



Section 52D Financial Report 31 December 2024

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PART 1

SECTION 1

1. SECTION 52D REPORT TO EXECUTIVE MAYOR

1.1 PURPOSE

The purpose of the report is for Council to consider and note the statement of financial performance and the implementation of the 2024/25 budget of the Amahlathi Local Municipality for the period ended 31 December 2024.

1.2 LEGAL/STATUTORY REQUIREMENT

Municipal Finance Management Act No. 56 of 2003.

Municipal Budget and Reporting Regulations gazette No 32141

1.3 BACKGROUND

The Mayor; who must provide general political guidance over the fiscal and financial affairs of the Municipality; is required by Section 52 (d) of the Municipal Finance Management Act to submit a report on the implementation of the budget and financial state of affairs of the Municipality; to the council within 30 days after the end of each quarter. This report is a summary of the main budget issues arising from the monitoring process. It compares the progress of the budget to the projections and is intended to inform and enable the council to fulfil its oversight responsibility.

According to the Municipal Budget Reporting and Regulations (MBRR), 2009, “the monthly budget statement of a municipality must be in a format specified in Schedule C and include all the required tables, charts and explanatory information taking into account any guidelines issued by the Minister in terms of S168(1) of the Act” (MFMA). This report follows the legislative requirements of the Municipal Budget and Reporting Regulations (Schedule C format).

SECTION 2

2. EXECUTIVE MAYORS REPORT SUMMARY

2.1 INTRODUCTION

This report is a summary of the main budget issues arising from the in-year monitoring process. It compares the progress of the budget to the projections.

2.2 CONSOLIDATED PERFORMANCE TABLE C1

EC124 Amahlathi - Table C1 Monthly Budget Statement Summary - Q2 Second Quarter									
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	24 169	26 746	-	1 824	11 066	13 373	(2 307)	-17%	26 746
Service charges	57 850	62 935	-	6 220	40 002	31 467	8 535	27%	62 935
Investment revenue	3 456	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	3 456	3 892	-	-	1 449	1 946	(497)	-26%	3 892
Other own revenue	176 511	172 600	-	48 356	119 772	86 300	33 472	39%	-
Total Revenue (excluding capital transfers and contributions)	265 440	266 172	-	56 400	172 288	133 086	39 202	29%	266 172
Employee costs	136 206	141 493	-	590	58 382	70 747	(12 364)		141 493
Remuneration of Councillors	13 595	15 031	-	-	5 806	7 515	(1 709)		15 031
Depreciation and amortisation	25 940	24 186	-	-	-	12 093	(12 093)		24 186
Interest	15 524	3 000	-	0	(964)	1 500	(2 464)		3 000
Inventory consumed and bulk purchases	51 988	58 418	-	8	27 984	29 209	(1 225)		58 418
Transfers and subsidies	10	-	-	-	-	-	-		-
Other expenditure	62 844	66 449	-	689	17 183	33 225	(16 042)	-48%	66 449
Total Expenditure	306 107	308 577	-	1 287	108 392	154 289	(45 897)	-30%	308 577
Surplus/(Deficit)	(40 666)	(42 405)	-	55 113	63 897	(21 202)	85 099	-401%	(42 405)
Transfers and subsidies - capital (monetary allocations)	46 187	59 538	-	6 800	31 788	29 769	2 019	7%	59 538
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	5 520	17 133	-	61 913	95 685	8 566	87 118	1017%	17 133
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	5 520	17 133	-	61 913	95 685	8 566	87 118	1017%	17 133
Capital expenditure & funds sources									
Capital expenditure	47 937	62 148	-	7 989	39 613	31 074	8 539	27%	62 148
Capital transfers recognised	39 152	59 538	-	7 989	39 322	29 769	9 553	32%	59 538
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	8 785	2 610	-	-	291	1 305	(1 014)	-78%	2 610
Total sources of capital funds	47 937	62 148	-	7 989	39 613	31 074	8 539	27%	62 148
Financial position									
Total current assets	128 311	83 733	-		179 848				83 733
Total non current assets	437 893	453 285	-		477 506				453 285
Total current liabilities	265 272	253 489	-		281 309				253 489
Total non current liabilities	45 608	39 813	-		45 608				39 813
Community wealth/Equity	255 320	243 716	-		330 437				243 716
Cash flows									
Net cash from (used) operating	(53 778)	75 884	-	(12 305)	61 213	52 973	(8 241)	-16%	75 884
Net cash from (used) investing	733 134	(71 240)	-	(7 989)	(39 613)	(35 620)	3 993	-11%	(71 240)
Net cash from (used) financing	-	-	-	-	-	-	-		-
Cash/cash equivalents at the month/year end	680 915	(11 058)	-	-	43 952	1 650	(42 301)	-2564%	-
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	8 968	6 288	10 821	4 922	5 705	5 234	24 498	157 230	223 666
Creditors Age Analysis									
Total Creditors	7 869	2 529	(49)	556	416	611	7 650	144 681	164 264

- The year-to-date operating revenue excluding capital transfer for period ending 31 December 2024 amounts to R172 million, which constitutes 129% of the year-to-date budget and 64% of the Approved Budget.
- The year-to-date operating expenditure for period ending 31 December 2024 amounts to R108 million, which constitutes 70% of the year-to-date budget and 35% of the Approved Budget.
- The year-to-date capital expenditure for period ending 31 December 2024 amount to R39 million, which constitutes 127% of the year-to-date budget and 63% of the Approved Budget.
- The amounts collected per service are indicated below:

