FINANCIAL YEAR 2025/26

SECTION 71

FINANCIAL MANAGEMENT SECTION

for the period ending

30 June 2026

(Pre-liminary information)

Contents

1) Legislative Framework

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

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

- The Municipal Finance Management Act – No.56 of 2003, Section 71 and
- The Municipal Budget and Reporting Regulations

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

2) <u>Municipal Manager's Quality Certificate</u>

QUALITY CERTIFICATE

I, **EO Phillips** , Municipal Manager (acting) of Overberg District Municipality, hereby certify that –

(mark as appropriate)

- ☒ The monthly budget statement
- ☐ Quarterly report on the implementation of the budget and financial state affairs of the municipality
- ☐ Mid- year budget and performance assessment

for the month of **30 June 2026** has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name **Mr. EO Phillips**
(Acting) Municipal Manager of **Overberg District Municipality DC3**

Signature --

Date------14 JULY '26------------

PART 1

3) EXECUTIVE SUMMARY

Section 71 (1) of the Municipal Finance Management Act (MFMA) requires the Municipal Manager, as Accounting Officer of the Municipality, to submit a report in a prescribed format to the Mayor within 10 working days after the end of each month on the state of the Municipality's budget.

Section 54 of the MFMA requires the Mayor to consider the Section 71 report and take appropriate action to ensure that the approved budget is implemented in accordance with the SDBIP.

Important notice:

The information as presented in the report reflect the pre-liminary performance for the year ending 30 June 2026. Numerous year-end transactions will still be required that is applicable for the June 2026 period. This is in preparation of the draft Annual Financial statements for submission to the Auditor General on 31st of August as per MFMA.

Consolidated Performance

The following table summarises the overall position on the capital and operating budgets.

	Capital Expenditure	Operating Expenditure	Operating Revenue
Budget	R 30 301 949	R311 235 823	R311 284 870
Budget to date (BTD)	R 30 301 949	R311 235 823	R311 284 870
Year to date (YTD)	**R 24 992 988**	**R297 164 675**	**R285 988 592**
Variance to SDBIP	**-R 5 308 961**	**-R 14 071 148**	**-R 25 296 278**
YTD% Variance to SDBIP	-18%	-4.5%	-8%
% of Annual Budget	**82%**	**95%**	**92%**
Comment			

Capital expenditures

- An adjustment capital budget was approved in June 2026 by council. The main reason was to account for the Donated Fire services vehicles as well as alignment of the Karwyderskraal capital project based on project implementation.

- The municipal capital budget can be split into 2 components. Karwyderskraal Landfill site (1) – R23.5m of the total budget and the remaining projects accounting for R6.8m of the total value.
- Analysing the capital spending on this basis provide a more detail and accurate situational analysis of the spending on the capital projects.
- The year-to-date performance of 82% is positive based on the pre-liminary information, with numerous year-end transactions that is still required. This is currently still below the National Treasury norm of 95% spending.
- Including the Karwyderskraal year-end commitment (June invoice ±R3m due in July) the capital spending is closer to the 95% norm.

Operational expenditures

- Year to date spending of 95% reported for the period ending 30 June 2026.
- The challenges experienced with the Roads department new agreement for 2026/27 that was received and signed late, slow-down spending over the last quarter impacting the final year-end performance.
- Cautious monitoring of fuel and other cost categories that was significantly impacted by the extreme events experienced also affected the performance.
- Year-end transactions that are still required, will impact the final totals reported.

Operational Revenues

- Total revenues of R285.98m reported at end of June 2026 reflected a 92% revenue recognised to date. Roads Agency invoice payment for April, May was only received in July, hence not reflecting on the summary. Refer to cash and Liquidity management section.
- Monthly billing for all services rendered were recorded timeously and no risks were identified.

