	43,015	48%	212,140
Funded by:										
National Government		35,223	94,780	138,884	6,641	82,049	59,026	23,024	39%	138,884
Provincial Government		16,038	-	-	1,983	19,986	-	19,986	#DIV/0!	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		51,262	94,780	138,884	8,625	54,261	59,026	(4,765)	-8%	138,884
Borrowing	6									
Internally generated funds		1,242	56,750	57,085	275	27,657	24,271	3,386	14%	57,095
Total Capital Funding		52,503	151,530	195,969	8,899	81,918	83,297	(1,378)	-2%	195,979

(f) Table C6 Monthly Budget Statement - Financial Position



EC154 Port St Johns - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	Budget Year 2024/25				Full Year Forecast
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		172,407	118,677	118,199	185,660	118,199
Trade and other receivables from exchange transactions		4,992	2,865	2,865	5,586	2,865
Receivables from non-exchange transactions		6,504	7,548	6,690	17,019	6,690
Current portion of non-current receivables						
Inventory		1,307	61,985	61,985	1,307	61,985
VAT		8,384	3,679	3,701	3,342	3,701
Other current assets						
Total current assets		193,593	194,754	193,440	212,913	193,440
Non current assets						
Investments						
Investment property		13,001	4,462	4,462	13,001	4,462
Property, plant and equipment		630,843	573,509	634,109	701,528	634,119
Biological assets						
Living and non-living resources						
Heritage assets						
Intangible assets		-	(2,797)	(2,797)	-	(2,797)
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions						
Other non-current assets						
Total non current assets		643,843	575,175	635,775	714,529	635,785
TOTAL ASSETS		837,437	769,929	829,215	927,442	829,225
LIABILITIES						
Current liabilities						
Bank overdraft						
Financial liabilities		1,876	1,773	1,773	1,876	1,773
Consumer deposits		61	61	61	61	61
Trade and other payables from exchange transactions		60,659	39,055	39,055	40,415	39,055
Trade and other payables from non-exchange transactions		34,294	8,099	8,099	14,446	8,099
Provision		13,673	15,197	15,197	12,417	15,197
VAT		14,707	1,181	1,203	16,106	1,203
Other current liabilities						
Total current liabilities		125,270	65,367	65,389	85,322	65,389
Non current liabilities						
Financial liabilities		6,521	2,682	2,682	6,113	2,682
Provision		9,260	11,042	11,042	10,516	11,042
Long term portion of trade payables						
Other non-current liabilities						
Total non current liabilities		15,781	13,725	13,725	16,629	13,725
TOTAL LIABILITIES		141,051	79,092	79,114	101,951	79,114
NET ASSETS	2	696,386	690,837	750,101	825,491	750,111
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		665,200	690,837	750,101	686,260	750,101
Reserves and funds		(872)	-	-	(872)	-
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	664,328	690,837	750,101	685,388	750,101

(g) Table C7 Monthly Budget Statement - Cash Flow

EC154 Port St Johns - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		7,081	14,142	(2,077)	105	1,083	-	1,083	#DIV/0!	-
Service charges		1,801	3,209	2,643	52	341	(309,429)	309,770	-100%	(555,215)
Other revenue		770	20,182	2,188	124	393	238,725	(238,333)	-100%	428,686
Transfers and Subsidies - Operational		198,038	211,257	(44,773)	93,681	278,032	-	278,032	#DIV/0!	-
Transfers and Subsidies - Capital		72,362	94,780	(0)	11,662	67,057	-	67,057	#DIV/0!	-
Interest		17,005	20,000	20,000	566	4,391	-	4,391	#DIV/0!	-
Dividends								-		
Payments										
Suppliers and employees		(123,924)	(298,250)	(299,538)	(12,339)	(107,521)	(133,527)	26,006	-19%	(299,684)
Interest								-		
Transfers and Subsidies								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		173,132	65,319	(321,557)	93,852	243,776	(204,231)	(448,006)	219%	(426,213)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1	316	(204)	-	1,059	-	1,059	#DIV/0!	-
Decrease (increase) in non-current receivables								-		
Decrease (increase) in non-current investments								-		
Payments										
Capital assets		(46,003)	(151,530)	-	(6,751)	(29,878)	-	(29,878)	#DIV/0!	-
NET CASH FROM/(USED) INVESTING ACTIVITIES		(46,002)	(151,214)	(204)	(6,751)	(28,820)	-	28,820	#DIV/0!	-
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits								-		
Payments										
Repayment of borrowing		(333)	-	-	-	(333)	-	(333)	#DIV/0!	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(333)	-	-	-	(333)	-	333	#DIV/0!	-
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning:		152,933	121,987	121,987	-	172,407	121,987	50,419		121,987
Cash/cash equivalents at month/year end:		279,730	36,093	(199,773)	87,101	387,030	(82,243)			(304,226)

Financial Position

The **statement of financial position** lists all the Council's Current and Non-current Assets and liabilities together with their financial values representing the economic resources of the municipality. Table C6 is meant to improve the stakeholder's understanding and management of budget and the impact of actual expenditure in comparison to the budget implications on the financial position.