Description	Budget	YTD Budget	Billed	Actual Collected
Property Rates	26 745 685,00	13 372 842,00	11 065 586,00	6 490 510,00
Service Charges	62 934 831,00	31 467 420,00	40 002 261,00	26 049 193,00
Rental of facilities	365 640,00	182 826,00	75 393,00	75 393,00
Interest on Investments	3 892 102,00	1 946 052,00	1 448 619,00	1 448 619,00
Interest - Debtors	15 398 410,00	7 699 206,00	8 436 948,00	-
Fines, Penalties and forfeits	28 720,00	14 358,00	2 261,00	2 261,00
Licences and Permits	3 065 550,00	1 532 772,00	8 733,00	8 733,00
Agency Services	1 918 395,00	959 196,00	41 576,00	41 576,00
Transfers and Subsidies	145 504 900,00	72 752 448,00	107 048 339,00	116 684 257,00
Other Revenue	6 318 154,00	21 951 180,00	16 311 533,00	16 311 533,00
Total Operating Revenue	266 172 387,00	151 878 300,00	184 441 249,00	167 112 075,00
Operating expenditure				
Description	Budget	YTD Budget	Invoiced	Actual Paid
Salaries (Including 3rd parties)	156 524 100,00	78 262 146,00	64 188 599,00	61 467 682,15
Debt Impairment	26 000 000,00	13 000 002,00	-	-
Depreciation	24 185 885,00	12 092 934,00	-	-
Bulk Electricity	57 964 760,00	28 982 382,00	27 891 452,00	27 891 452,00
Other Expenditure	43 902 349,00	21 951 180,00	16 311 533,00	6 405 636,00
Total Operating Expenditure	308 577 094,00	154 288 644,00	108 391 584,00	95 764 770,15

2.3 SUMMARY OF STATEMENT OF FINANCIAL PERFORMANCE TABLE C4 OPERATING REVENUE PER CATEGORY

In terms of section 64 of the Municipal Finance Management Act, the accounting officer of the municipality should ensure that the revenue that is due to the municipality is calculated on a monthly basis and that all money received is deposited to the municipal bank account promptly.

EC124 Amahlathi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q2 Second Quarter										
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		46 291	49 465	-	5 230	34 117	24 733	9 384	38%	49 465
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		11 558	13 469	-	990	5 886	6 735	(849)	-13%	13 469
Sale of Goods and Rendering of Services		5 898	6 185	-	752	3 428	3 092	336	11%	6 185
Agency services		1 321	1 918	-	-	42	959	(918)	-96%	1 918
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		7 704	7 779	-	793	4 500	3 889	610	16%	7 779
Interest from Current and Non Current Assets		3 456	3 892	-	-	1 449	1 946	(497)	-26%	3 892
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		246	366	-	7	75	183	(107)	-59%	366
Licence and permits		2 543	3 066	-	-	9	1 533	(1 524)	-99%	3 066
Operational Revenue		11 903	133	-	-	730	67	664	997%	133
Non-Exchange Revenue										
Property rates		24 169	26 746	-	1 824	11 066	13 373	(2 307)	-17%	26 746
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		12	29	-	-	2	14	(12)	-84%	29
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		138 142	145 505	-	46 123	107 048	72 752	34 296	47%	145 505
Interest		7 474	7 620	-	681	3 937	3 810	127	3%	7 620
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		4 723	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		265 440	266 172	-	56 400	172 288	133 086	39 202	29%	266 172

Revenue Variance Explanations against Planned Budget

- Electricity reflects a favourable variance of 38%, this is attributable to a steady increase over the last two period in Commercial and industrial billing. This will however be monitored to identify if the estimated electricity was understated.
- Waste management reflects an unfavourable variance of 13%, this is attributed to the accumulation of overstated monthly projections of approximately R140,000. The reason for the overstatement will be identified, underlying assumptions adjusted and the projections adjusted during the adjustments budget.
- Agency Services; Licences and permits; and Fines, penalties and forfeits reflects unfavourable variances of 96%, 99% and 84% for the period, respectively. This is attributed to the Cashier vacancy in the Stutterheim Traffic Services Office, which resulted in a decreased demand for Traffic related services.

- Interest from receivables from non-exchange transactions reflects a favourable variance of 16%, This is attributed to the collection rate being less than projected.
- Rentals of facilities reflects an unfavourable variance of 59% due to low demand on public facilities.
- Operational revenue reflects a favourable variance of 997%, this is attributable to the municipality receiving two insurance refunds amount to R730,115 during the year.
- Property rates reflect an unfavourable variance of 17% due to certain customers requesting to be billed annually at various months during the financial year.

2.4 TABLE C4 OPERATING EXPENDITURE PER CATEGORY

In terms of section 65 of the Municipal Finance Management Act, the accounting officer of the municipality must ensure that that the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds.

EC124 Amahlathi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q2 Second Quarter										
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		136 206	141 493	-	590	58 382	70 747	(12 364)	-17%	141 493
Remuneration of councillors		13 595	15 031	-	-	5 806	7 515	(1 709)	-23%	15 031
Bulk purchases - electricity		51 809	57 965	-	-	27 891	28 982	(1 091)	-4%	57 965
Inventory consumed		178	453	-	8	92	227	(134)	-59%	453
Debt impairment		-	26 000	-	-	-	13 000	(13 000)	-100%	26 000
Depreciation and amortisation		25 940	24 186	-	-	-	12 093	(12 093)	-100%	24 186
Interest		15 524	3 000	-	0	(964)	1 500	(2 464)	-164%	3 000
Contracted services		14 341	17 491	-	477	10 289	8 795	1 494	17%	17 491
Transfers and subsidies		10	-	-	-	-	-	-	-	-
Irrecoverable debts written off		25 872	-	-	-	-	-	-	-	-
Operational costs		22 177	22 958	-	212	6 894	11 429	(4 535)	-40%	22 958
Losses on Disposal of Assets		454	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		306 107	308 577	-	1 287	108 392	154 289	(45 897)	-30%	308 577

Expenditure Variance Explanations against Planned Budget

- Inventory consumed reflect an unfavourable variance of 59%, this is attributable to cashflow projections being divided equally across the 12 months, rather than indicating that significant expenditure is estimated to occur during quarters 3 and 4.
- Interest on overdue accounts reflect a credit balance and variance of 164%. This is as result of an Eskom interest reversal of R3.4 million during August 2024.
- Depreciation and Debt Impairment reflect a variance of 100% respectively and these will be calculated at year end.

- Contracted services reflect a favourable variance of 16%, this is attributable to the high volume of maintenance undertaken on vehicles and equipment.
- Operational costs reflect an unfavourable variance of 41%. This is due to the implementation of cost containment measures and the management of the municipality's cash flow.

2.4.1 Table C3 Financial Performance by Vote

The table below reflects the operating revenue and expenditure by vote.