4) Capital Programme Budget Report 2025/2026

	OVERBERG DISRICT MUNICIPALITY - MULTI YEAR CAPITAL BUDGET FOR 2025/26 - 2027/28							
	UKEY Description1	UKEY Description2	FUNDING TYPE	DESCRIPTION	BUDGET 2025/26	ACTUAL YTD SPENDING	COMMITMENTS	% Spent
	DIRECTORATE: MUNICIPAL MANAGER OFFICE							
				COMMITTEE,RECORDS, COUNCIL SUPPRT				
1	50101001901	20240707990087	CRR	DC3_Furniture and Office Equipment	R33 001	R32 368	R0	
				TOTAL	**R33 001**	**R32 368**	**R0**	98%
				PERFORMANCE AND RISK MANAGEMENT				
21	50101002181	20250704001467	CRR	DC3_Computer Equipment	R1 627	R1 627	R0	100%
				TOTAL	**R1 627**	**R1 627**	**R0**	100%
				IDP AND COMMUNICATION				
15	50101002151	20250704001458	CRR	DC3_Sound Equipment	R20 000	R18 087	R0	90%
				TOTAL	**R20 000**	**R18 087**	**R0**	90%
	DIRECTORATE: CORPORATE SERVICES							
				CORPORATE SERVICES : EXECUTIVE				
29	50101001971	20240707990108	CRR	DC3_Aircon	R32 000	R26 626	R0	83%
				TOTAL	**R32 000**	**R26 626**	**R0**	83%
				CORPORATE SERVICES : SUPPORT SERV				
1	50102000081	20240300963417	CRR	DC3_Septic tank	R152 200	R152 200	R0	100%
2	50102000091	20251000970713	CRR	DC3_Fencing - Head Office	R114 800	R114 800	R0	100%
28	50102000061	20260224973110	CRR	DC3_Dehumidifier	R13 999	R12 172	R0	87%
				TOTAL	**R280 999**	**R279 172**	**R0**	99%
				ICT SERVICES				
12	50101001891	20240707990084	CRR	DC3_Fingerprint system	R0	R0	R0	
13	50101002111	20250704001446	CRR	DC3_Council Chamber Hybrid System	R600 000	R0	R0	0%
14	50101002001	20240707990117	CRR	DC3_Computer Equipment	R101 200	R97 389	R0	96%
				TOTAL	**R701 200**	**R97 389**	**R0**	14%

	OVERBERG DISRICT MUNICIPALITY - MULTI YEAR CAPITAL BUDGET FOR 2025/26 - 2027/28							
	UKEY Description1	**UKEY Description2**	**FUNDING TYPE**	**DESCRIPTION**	**BUDGET 2025/26**	**ACTUAL YTD SPENDING**	**COMMITMENTS**	
	DIRECTORATE: FINANCIAL SERVICES							
				Supply Chain Management				
23	50101002121	20250704001449	CRR	DC3_Camera System	R42 000	R0	R0	0%
				TOTAL	**R42 000**	**R0**	**R0**	0%
	DIRECTORATE: COMMUNITY SERVICES							
				LED, TOURISM, RESORTS AND EPWP				
16	50101001821	20240707990059	CRR	DC3_Machinery and Equipment	R254 000	R61 110	R105 000	24%
17	50101002131	20250704001452	CRR	DC3_Furniture and Office Equipment	R132 553	R127 445	R0	96%
25	50101001741	20240707990044	CRR	DC3_Electrical DB Boxes	R106 447	R106 446	R0	100%
27	50101002231	20250704001490	CRR	DC3_Chalet Upgrade	R130 000	R130 000	R0	100%
				TOTAL	**R623 000**	**R425 002**	**R105 000**	68%
				EMERGENCY SERVICES				
3	50101001641	20240707990029	CRR	DC3_Vehicle Refurbishment	R400 000	R381 759	R0	95%
4	50101001761	20240707990050	CRR	DC3_Bunker Gear	R371 766	R316 220	R0	85%
5	50101002051	20250704001428	CRR	DC3_Training Centre Training Management System	R250 000	R0	R144 705	0%
6	50101001801	20240707990056	CRR	DC3_Rescue Equipment	R467 590	R236 896	R0	51%
7	50101001421	20230709985500	GRANTS	DC3_Capacity Project	R500 000	R421 409	R45 546	84%
24	50101001601	20240300963414	GRANTS	DC3_Water Truck	R447 983	R447 983	R0	100%
24	50101002251	20251000970710	CRR	DC3_Water Truck	R120 517	R120 516	R0	100%
30	50101001651	20240707990032	CRR	DC3_Vehicle Replacement	R460 644	R460 547	R0	100%
31	50101002271	20260628971422	5	DC3_Donated Vehicles	R1 286 630	R1 286 630	R0	100%
				TOTAL	**R4 305 130**	**R3 671 961**	**R190 251**	85%
				ENVIRONMENTAL MANAGEMENT SERVICES				
8	50101002081	20250704001437	CRR	DC3_Vehicle - Rollbar and rubberised loadbin	R15 000	R12 649	R0	84%
9	50101002171	20250704001464	CRR	DC3_Inspections and data gatehering-Tablets	R16 000	R15 000	R0	94%
10	50101002101	20250704001443	CRR	DC3_Spillkit (Sect 30)	R7 000	R0	R0	0%
				TOTAL	**R38 000**	**R27 649**	**R0**	73%