Current Assets reflect the financial assets that have cash value and are owned by Council and all other assets that are expected to provide financial benefit to Council within one financial year. The financial benefit is through the rendering of services to the community and revenue generation through refuse removal services and other revenue generating activities.

Largest **current assets** are **Cash and cash equivalent** at R185 660 301.00. Trade and other receivables from non-exchange transactions R17 018 503.00. **Call investments deposits interest** was at R566 203.18 at the end of the month. Current assets are highly liquid, in that they can easily be converted to cash when required to meet short term obligations which are paying of salaries, allowances and suppliers for goods and services.

The largest **current liabilities** are trade and other payables from exchange transactions R40 415 477.00

The **current ratio** of the municipality is currently sitting at 2:50 which indicates a healthy financial position, as the municipality's current assets are greater than current liabilities. The municipality is thus able to pay its employees and creditors monthly. However, attention should be given to the **collection rate** as there are long outstanding balances owed by service consumers, which are sitting at R79 209 105.00 and bulk of those are domestic consumers.

The consumer deposits balance of R61 000.00 as reflected in the Statement of Financial Position, is only relating to consumer accounts that were opened with the municipality since the beginning of 2022/23 financial year and as such it is grossly understated due to balances that were not transferred.

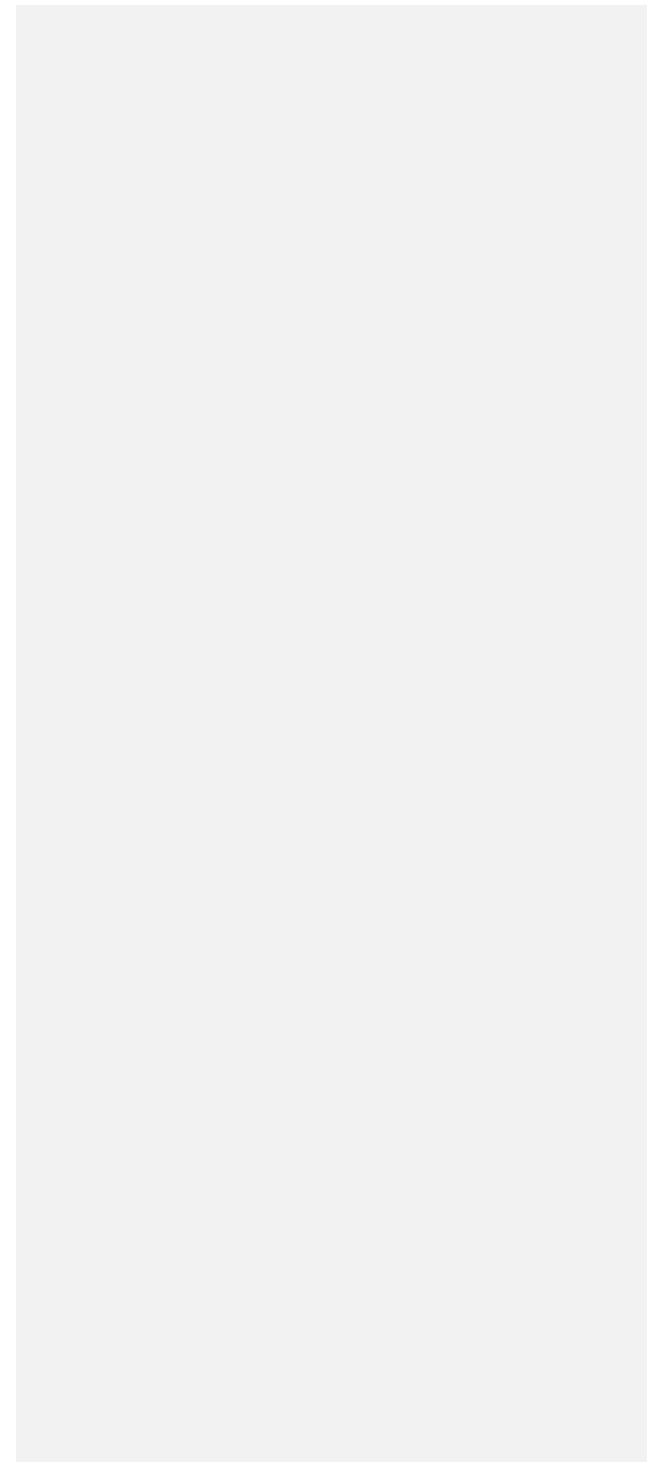
Non-Current Assets are resources with a cash value which another party has made a legal commitment to hand over to Council over a period exceeding one financial year.