EC124 Amahlathi - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q2 Second Quarter										
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 Vote										
Vote 1 - Executive & Council	1	146 344	150 128	-	46 178	105 311	75 064	30 247	40,3%	150 128
Vote 2 - Finance and Admin		42 642	30 279	-	3 245	20 492	15 140	5 352	35,4%	30 279
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		6 121	2 032	-	14	1 884	1 016	868	85,4%	2 032
Vote 5 - Sport & Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		4 959	5 301	-	436	2 608	2 651	(42)	-1,6%	5 301
Vote 7 - Housing		505	118	-	196	231	59	172	293,4%	118
Vote 8 - Planning & Development		46 778	56 611	-	103	13 636	28 306	(14 669)	-51,8%	56 611
Vote 9 - Road Transport		5 232	6 323	-	3	1 300	3 162	(1 862)	-58,9%	6 323
Vote 10 - Energy Sources		46 291	54 325	-	5 230	35 293	27 163	8 131	29,9%	54 325
Vote 11 - Waste Management		12 613	20 247	-	990	5 886	10 124	(4 238)	-41,9%	20 247
Vote 12 - Environmental Protection		144	346	-	5	33	173	(140)	-81,1%	346
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	311 627	325 710	-	56 400	186 674	162 855	23 819	14,6%	325 710
Expenditure by Vote										
Vote 1 - Executive & Council	1	82 009	64 978	-	288	16 373	32 489	(16 117)	-49,6%	64 978
Vote 2 - Finance and Admin		56 531	65 746	-	175	23 614	32 873	(9 259)	-28,2%	65 746
Vote 3 - Internal Audit		2 125	1 612	-	5	1 279	806	473	58,7%	1 612
Vote 4 - Community and Social Services		8 405	8 369	-	79	2 020	4 185	(2 164)	-51,7%	8 369
Vote 5 - Sport & Recreation		2 254	2 249	-	2	916	1 124	(208)	-18,5%	2 249
Vote 6 - Public Safety		4 230	4 043	-	34	1 261	2 022	(761)	-37,6%	4 043
Vote 7 - Housing		199	-	-	-	75	-	75	#DIV/0!	-
Vote 8 - Planning & Development		8 860	9 777	-	-	3 534	4 889	(1 355)	-27,7%	9 777
Vote 9 - Road Transport		67 458	63 055	-	654	23 049	31 527	(8 478)	-26,9%	63 055
Vote 10 - Energy Sources		59 774	65 788	-	6	31 489	32 894	(1 405)	-4,3%	65 788
Vote 11 - Waste Management		13 685	22 709	-	-	4 601	11 355	(6 753)	-59,5%	22 709
Vote 12 - Environmental Protection		576	250	-	45	180	125	55	44,0%	250
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	306 107	308 577	-	1 287	108 392	154 289	(45 897)	-29,7%	308 577
Surplus/ (Deficit) for the year	2	5 520	17 133	-	55 113	78 282	8 566	69 716	813,8%	17 133

2.5 TABLE C5 CAPITAL EXPENDITURE BY MUNICIPAL VOTE

The following table provides a summary of the expenditure trends based on planned capital projects and actual spending. The percentage spending on capital projects as at 31 December 2024 amounts to 127% of the year to date capital budget and 63% of the total capital budget. The table below reflects the capital expenditure performance by function.

EC124 Amahlathi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q2 Second Quarter										
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									
Single Year expenditure appropriation	2									
Vote 1 - Executive & Council		91	400	-	-	-	200	(200)	-100%	400
Vote 2 - Finance and Admin		(1 554)	950	-	-	181	475	(294)	-62%	950
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		2 154	-	-	-	-	-	-	-	-
Vote 5 - Sport & Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Planning & Development		15 609	54 678	-	7 989	36 881	27 339	9 542	35%	54 678
Vote 9 - Road Transport		23 575	-	-	-	-	-	-	-	-
Vote 10 - Energy Sources		173	5 560	-	-	1 116	2 780	(1 664)	-60%	5 560
Vote 11 - Waste Management		7 889	560	-	-	1 434	280	1 154	412%	560
Vote 12 - Environmental Protection		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	47 937	62 148	-	7 989	39 613	31 074	8 539	27%	62 148
Total Capital Expenditure		47 937	62 148	-	7 989	39 613	31 074	8 539	27%	62 148
Capital Expenditure - Functional Classification										
Governance and administration		(1 462)	1 350	-	-	181	675	(494)	-73%	1 350
Executive and council		91	400	-	-	-	200	(200)	-100%	400
Finance and administration		(1 554)	950	-	-	181	475	(294)	-62%	950
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		2 154	-	-	-	-	-	-	-	-
Community and social services		2 154	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		39 183	54 678	-	7 989	36 881	27 339	9 542	35%	54 678
Planning and development		15 609	54 678	-	7 989	36 881	27 339	9 542	35%	54 678
Road transport		23 575	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		8 062	6 120	-	-	2 550	3 060	(510)	-17%	6 120
Energy sources		173	5 560	-	-	1 116	2 780	(1 664)	-60%	5 560
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		7 889	560	-	-	1 434	280	1 154	412%	560
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	47 937	62 148	-	7 989	39 613	31 074	8 539	27%	62 148
Funded by:										
National Government		39 152	59 538	-	7 989	37 888	29 769	8 119	27%	59 538
Provincial Government		-	-	-	-	1 434	-	1 434	#DIV/0!	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		39 152	59 538	-	7 989	39 322	29 769	9 553	32%	59 538
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		8 785	2 610	-	-	291	1 305	(1 014)	-78%	2 610
Total Capital Funding		47 937	62 148	-	7 989	39 613	31 074	8 539	27%	62 148

Below is a summary of the detailed Grant funded Capital Expenditure per project:

Grant	Project Name	Budget	Actual
Municipal Infrastructure Grant	KKH recreation Centre	4 600 000,00	1 577 085,05
Municipal Infrastructure Grant	Mbaxa Community Hall	2 300 000,00	3 009 167,11
Municipal Infrastructure Grant	Mlungisi Sportfield	5 400 000,00	1 136 632,65
Municipal Infrastructure Grant	Paving of Xhotorha Internal Roads	13 232 850,00	8 725 750,49
Municipal Infrastructure Grant	Phumlani Community Hall	2 000 000,00	183 054,54
Municipal Infrastructure Grant	Municipal Offices	8 000 000,00	3 202 181,45
Rolled - over Disaster Recover Grant	Amabele Roads	1 868 166,69	556 281,40
Rolled - over Disaster Recover Grant	Bridge Rhawini and Bongweni	811 569,88	697 881,13
Rolled - over Disaster Recover Grant	Kubusie Roads	2 853 740,99	2 823 502,33
Rolled - over Disaster Recover Grant	Mandlakapheli Village Roads	2 742 092,19	2 510 104,31
Rolled - over Disaster Recover Grant	Mlungisi Township Roads	2 549 862,60	1 326 436,73
Rolled - over Disaster Recover Grant	Sutterheim - Landfill Site Road	935 513,65	1 267 840,86
Rolled - over Disaster Recover Grant	Upper	2 471 253,00	2 111 041,41
Disaster Recover Grant	Disaster Recovery Grant	19 145 000,00	8 613 140,39
INEP	Upgrade Carthcart Substation	1 860 000,00	1 143 030,42
EEDSM	Electricity Project	3 000 000,00	126 000,00
Total		73 770 049,00	39 009 130,27

2.6 TABLE C6 SUMMARY OF STATEMENT OF FINANCIAL POSITION

The financial position reflects the position of Amahlathi Local Municipality having considered the assets; liabilities and equity as at 31 December 2024.

EC124 Amahlathi - Table C6 Monthly Budget Statement - Financial Position - Q2 Second Quarter						
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		22 827	21 092	–	43 952	21 092
Trade and other receivables from exchange transactions		27 527	20 492	–	47 459	20 492
Receivables from non-exchange transactions		29 522	17 192	–	35 642	17 192
Current portion of non-current receivables		–	–	–	–	–
Inventory		3	74	–	74	74
VAT		47 272	24 882	–	51 443	24 882
Other current assets		1 160	–	–	1 277	–
Total current assets		128 311	83 733	–	179 848	83 733
Non current assets						
Investments		–	–	–	–	–
Investment property		11 679	11 687	–	11 679	11 687
Property, plant and equipment		421 113	434 745	–	460 726	434 745
Biological assets		4 470	6 214	–	4 470	6 214
Living and non-living resources		–	–	–	–	–
Heritage assets		610	610	–	610	610
Intangible assets		20	30	–	20	30
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		437 893	453 285	–	477 506	453 285
TOTAL ASSETS		566 203	537 018	–	657 353	537 018
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		222	228	–	222	228
Consumer deposits		1 737	1 844	–	1 737	1 844
Trade and other payables from exchange transactions		183 801	207 406	–	164 038	207 406
Trade and other payables from non-exchange transactions		15 783	15 500	–	45 113	15 500
Provision		17 036	18 394	–	17 036	18 394
VAT		46 694	10 118	–	53 163	10 118
Other current liabilities		–	–	–	–	–
Total current liabilities		265 272	253 489	–	281 309	253 489
Non current liabilities						
Financial liabilities		–	222	–	–	222
Provision		16 068	7 862	–	16 068	7 862
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		29 540	31 728	–	29 540	31 728
Total non current liabilities		45 608	39 813	–	45 608	39 813
TOTAL LIABILITIES		310 880	293 302	–	326 917	293 302
NET ASSETS	2	255 324	243 716	–	330 437	243 716
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		255 320	243 716	–	330 437	243 716
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	255 320	243 716	–	330 437	243 716

2.6.1 CURRENT ASSETS

- **Cash** – The cash balance of R1.2 million comprises of the cashbook balance for the main primary bank account as at 31 December 2024.
- **Call Investments Deposits** – Call investment deposits comprises of investments of call deposits made with various financial institutions when there is surplus cash available in the main account. These monies are invested in line with municipal investment policy. The table below details the Cash Balance in the Main Account and Call Deposits made by the Municipality for the period ending 31 December 2024.

Date	Type	Account Description	Balance
31 December 2024	Cash	Main Account	2 261 044.76
31 December 2024	Call Investment Deposit	Disaster Account	23 145.48
31 December 2024	Call Investment Deposit	MIG Account	342 793.25
31 December 2024	Call Investment Deposit	Insurance Account	72 806.99
31 December 2024	Call Investment Deposit	FNB Guarantee	4 944 113.86
31 December 2024	Call Investment Deposit	Retention Account	310 824.21
31 December 2024	Call Investment Deposit	FMG Account	2 104.54
31 December 2024	Call Investment Deposit	INEP Account	43 133.68
31 December 2024	Call Investment Deposit	LGSETA Account	2 479.26
31 December 2024	Call Investment Deposit	Savings and sundry Accounts	9 647 263.07
31 December 2024	Call Investment Deposit	Waste Management	188 753.49
31 December 2024	Call Investment Deposit	Payroll Accounts	27 126 000.00
			42 703 417.83

- The total cash available as at 31 December 2024 indicates a total balance of **R43 951 613.06**.
- **Inventory** – The value of inventory as at 31 December 2024 amounts to R74 thousand.
- **Investment Property; Biological Assets and Intangible Assets** – The depreciation will be calculated during the Second quarter FAR compilation.

2.6.2 NON-CURRENT ASSETS

- The non-current assets amount to R475m which the biggest contributor being the Property; Plant and Equipment of the municipality amounting to R458m.

2.6.3 CURRENT LIABILITIES

- Section 65 of the Municipal Finance management Act requires that municipalities should pay its creditors within 30 days. The municipality strives to pay its creditors within 30 days, however delays are experienced due to cash flow challenges the

municipality is faced with. Below is the list of trade creditors as at 31 December 2024.

- **Trade and other Payables** – The trade and other payables are currently at R162m which indicates a R12 million decrease when compared to November.
- **Unspent Grant** – The unspent grants amounts to R17 million as at 31 December 2024.

2.7 TABLE C7 CASH FLOW

The cash available as at 31 December 2024 amounts to R45m; this consist of call deposits and cash available in the main account excluding the cash on hand.