	OVERBERG DISRICT MUNICIPALITY - MULTI YEAR CAPITAL BUDGET FOR 2025/26 - 2027/28							
	UKEY Description1	UKEY Description2	FUNDING TYPE	DESCRIPTION	BUDGET 2025/26	ACTUAL YTD SPENDING	COMMITMENTS	
				MUNICIPAL HEALTH SERVICES				
18	50101002091	20250704001440	CRR	DC3_Vehicle	R511 400	R499 269	R0	98%
19	50101002141	20250704001455	CRR	DC3_Furniture and Office Equipment	R213 592	R206 357	R0	97%
				TOTAL	**R724 992**	**R705 626**	**R0**	97%
				SOLID WASTE MANAGEMENT				
22	50101001751	20240707990047	LOANS	DC3_Cell 5	R23 500 000	R19 707 482	R3 115 348	84%
				TOTAL	**R23 500 000**	**R19 707 482**	**R3 115 348**	84%
				GRAND TOTAL	**R30 301 949.00**	**R24 992 988**	**R3 410 599**	82%
			Type	**Funding Sources**	**BUDGET 2025/26**	**ACTUAL YTD SPENDING**	**COMMITMENTS**	
			CRR	Capital Replacement Reserve	R4 567 336	R3 129 484	R249 705	69%
			2	Revenue	R0	R0	R0	
			LOANS	External Loans	R23 500 000	R19 707 482	R3 115 348	84%
			GRANTS	Grants	R947 983	R869 392	R45 546	92%
			5	Donated Assets	R1 286 630	R1 286 630	R0	100%
				TOTAL	**R30 301 949**	**R24 992 988**	**R3 410 599**	82%

<u>Discussion:</u>

As per table above it can be seen that most capital projects were complete / or implemented except for the following –

Council chamber Hybrid system –	Tender was advertised twice (2). No successful award could be made and tender has been cancelled.
Camera system -	Project funding was insufficient, and no formal SCM award could be made.
Spillkit -	Spending was complete. Based on the requirement for reporting as a asset, spending allocated to operational budget and reported.

Capital commitments that were not finalized at year-end will be reflected in the Annual financial statements. This is due to the delivery of equipment that was not done by 30 June 2026.

Capital spending of 94% reported considering the year-end commitments.

5) Variance analysis – Operational and Capital Budget

ODM budget – Revenue by source (Excluding Roads)