The property, plant and equipment item remain the most material resource on the statement of financial position at R657,651,819.00 at Carrying value.

Infrastructure assets form 48,89% of the total asset register and are mainly required to generate revenue and are crucial in-service delivery for the municipality. It is high time that the municipality prioritise repairs and maintenance of the existing infrastructure assets to improve the service delivery capacity of the assets since the municipality is faced with ageing infrastructure. If planned and costed maintenance is not done, the municipality might be faced with reserve backlog due to ageing infrastructure.

Non-Current liabilities are legal commitments from other parties acquired to enhance service delivery. **Provisions** are the largest non-current liability at R10 516 010. These are **employee benefit obligations** which are based upon actuarial valuations for all the municipality's defined benefit pension plans and post-employment medical benefits.

The statement of financial position is currently showing the equity of the municipality as R685 388 373.00 as at end of the month, most in accumulated surplus and this equity is not fully funded. Most of the equity is held under fixed assets therefore it is a small portion that can be affected by inflation fluctuations.



EC154 Port St Johns - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	Budget Year 2024/25				
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		172,407	118,677	118,199	185,660	118,199
Trade and other receivables from exchange transactions		4,992	2,865	2,865	5,586	2,865
Receivables from non-exchange transactions		6,504	7,548	6,690	17,019	6,690
Current portion of non-current receivables						
Inventory		1,307	61,985	61,985	1,307	61,985
VAT		8,384	3,679	3,701	3,342	3,701
Other current assets						
Total current assets		193,593	194,754	193,440	212,913	193,440
Non current assets						
Investments						
Investment property		13,001	4,462	4,462	13,001	4,462
Property, plant and equipment		630,843	573,509	634,109	701,528	634,119
Biological assets						
Living and non-living resources						
Heritage assets						
Intangible assets		-	(2,797)	(2,797)	-	(2,797)
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions						
Other non-current assets						
Total non current assets		643,843	575,175	635,775	714,529	635,785
TOTAL ASSETS		837,437	769,929	829,215	927,442	829,225
LIABILITIES						
Current liabilities						
Bank overdraft						
Financial liabilities		1,876	1,773	1,773	1,876	1,773
Consumer deposits		61	61	61	61	61
Trade and other payables from exchange transactions		60,659	39,055	39,055	40,415	39,055
Trade and other payables from non-exchange transactions		34,294	8,099	8,099	14,446	8,099
Provision		13,673	15,197	15,197	12,417	15,197
VAT		14,707	1,181	1,203	16,106	1,203
Other current liabilities						
Total current liabilities		125,270	65,367	65,389	85,322	65,389
Non current liabilities						
Financial liabilities		6,521	2,682	2,682	6,113	2,682
Provision		9,260	11,042	11,042	10,516	11,042
Long term portion of trade payables						
Other non-current liabilities						
Total non current liabilities		15,781	13,725	13,725	16,629	13,725
TOTAL LIABILITIES		141,051	79,092	79,114	101,951	79,114
NET ASSETS	2	696,386	690,837	750,101	825,491	750,111
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		665,200	690,837	750,101	686,260	750,101
Reserves and funds		(872)	-	-	(872)	-
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	664,328	690,837	750,101	685,388	750,101

Financial Performance

The **statement of financial performance** is used to measure performance of the institution and monitor the cash flow projections in comparison with actual expenditure and revenue for a specific period. This statement summarizes the revenue realised and expenditure incurred by the municipality on both cash and accrual basis.

The table below shows an analysis of Operating and Capital revenue and expenditure against budget. During the month ending 31 December 2024, the Municipality had an operating surplus of R48 291 977 as at end of December 2024. The total operating expenditure actual for the month is R24 265 227.00 is more than the actual total revenue of R72 557 204 as it shows a surplus of R48 291 977.