EC124 Amahlathi - Table C7 Monthly Budget Statement - Cash Flow - Q2 Second Quarter										
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		(17 259)	22 670	-	1 088	6 491	11 335	(4 845)	-43%	22 670
Service charges		(37 948)	57 411	-	3 162	26 049	28 705	(2 656)	-9%	57 411
Other revenue		21 924	12 987	-	758	4 286	6 493	(2 207)	-34%	12 987
Transfers and Subsidies - Operational		11 476	145 505	-	392	86 915	72 752	14 163	19%	145 505
Transfers and Subsidies - Capital		(39 900)	59 538	-	6 800	31 788	29 769	2 019	7%	59 538
Interest		18 633	13 947	-	321	1 449	6 974	(5 525)	-79%	13 947
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(10 704)	(233 173)	-	(24 827)	(95 765)	(101 556)	(5 791)	6%	(233 173)
Finance charges		-	(3 000)	-	-	-	(1 500)	(1 500)	100%	(3 000)
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		(53 778)	75 884	-	(12 305)	61 213	52 973	(8 241)	-16%	75 884
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		733 134	(71 240)	-	(7 989)	(39 613)	(35 620)	3 993	-11%	(71 240)
NET CASH FROM/(USED) INVESTING ACTIVITIES		733 134	(71 240)	-	(7 989)	(39 613)	(35 620)	3 993	-11%	(71 240)
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		679 356	4 644	-	(20 294)	21 600	17 353			-
Cash/cash equivalents at beginning:		1 559	(15 702)	-	-	22 351	(15 702)			22 351
Cash/cash equivalents at month/year end:		680 915	(11 058)	-	-	43 952	1 650			-

SECTION 3

3. RESOLUTIONS

1. That the council notes the section 52D report for period ending 31 December 2024 as set out in the following tables:
 - (a) Table C1 – Monthly Budget Statement Summary.
 - (b) Table C2 – Monthly Budget Statement – Financial Performance (Standard (c) classification).
 - (d) Table C3 – Monthly Budget Statement – Financial Performance Standard classification (Revenue and expenditure by Municipal Vote)
 - (e) Table C4 – Monthly Budget Statement – Financial Performance (Revenue by Source and Expenditure by Type)
 - (f) Table C5 – Monthly Budget Statement – Capital Expenditure.
 - (g) Table C6 – Monthly Budget statement – Financial Position; and
 - (h) Table C7 – Monthly Budget statement – Cash Flows.
2. That the budget monitoring report (Section 52D) for period ending 31 December 2024 **BE NOTED AND ACCEPTED.**

PART 2

SECTION 4

4. BUDGET STATEMENT SUPPORTING TABLES

4.1 TABLE SC3 AGE DEBTORS ANALYSIS

In terms of section 64 of the Municipal Finance Management Act, the accounting officer must ensure that the municipality has an effective revenue collection system that is consistent with section 95 of the Municipal Systems Act and the municipality's credit control and debt collection policy. The debtors report below provides the total amount owed to the municipality by income source and by debtor type. Total outstanding debt for the month ending 31 December 2024 is R2223 million. A R5 million increase from the previous month. The biggest contributor being the households that owe R150 million which is an increase of R2 million from previous month (household debt is increasing by approximately R2 million per month which is concerning); followed by government departments owing R42 million which is an increase of R2 million from previous month and business that owe R29 million, which is an increase of R1 million. Household and Government debt is growing significantly on a monthly basis, which is of concern.

Household and Government debt have increased on average by R2 million on a monthly basis.

EC124 Amahlathi - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q2 Second Quarter

Description	NT Code	Budget Year 2024/25										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	Total over 90 days				
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	4 407	2 391	1 742	1 875	2 070	1 718	4 674	3 844	22 721	14 181	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	1 529	1 107	6 802	397	970	892	5 006	50 295	66 998	57 660	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	1 088	921	854	860	854	876	4 898	49 765	60 118	57 254	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	6	6	6	6	6	6	34	456	527	508	-	-	-	-
Interest on Arrear Debtor Accounts	1810	1 474	1 438	1 392	1 374	1 377	1 327	7 656	41 377	57 416	53 112	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	464	425	24	410	428	414	2 230	11 493	15 887	14 974	-	-	-	-
Total By Income Source	2000	8 968	6 288	10 821	4 922	5 705	5 234	24 498	157 230	223 666	197 589	-	-	-	-
2023/24 - totals only															
Debtors Age Analysis By Customer Group															
Organs of State	2200	2 118	2 212	7 722	1 692	2 408	2 089	7 353	16 626	42 221	30 169	-	-	-	-
Commercial	2300	3 812	1 320	313	617	619	533	2 657	19 614	29 484	24 039	-	-	-	-
Households	2400	2 992	2 713	2 736	2 564	2 629	2 563	14 226	119 973	150 396	141 955	-	-	-	-
Other	2500	46	42	50	49	49	49	262	1 016	1 564	1 426	-	-	-	-
Total By Customer Group	2800	8 968	6 288	10 821	4 922	5 705	5 234	24 498	157 230	223 666	197 589	-	-	-	-

4.2 TABLE SC 4 AGE CREDITORS ANALYSIS

Section 65 of the Municipal Finance management Act requires that municipalities should pay its creditors within 30 days. The municipality strives to pay its creditors within 30 days, however delays are experienced due to cash flow challenges the municipality is faced with. Below is the list of trade creditors as at 31 December 2024.