SUMMARY INCOME & EXPENDITURE 2025/2026 EXCLUDING ROADS AGENCY										
Revenue by Source		**Budget**		**Month Actual**		**YTD Actual**		**YTD Budget**	**% Spent**
SERVICES CHARGES - REFUSE	R	18 821 064	R	1 320 280	R	18 584 333	R	18 821 064	98.74%
SERVICES CHARGES - SEWERAGE	R	900 000	R	67 170	R	849 204	R	900 000	94.36%
SALE OF GOODS AND SERVICES	R	13 328 224	R	201 401	R	10 729 381	R	13 328 224	80.50%
RENT OF FACILITIES&EQUIPMENT	R	16 164 520	R	1 340 860	R	16 216 084	R	16 164 520	100.32%
INTEREST EARNED-EXTERNAL INVES	R	8 352 000	R	924 040	R	7 090 690	R	8 352 000	84.90%
INTEREST EARNED-OUTST DEBTORS	R	322 000	R	5 655	R	13 506	R	322 000	4.19%
LICENSES & PERMITS	R	1 344 500	R	118 173	R	1 125 524	R	1 344 500	83.71%
INCOME FOR AGENCY SERVICES	R	13 950 699	R	1 202 096	R	13 950 699	R	13 950 699	100.00%
GRANT&SUBSIDIES (OPERATING)	R	100 599 341	R	2 663 141	R	94 380 171	R	100 599 341	93.82%
GRANT&SUBSIDIES (CAPITAL)	R	2 234 613	R	1 430 959	R	2 223 567	R	2 234 613	99.51%
OTHER REVENUE	R	2 278 761	R	469 262	R	1 965 949	R	2 278 761	86.27%
PROFIT ON SALE	R	2 660 000	R	-	R	-	R	2 660 000	0.00%
TOTAL	**R**	**180 955 722**	**R**	**9 743 036**	**R**	**167 129 107**	**R**	**180 955 722**	**92.36%**

Reasons for variance:

Year to date revenue amounts at R167.12m from the total budget of R180.95m. This represents 92.36% of budgeted amounts. ***More details below as part of the explanations.***

Services Charges – Refuse

For the year-to-date performance a total of 98% reported at year-end. The budget was reviewed and revised from the original budget approved by Council in May 2025. The functioning of the Regional Landfill site is productive, and the management of the facility is done to ensure substantial benefits can be derived to Council.

Services Charges - Sewerage

The billing of the customers at the municipal resorts relates to the semi-permanent residents as well as ad hoc pumping of septic tanks at Die Dam. The sanitation levy at Uilenkraalsmond is also included in this category the difference related to ad-hoc sewerage pumping at Die Dam being less than expected.

Sale of Goods and Services:

Year to date performance for the period ending 30 June 2026 is reflected at 80.50% of budgeted amount.

Fire Services

The municipality billed the local municipalities as per the SLA agreements for annually fires support services. Billing is done bi-annually to account for cashflow consideration. The participating municipalities Cape Agulhas / Theewaterskloof and Swellendam municipality.

All municipal invoices have been distributed and at reporting date the municipality received all funds relating to the SLA with the local municipalities.

Resorts

Revenue from camping fees was better than projected and initially budgeted. This is positive and indicate that the municipal resorts is still delivering value for money.
The department is in process with the appointed consultant to complete a "feasibility study". This report when finalised with will guide council in the strategic direction of the management of the resorts.

Interest Earned-External Investments

Details relating to interest received on cash resources is explained on **page 20** of the report in more details. Year to date actual performance versus total budget amounts to 84.90%, as recorded on 30 June 2026.

Interest revenue has in the past been a significant contributor to the municipal revenues due to the active monitoring of cash balances and the investment of access funds into hight interest investment vehicles on a daily/weekly basis.

The reduced performance for the lower than budgeted interest revenues is mainly due to the following –

- Budgeted provisions based on historical trends
- Karwyderkraal landfill site (CELL A5) – The delays in the funding (external loans) due to tender and specification challenges and bridge funding reduce the funds available for investment.
- The Roads Agency new SLA agreement – The delays in the 2026/27 agreement finalisation, resulted in the subsidizing of roads for the periods, April, May and June. This contributes to the lower available cash balances for investments.
- At reporting date, the municipality have received the cash advance of Roads per SLA as well as payment of invoices for April and May 2026. The impact will however only be accounted with final year-end transactions and in the next cycle of reporting.

Interest Earned-Outstanding Debtors

The low outstanding balances also contributes to amounts reported. Lower than anticipated interest revenues is positive and "show" that debtors are managed and collectively more prudently and on time.

Licenses & Permits

The fire and health services are accountable for the revenues relating to licenses and permits. Municipal Health services indicated that the revenue is expected to be lower due to slower implementation of revenue enhancement programmes.