SUMMARY REVENUE AND EXPENDITURE FOR THE MONTH ENDING 31 DECEMBER 2024 EC154 Port St Johns - Table C1 Consolidated Monthly Budget Statement Summary – 6th month

Description	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	Full Year Forecast
Total Revenue	374,156	422,226	72,557	202,530	210,891	422,226
Total operating Expenditure	362,487	363,293	24,265	126,890	173,447	363,283
Surplus/(Deficit)	11,669	58,933	48,292	75,639	37,444	58,943

The following **revenue streams** were budgeted for in 2024/2025 financial year Property rate is R15 000 000.00 million and Refuse revenue R2 937 200.00. Actual figures for the 6th month of 2024/25 are as follows: Property rates billing is R15 230 214.00 and Refuse revenue R99 391.00 with Property rates having positive variance at 103% and service charges having negative variance of 52% respectively. Billing has been done in the beginning of the financial year for property rates; hence we have a huge percentage.

Property rates are billed in the beginning of the new financial year for the whole year and Refuse charges monthly.

Government: The debtors are up to date with current debts, but the challenge is with the old debt from National public works which engagements are being done by both institutions.

The cumulative total billing for the whole year is R15 230 213.00.

For the 6th month of 2024/25, billing has been done in the beginning of the financial year for property rates and monthly for refuse charges. The municipal property rates policy states that the municipality bills in advance its customers in July and the bill are payable in 12 equal instalments. The municipality must implement the revenue enhancement strategy to improve the revenue base and to ensure long term financial sustainability.

The interest from current and non-current assets is however sitting at R566 203.00 for this month.

Total transfers and subsidies operational are at R71 360 290 in the month of December the municipality managed to generate other revenue of R531 320 for the month, this comprises of revenue realized from selling of goods and rendering services, rental from fixed assets, licence and permits and operational revenue.

The **expenditure incurred** as at 6th month of 2024/2025 was as follows: spending on employee related costs at R11 732 342 and remuneration of councillors and ward committee stipend is R1 657 862 for the month of December.

Depreciation and asset impairment is budgeted at R68 262 541.00 for the year. In the 6th month no depreciation and asset impairment had not been processed on the system, manually its amounting to R10 470 223.00 The monthly depreciation calculations will be



performed once the asset management module is fully installed and integrated with the financial accounting system. In this regard, the monthly section 71 reports are understated by the depreciation amounts not being charged as the depreciation is supposed to be expensed monthly. Debt impairment provision of R146 860.00 and is also based on budgeted figures and this shall be calculated at year end.

Contracted services are currently spent sitting at R3 526 984 with a negative variance of 18% resulting from budget alignment to mSCOA requirements that is being addressed and expenditure that is sitting on commitments. Also, implementation of cost containment measures. Transfers and grants were R2 000 000 currently with a year-to-date negative variance of 20%.

Other expenditure incurred R10 522 700.00 for December 2024.

Capital Revenue and Expenditure

The table below shows capital expenditure and sources of capital funding, actual performance and year to date figures compared to the budget. The capital expenditure for the 6th month of 2024/2025 from grant funding is as follows.

(Below is Schedule C_table:C5 for Capital Revenue and Expenditure)