EC124 Amahlathi - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q2 Second Quarter

Description	NT Code	Budget Year 2024/25								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	502	481	475	416	601	3 088	111 357	116 919
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	819	-	9	-	11	3 960	12 983	17 782
Auditor General	0800	-	1 184	301	-	-	-	-	-	1 486
Other	0900	5 674	24	(831)	72	-	-	601	20 341	25 881
Total By Customer Type	1000	5 674	2 529	(49)	556	416	611	7 650	144 681	162 068

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days -1 Year	Over 1Year	Total
Eskom Bulk	4 585 507,84	973 227,39	-	714 238,65	1 384 489,23	5 452 848,03	43 548 977,33	63 714 275,53	120 373 564,00
Special Investigating Unit	-	-	-	-	-	-	2 027 679,51	8 509 752,82	10 537 432,33
Workmans Compensation	-	-	-	-	-	-	5 740 182,73	4 436 473,48	10 176 656,21
Amathole DM	-	702 188,34	-	318 801,84	582 143,81	489 243,16	3 585 322,55	4 467 206,96	10 144 906,66
SALGA	-	-	-	-	-	-	1 178 720,38	3 734 833,88	4 913 554,26
3rd Party Pensions	2 005 648,09	-	-	-	-	-	-	-	2 005 648,09
3rd Party Medical Aids	925 215,25	-	-	-	-	-	-	-	925 215,25
EC Department of Transport	-	-	-	-	-	-	-	892 043,80	892 043,80
3rd Party Garnishee	734 814,79	-	-	-	-	-	-	-	734 814,79
All other suppliers	254 935,36	465 215,63	-	371 892,64	-	-	46 605,01	692 443,71	1 321 221,63
Total	7 996 250,61	2 140 631,36	-	1 404 933,13	1 966 633,04	5 942 091,19	56 127 487,51	86 447 030,18	162 025 057,02

4.3 TABLE SC5 INVESTMENT PORTFOLIO

The municipality invests money that is not immediately required on short term basis to generate interest, and this is in line with the municipal policy and the requirements of the Municipal Finance Management Act. The table below details the Call Deposits made by the Municipality for the period ending 31 December 2024.

EC124 Amahlathi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q2 Second Quarter														
Investments by maturity Name of institution & investment ID	Ref	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Municipality														
FNB 62063171351			Call Deposit	Yes	Fixed		NI		N/A	14 563	294	(28 813)	13 979	23
FNB 62135193770			Call Deposit	Yes	Fixed		NI		N/A	2	266	(34 599)	34 674	343
FNB 61381739619			Call Deposit	Yes	Fixed		NI		N/A	896	22	(2 438)	1 593	73
FNB 74568809858			Fixed Deposit	Yes	Fixed	7,9	NI		26/09/2025	5 175	208	(439)		4 944
FNB 62774381942			Call Deposit	Yes	Fixed		NI		N/A	300	11			311
FNB 62774381009			Call Deposit	Yes	Fixed		NI		N/A	2	0			2
FNB 62774381413			Call Deposit	Yes	Fixed		NI		N/A	19	7	(1 143)	1 160	43
FNB 62774382445			Call Deposit	Yes	Fixed		NI		N/A	2	0			2
FNB 62774383592			Call Deposit	Yes	Fixed		NI		N/A	391	267	(115 292)	114 823	189
FNB 62774382966			Call Deposit	Yes	Fixed		NI		N/A	974	31	(964)		41
FNB 63127292538			Call Deposit	Yes	Fixed		NI		N/A		3	(1 200)	1 201	4
FNB 63127290730			Call Deposit	Yes	Fixed		NI		N/A		4	(2 000)	2 075	79
FNB 63127288686			Call Deposit	Yes	Fixed		NI		N/A		0		1	1
FNB 76207901903			Call Deposit	Yes	Fixed		NI		N/A		5		2 000	2 005
FNB 76207925432			Call Deposit	Yes	Fixed		NI		N/A		8		4 300	4 308
FNB 76207902282			Call Deposit	Yes	Fixed		NI		N/A		5		2 000	2 005
FNB 76207902167			Call Deposit	Yes	Fixed		NI		N/A		3		1 200	1 203
STD 548578273-001			Call Deposit	Yes	Fixed		NI		N/A		42		9 000	9 042
STD 548578273-002			Call Deposit	Yes	Fixed		NI		N/A		42		9 000	9 042
STD 548578273-003			Call Deposit	Yes	Fixed		NI		N/A		42		9 000	9 042
NEDBANK '20738			Call Deposit	Yes	Fixed		NI		N/A		121	(9 121)	9 000	-
ABSA 2081691844			Call Deposit	Yes	Fixed		NI		N/A		189	(9 189)	9 000	-
ABSA 2081691836			Call Deposit	Yes	Fixed		NI		N/A		54	(9 054)	9 000	-
ABSA 2081691828			Call Deposit	Yes	Fixed		NI		N/A		267	(9 267)	9 000	-
Municipality sub-total										22 324		(223 518)	242 006	42 703

Institution	Opening Balance	New Investment	Withdrawals	INTEREST						Total
				July	August	Sept	Oct	Nov	Dec	
FNB 62063171351	14 562 569,07	13 979 000,00	(28 812 582,22)	80 298,33	63 751,49	72 076,82	46 022,59	24 335,14	7 674,26	23 145,48
FNB 62135193770	1 620,85	34 674 177,42	(34 599 351,97)	19 715,91	64 135,80	55 313,70	22 982,72	62 052,67	42 146,15	342 793,25
FNB 61381739619	895 602,61	1 593 115,00	(2 438 000,00)	5 058,32	5 086,88	2 941,62	3 496,22	2 841,42	2 664,92	72 806,99
FNB 74568809858	5 174 751,78		(438 556,23)	37 003,02	38 509,87	36 291,56	31 478,79	32 739,30	31 895,77	4 944 113,86
FNB 62774381942	299 994,50			1 847,23	1 858,60	1 786,84	1 816,18	1 749,11	1 771,75	310 824,21
FNB 62774381009	2 031,22			12,50	12,59	12,10	12,29	11,85	11,99	2 104,54
FNB 62774381413	19360,52	1 160 000,00	(1 143 030,42)	834,28	3 615,85	1 617,36	194,21	296,01	245,87	43 133,68
FNB 62774382445	2392,88			14,73	14,82	14,26	14,48	13,96	14,13	2 479,26
FNB 62774383592	391165,68	114 823 000,00	(115 292 055,68)	162 683,27	6 032,26	6 388,23	10 273,44	6 791,68	74 474,61	188 753,49
FNB 62774382966	974256,48		(963 656,49)	5 619,69	5 641,66	5 423,82	5 512,91	3 214,35	5 309,28	41 321,70
FNB 63127292538		1 201 000,00	(1 200 000,00)					0,73	3 112,59	4 113,32
FNB 63127290730		2 075 000,00	(2 000 000,00)					0,73	4 282,10	79 282,83
FNB 63127288686		1 000,00						0,73	5,74	1 006,47
FNB 76207901903		2 000 000,00							5 115,61	2 005 115,61
FNB 76207925432		4 300 000,00							8 217,12	4 308 217,12
FNB 76207902282		2 000 000,00							5 128,76	2 005 128,76
FNB 76207902167		1 200 000,00							3 077,26	1 203 077,26
STD 548578273-001		9 000 000,00							41 794,52	9 041 794,52
STD 548578273-002		9 000 000,00							42 041,10	9 042 041,10
STD 548578273-003		9 000 000,00							42 164,38	9 042 164,38
NEDBANK '20738		9 000 000,00	(9 120 834,25)	30 757,81	68 106,58	21 969,86				-
ABSA 2081691844		9 000 000,00	(9 188 839,73)	-	102 195,61	71 092,60	15 551,52			-0,00
ABSA 2081691836		9 000 000,00	(9 054 236,71)	-	54 236,71					-0,00
ABSA 2081691828		9 000 000,00	(9 267 100,27)	-	104 123,83	72 433,97	72 500,27	18 042,20		0,00
	22 323 745,59	242 006 292,42	(223 518 243,97)	343 845,09	517 322,55	347 362,74	209 855,62	152 089,88	321 147,91	42 703 417,83