Fire Department is engaging with building control sections at local municipalities ensuring compliance is adhered to for fire certificates on commercial buildings currently not complying. The co-operation between the local municipality's and ODM will assist in better billing and completeness of revenue.

Grant & Subsidies (Operating)

Grants and subsidies reflect operational transfers received from National and Provincial departments. These allocations are predominantly for project plans submitted as well as recurring grants on a yearly basis. Revenue is recognised when expenditure is incurred. ***Refer to page 25 for grant performance.***

Grant & Subsidies (Capital)

All capital grant spending has been recognised to date.

Profit on sale

The municipality awaits response from SANParks (IGR transaction) on the possible sale of identified investment properties, process is still pending. SANParks valuators visited the properties, as they wish to table an offer to council with their intentions to acquire identified propertied.

A new investment strategy is currently being complete for implementation.

ODM budget – Expenditure by type (Excluding Roads)

SUMMARY INCOME & EXPENDITURE 2025/2026 EXCLUDING ROADS AGENCY										
Expenditure by Type		**Budget**		**Month Actual**		**YTD Actual**		**YTD Budget**	**% Spent**
EMPLOYEE COSTS-WAGES&SALARIES	R	101 549 525.00	R	7 807 896.77	R	99 965 596.72	R	101 549 525.00	98.44%
REMUNERATION OF COUNCILLORS	R	7 136 333.00	R	592 151.62	R	7 105 687.07	R	7 136 333.00	99.57%
BAD DEBTS	R	100 000.00	R	-	R	-	R	100 000.00	0.00%
DEPRECIATION	R	3 669 786.00	R	308 065.50	R	3 707 219.91	R	3 669 786.00	101.02%
OTHER MATERIAL	R	4 760 549.00	R	378 836.38	R	4 212 792.20	R	4 760 549.00	88.49%
INTEREST EXPENSE - EXTERNAL	R	1 097 236.00	R	67 076.34	R	817 714.08	R	1 097 236.00	74.52%
CONTRACTED SERVICES	R	33 123 302.00	R	3 895 465.81	R	25 285 672.95	R	33 123 302.00	76.34%
GENERAL EXPENSES - OTHER	R	27 235 331.00	R	3 429 851.80	R	24 866 606.37	R	27 235 331.00	91.30%
TOTAL	**R**	**178 672 062.00**	**R**	**16 479 344.22**	**R**	**165 961 289.30**	**R**	**178 672 062.00**	**92.89%**

Expenditure by type:

Total operating expenditures of R165.9m reported against adjusted figures of R178.6m. This reflects a 92.89% were recorded at the end of the 12th period. Numerous year-end transactions still need to be processed with the finalisation and preparation of the annual financial statements for 2025/26.

Reasons for variance:

Employee Costs-Wages & Salaries

Employee related cost accounts for the largest spending category (year to date) ending June 2026. This category recorded an actual expenditure of R99.96m.

Year-end post-retirement and provision transactions will still impact the reported and final information.

Bad Debts

Bad debt provision will only be accounted for as part of the AFS preparation where all debtors will be assessed. This is in line with the new GRAP 104 for implementation.

Interest Expense – External

Interest expenses are the repayment on current obligations as per loan agreements. The balance of the expenditures is accounted for with the year-end transactions that is required for the compilation of the AFS.

Contracted Services

The bulk of the contracted services are allocated towards the service delivery departments (Municipal health services, Emergency services and the rural roads programme). These services are being utilised on a month-to-month basis and depend on timing and related activities. Spending relating to grants funds received from Provincial and National departments is also allocated towards this category. This is due to the nature of the projects being implemented.

Below budget performance is mainly attributed to the following -

- R1.5m for resort feasibility study, await phased results and progress from consultants to start part payments for project.
- Rural Roads program with projected underspend of R1m as per business plan and tender received.
- Star rating project of Municipal Health estimated saving R500 000.00.
- Other services used ad-hoc e.g. helicopter usage at Fire Department contributes towards this line item as well as a reduction in consulting fees for administration and finance.

A large part of the under performance of this category is the following items.