EC154 Port St Johns - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - I

Vote Description	Ref	2023/24	Budget Year 2024/25		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget						
R thousands	1									
Multi-Year expenditure	2									
Vote 9 - Executive AND Council		0	-	30	-	30	13	17	135%	30
Vote 10 - LED (21: CAPEX)		-	1,100	1,100	-	-	467	(467)	-100%	1,100
Vote 11 - Municipal Management		-	-	30	-	30	13	17	135%	30
Vote 12 - Corporate Services		-	33,484	8,051	2,093	4,121	3,422	700	20%	8,051
Vote 13 - Community Services		236	-	450	-	1,146	391	755	193%	650
Vote 14 - Community Services		-	-	-	-	-	-	-	-	-
Vote 15 - Financial Services		(1)	300	335	-	35	142	(107)	-75%	335
Vote 16 - Infrastructural Engineering		-	37,677	37,677	1,964	20,110	16,013	4,098	26%	37,677
Vote 17 - Executive AND Council		-	5,000	5,000	-	-	2,125	(2,125)	-100%	5,000
Vote 18 - LED (31: CAPEX)		-	1,800	1,800	-	234	765	(531)	-69%	1,800
Vote 19 - Municipal Management		-	-	-	-	-	-	-	-	-
Vote 20 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 21 - Community Services		448	3,050	3,350	101	1,041	1,234	(193)	-16%	3,160
Vote 22 - Financial Services		-	2,000	2,000	-	650	850	(200)	-23%	2,000
Vote 23 - Infrastructural Engineering		51,820	67,119	152,237	4,741	105,782	64,701	41,081	63%	152,237
Total Capital Expenditure	4	52,503	151,530	212,060	8,899	81,918	90,136	43,044	48%	212,070
Total Capital Expenditure		52,503	151,530	212,060	8,899	81,918	90,136	43,044	48%	212,070
Capital Expenditure - Functional Classification										
Governance and administrative	(1)	14,950	14,950	14,985	-	765	6,369	(5,604)	-88%	14,985
Executive and council		-	100	160	-	60	68	(9)	-12%	160
Finance and administration	(1)	14,850	14,826	14,826	-	705	6,301	(5,596)	-89%	14,826
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety	6,000	-	70	70	-	1,146	230	917	399%	270
Community and social services	6,000	-	70	70	-	1,146	230	917	399%	270
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental	46,504	133,530	193,275	8,798	130,228	82,142	48,086	59%	193,275	
Planning and development	-	2,900	2,900	-	234	1,232	(998)	-81%	2,900	
Road transport	46,504	130,630	190,375	8,798	129,994	80,909	49,084	61%	190,375	
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services	-	3,050	3,800	101	1,041	1,425	(384)	-27%	3,610	
Energy services		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management	-	3,050	3,800	101	1,041	1,425	(384)	-27%	3,610	
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	3	52,503	151,530	212,130	8,899	81,918	90,165	43,015	48%	212,140
Funded by:										
National Government		35,223	94,780	138,884	6,641	82,049	59,026	23,024	39%	138,884
Provincial Government		16,038	-	-	1,983	19,986	-	19,986	#DIV/0!	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		51,262	94,780	138,884	8,625	54,261	59,026	(4,765)	-8%	138,884
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		1,242	56,750	57,085	275	27,657	24,271	3,386	14%	57,095
Total Capital Funding		52,503	151,530	195,969	8,899	81,918	83,297	(1,378)	-2%	195,979



Cash flow Statement

The table below highlights the cash flow position of the municipality for the 6th month of 2024/2025. The year-to-date cash flow statement of the municipality depicts that the municipality has a favourable cash position.

The cash and cash equivalents to date show positive cash outlay of the municipality. This is however because of both conditional grants and equitable share paid in July 2024. This situation is however not sustainable if the revenue collection is not improved.

(Below is Schedule C_table:C7 for Cash Flow)

EC154 Port St Johns - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2023/24		Budget Year 2024/25						Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		7,081	14,142	(2,077)	105	1,083	-	1,083	#DIV/0!	-
Service charges		1,801	3,209	2,643	52	341	(309,429)	309,770	-100%	(555,215)
Other revenue		770	20,182	2,188	124	393	238,725	(238,333)	-100%	428,686
Transfers and Subsidies - Operational		198,038	211,257	(44,773)	93,681	278,032	-	278,032	#DIV/0!	-
Transfers and Subsidies - Capital		72,362	94,780	(0)	11,662	67,057	-	67,057	#DIV/0!	-
Interest		17,005	20,000	20,000	566	4,391	-	4,391	#DIV/0!	-
Dividends										
Payments										
Suppliers and employees		(123,924)	(298,250)	(299,538)	(12,339)	(107,521)	(133,527)	26,006	-19%	(299,684)
Interest										
Transfers and Subsidies										
NET CASH FROM/(USED) OPERATING ACTIVITIES		173,132	65,319	(321,557)	93,852	243,776	(204,231)	(448,006)	219%	(428,213)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1	316	(204)	-	1,059	-	1,059	#DIV/0!	-
Decrease (increase) in non-current receivables										
Decrease (increase) in non-current investments										
Payments										
Capital assets		(46,003)	(151,530)	-	(6,751)	(29,878)	-	(29,878)	#DIV/0!	-
NET CASH FROM/(USED) INVESTING ACTIVITIES		(46,002)	(151,214)	(204)	(6,751)	(28,820)	-	28,820	#DIV/0!	-
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits										
Payments										
Repayment of borrowing		(333)	-	-	-	(333)	-	(333)	#DIV/0!	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(333)	-	-	-	(333)	-	333	#DIV/0!	-
NET INCREASE/ (DECREASE) IN CASH HELD		126,797	(85,894)	(321,760)	87,101	214,623	(204,231)			(428,213)
Cash/cash equivalents at beginning:		152,933	121,987	121,987	-	172,407	121,987	50,419		121,987
Cash/cash equivalents at month/year end:		279,730	36,093	(199,773)	87,101	387,030	(82,243)			(304,226)



 Port St. John's Local Municipality