4.4 TABLE SC 6 GRANTS TRANSFERRED

The conditional and unconditional grants allocation gazette for 2024/25 reflected an amount of R205m. An amount of R146 million has been received for period ending 31 December 2024. Transfers and grants receipts per allocation or grant is provided in the table below.

EC124 Amahlathi - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q2 Second Quarter										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		497 622	143 651	-	52 412	116 398	71 826	(693)	-1.0%	143 651
EPWP Incentive	-	5 595	1 211	-	545	848	606	242	40.0%	1 211
Finance Management	-	8 735	2 200	-	-	2 200	1 100			2 200
Local Government Equitable Share	-	-	138 370	-	46 123	103 777	69 185			138 370
Metro Informal Settlements Partnership Grant	-	477 996	-	-	-	-	-			-
Municipal Drought Relief	-	5 296	-	-	5 744	9 573	-			-
Municipal Infrastructure Grant	-	-	1 870	-	-	-	935	(935)	-100.0%	1 870
Other transfers and grants [insert description]										
Provincial Government:		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		1 153	-	-	-	286	-	286	#DIV/0!	-
Unspecified_Specify (Replace with the name of the Entity)_Receipts	-	1 153	-	-	-	286	-	286	#DIV/0!	-
Total Operating Transfers and Grants	5	498 775	143 651	-	52 412	116 684	71 826	(406)	-0.6%	143 651
Capital Transfers and Grants										
National Government:		132 217	59 538	-	6 800	31 788	7 624	13 462	176.6%	59 538
Municipal Infrastructure Grant (MIG)	-	132 217	35 533	-	6 800	31 228	17 766	13 462	75.8%	35 533
Energy Efficiency and Demand Side Management Grant	-	-	3 000	-	-	-	(1 500)			3 000
Integrated National Electrification Programme Grant	-	-	1 860	-	-	560	930			1 860
Municipal Disaster Relief Grant	-	-	19 145	-	-	-	(9 573)			19 145
Provincial Government:		(15 225)	1 854	-	-	(1 792)	(927)	(865)	93.3%	1 854
Eastern Cape_Capacity Building and Other_Specify (Add grant descrip	-	(15 225)	1 854	-	-	(1 792)	(927)	(865)	93.3%	1 854
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]										
Total Capital Transfers and Grants	5	116 992	61 392	-	6 800	29 996	6 697	12 596	188.1%	61 392
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	615 767	205 043	-	59 212	146 680	78 523	12 190	15.5%	205 043

4.5 TABLE SC7 GRANTS EXPENDITURE

The table below reflects expenditure for the period ending 31 December 2024. The operating grants, excluding equitable share are at R7.4 million and capital grants at R30.1 million. It is worth noting that the funds for EPWP Grant are already depleted and the municipality is financing the expenditure from internally generated funds.

EC124 Amahlathi - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q2 Second Quarter										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		492 045	143 651	-	47 103	110 235	71 826	38 410	53,5%	5 281
Expanded Public Works Programme Integrated Grant	-	4 718	1 211	-	624	4 395	606	3 789	625,8%	1 211
Local Government Financial Management Grant	-	8 735	2 200	-	299	567	1 100	(533)	-48,4%	2 200
Metro Informal Settlements Partnership Grant	-	477 996	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant	-	596	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	-	-	1 870	-	57	1 496	935	561	60,0%	1 870
Equitable Share	-	-	138 370	-	46 123	103 777	69 185	34 592	50,0%	-
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]	-	-	-	-	-	-	-	-	-	-
Other grant providers:		1 153	-	-	-	1 003	-	1 003	#DIV/0!	-
Unspecified-Specify (Replace with the name of the Entity)-Transfer	-	1 153	-	-	-	1 003	-	1 003	#DIV/0!	-
Unspecified_Specify (Replace with the name of the Entity)_Receipts	-	-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		493 198	143 651	-	47 103	111 238	71 826	39 413	54,9%	5 281
Capital expenditure of Transfers and Grants										
National Government:		122 390	59 538	14 420	5 712	29 049	41 062	(12 013)	-29,3%	59 538
Energy Efficiency and Demand Side Management Grant	-	-	3 000	-	42	126	1 500	(1 374)	-91,6%	3 000
Integrated National Electrification Programme Grant	-	-	1 860	-	550	1 143	930	213	22,9%	1 860
Municipal Disaster Relief Grant	-	-	19 145	-	2 369	8 613	9 573	(959)	-10,0%	19 145
Municipal Infrastructure Grant	-	122 390	35 533	-	2 751	17 834	17 766	67	0,4%	35 533
Municipal disaster recovery grant	-	-	-	14 420	-	1 333	11 293	(9 960)	-88,2%	-
Other capital transfers [insert description]	-	-	-	-	-	-	-	-	-	-
Provincial Government:		4 800	-	-	-	1 792	-	1 792	#DIV/0!	-
Eastern Cape		4 800	-	-	-	1 792	-	1 792	#DIV/0!	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		127 190	59 538	14 420	5 712	30 841	41 062	(10 221)	-24,9%	59 538
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		620 388	203 189	14 420	52 815	142 080	112 888	29 192	25,9%	64 819

4.6 TABLE SC8 COUNCILLOR AND STAFF BENEFITS

In terms of section 66 of the Municipal Finance Management Act; all the expenditure the municipality incurred on staff salaries; wages; allowances and benefits must be reported to council. The expenditure on employee related costs and councillors allowance is detailed in the table below.

EC124 Amahlathi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q2 Second Quarter										
Summary of Employee and Councillor remuneration	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		9 141	10 377	-	-	3 899	5 189	(1 289)	-25%	10 377
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		436	593	-	-	206	296	(90)	-30%	593
Cellphone Allowance		1 481	1 702	-	-	585	851	(266)	-31%	1 702
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		2 538	2 358	-	-	1 116	1 179	(63)	-5%	2 358
Sub Total - Councillors		13 595	15 031	-	-	5 806	7 515	(1 709)	-23%	15 031
% increase	4		10,6%							10,6%
Senior Managers of the Municipality										
Basic Salaries and Wages	3	5 214	6 423	-	-	1 979	3 212	(1 232)	-38%	6 423
Pension and UIF Contributions		10	12	-	-	4	6	(2)	-40%	12
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		369	585	-	-	95	292	(197)	-67%	585
Cellphone Allowance		78	94	-	-	28	47	(19)	-40%	94
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		1	1	-	-	0	0	(0)	-39%	1
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		38	82	-	-	-	41	(41)	-100%	82
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		5 710	7 197	-	-	2 106	3 598	(1 492)	-41%	7 197
% increase	4		26,0%							26,0%
Other Municipal Staff										
Basic Salaries and Wages		87 036	87 827	-	626	39 605	43 913	(4 309)	-10%	87 827
Pension and UIF Contributions		16 052	16 798	-	-	6 357	8 399	(2 042)	-24%	16 798
Medical Aid Contributions		4 898	6 449	-	-	2 437	3 224	(787)	-24%	6 449
Overtime		1 622	1 386	-	-	577	693	(116)	-17%	1 386
Performance Bonus		6 854	6 815	-	-	3 231	3 408	(177)	-5%	6 815
Motor Vehicle Allowance		5 495	5 484	-	-	2 056	2 742	(686)	-25%	5 484
Cellphone Allowance		1 859	850	-	-	363	425	(62)	-15%	850
Housing Allowances		2 522	2 631	-	-	1 035	1 315	(280)	-21%	2 631
Other benefits and allowances		911	1 042	-	-	297	521	(224)	-43%	1 042
Payments in lieu of leave		1 051	-	-	-	87	-	87	#DIV/0!	-
Long service awards		(698)	966	-	-	-	483	(483)	-100%	966
Post-retirement benefit obligations	2	2 709	2 204	-	-	-	1 102	(1 102)	-100%	2 204
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		186	1 844	-	-	267	922	(655)	-71%	1 844
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		130 496	134 297	-	626	56 312	67 148	(10 836)	-16%	134 297
% increase	4		2,9%							2,9%
Total Parent Municipality		149 801	156 524	-	626	64 224	78 262	(14 038)	-18%	156 524

4.7 TABLE SC13C REPAIRS AND MAINTENANCE

The table below reflects expenditure on repairs by asset class. The expenditure on repairs and maintenance is at 50% of annual budget.

EC124 Amahlathi - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M03 September										
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									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		1 454	1 750	-	59	108	438	329	75,3%	1 750
Roads Infrastructure		705	900	-	45	87	225	138	61,4%	900
Roads		705	900	-	45	87	225	138	61,4%	900
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		7	50	-	2	2	13	11	87,7%	50
Drainage Collection		7	50	-	2	2	13	11	87,7%	50
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		742	800	-	13	20	200	180	90,1%	800
Power Plants		46	100	-	-	-	25	25	100,0%	100
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		696	700	-	13	20	175	155	88,7%	700
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		-	150	-	-	-	38	38	100,0%	150
Community Facilities		-	150	-	-	-	38	38	100,0%	150
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	150	-	-	-	38	38	100,0%	150
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

EC124 Amahlathi - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M03 September

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									
Other assets		308	515	-	2	115	129	14	10,7%	515
Operational Buildings		308	515	-	2	115	129	14	10,7%	515
Municipal Offices		307	500	-	2	115	125	10	8,0%	500
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		0	15	-	-	-	4	4	100,0%	15
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	50	-	-	-	13	13	100,0%	50
Machinery and Equipment		-	50	-	-	-	13	13	100,0%	50
Transport Assets		1 955	1 300	-	203	445	325	(120)	-37,1%	1 300
Transport Assets		1 955	1 300	-	203	445	325	(120)	-37,1%	1 300
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	3 717	3 765	-	263	669	941	273	29,0%	3 765

SECTION 5

MUNICIPAL MANAGERS QUALITY CERTIFICATE

QUALITY CERTIFICATE

I, **Dr. Z Shasha** Municipal Manager of **Amahlathi Municipality**, hereby certify that -

(Mark as appropriate)

the monthly budget statement

Quarterly report on the implementation of the budget and financial state of affairs of
the municipality

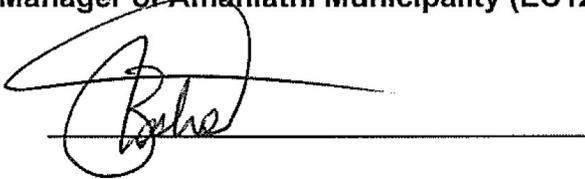
Mid-year budget and performance assessment

for the month of December 2024 of 2024/2025 has been prepared in accordance with
the Municipal Finance Management Act and regulations made under that Act.

Print Name: Dr. Z Shasha

Municipal Manager of Amahlathi Municipality (EC124)

Signature

A handwritten signature in black ink, appearing to read 'Z Shasha', is written over a horizontal line. The signature is stylized and cursive.

Date: 07 January 2025