Expenditure	Budget to date	Expenditure to date	Explanation
Feasibility Holiday Homes	R1 500 000	R0	Project funding was reduced with the adjustment budget. The appointment SCM tender was less than anticipated and budgeted. Project funding of R1.5m received from Province in 24/25 R750,000 (Roll-over) and 25/26. Project commence in June 2026 with anticipated of R325 450.00. Roll-over of unspent funds anticipated for the grant funded project per PT roll-over process.
Municipal Health: Revenue Enhancement	R1 947 165	R1 006 024	Spending difference resulted from the roll-over of grant funding. Contract appointments were made later than expected and rollovers on this committed cost will materialise. Final

			reconciliation after contract payment is made in July for June. Roll-over of unspent funds anticipated for the grant funded project per PT roll-over process.
Municipal Health: Star Rating	R1 240 000	R321 782	Grant implementation slower than expected. Roll-over of unspent funds anticipated for the grant funded project per PT roll-over process.

General expenditures – Other

General expenditures include all other minor expenditures not highlighted above. Overall, the final expenditure will only reflect as invoices for June is still being transacted.

Numerous year-end transactions still needs to be processed with AFS preparation.

Roads Revenue and expenditure Budget performance

SUMMARY INCOME & EXPENDITURE 2025/2026 ROADS AGENCY					
Revenue by Source	**Budget**	**Month Actual**	**YTD Actual**	**YTD Budget**	**Variance**
SALE OF GOODS AND SERVICES	R 132 563 761.00	R 25 292 334.51	R 121 082 448.18	R 132 563 761.00	91.3%
TOTAL	**R 132 563 761.00**	**R 25 292 370.34**	**R 121 083 051.81**	**R 132 563 761.00**	**91.3%**
Expenditure by Type	**Budget**	**Month Actual**	**YTD Actual**	**YTD Budget**	**Variance**
EMPLOYEE COSTS-WAGES&SALARIES	R 70 478 000.00	R 5 577 572.06	R 70 484 461.65	R 70 478 000.00	100.0%
OTHER MATERIAL	R 41 057 935.00	R 3 382 688.24	R 41 250 133.47	R 41 057 935.00	100.5%
INTEREST EXPENSE - EXTERNAL	R 305 000.00	R 26 666.67	R 320 000.04	R 305 000.00	104.9%
CONTRACTED SERVICES	R 3 775 851.00	R 389 022.92	R 3 166 801.50	R 3 775 851.00	83.9%
GRANTS & SUBSIDIES PAID	R 751 640.00	R -	R 751 639.99	R 751 640.00	100.0%
GENERAL EXPENSES - OTHER	R 16 195 335.00	R 1 145 885.68	R 15 230 348.71	R 16 195 335.00	94.0%
TOTAL	**R 132 563 761.00**	**R 10 521 835.57**	**R 131 203 385.36**	**R 132 563 761.00**	**99.0%**

Revenue by source

Revenue from roads is based on the expenditure incurred and reported to the Department. The Roads agency function new financial year commenced on the 1st of April annually lapsing proportionally over the municipal financial year.

The R10m underperformance is mainly the June 2026, claim that was not received at the end of 30 June 2026 for reporting purposes.

Expenditure by type

A prerequisite of the agency function is that all spending relating to the Roads should only be for the account of the department infrastructure. To date this have been the basis of the reporting and separate recordkeeping is kept of all roads spending.

Important comment

To date the municipality has been subsidising the roads department expenditure since no advance was received before June when a payment was received. The advance is temporarily played off against the invoice claims submitted in the operational cycle. This delay in payment has placed significant strain on the municipal cash reserves impacting the investment interest revenue significantly.

As on 30 June claims for April and May was not received. Administration is continuously monitoring the situation and the proposal to temporarily work on the previous MOA (2016/17) was approved until more clarity is obtained regarding the new SLA.

At this reporting date the administration can report that claims for April and May 2026 has been received as well as advances as per the SLA agreement.

6) Section 66 - Expenditure on Staff benefits for period – 30 June 2026

PURPOSE

To take note of the Expenditure on Staff Benefits report for the period ended June 2026.

BACKGROUND

Section 66 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) requires the Accounting Officer to report to Council on expenditure incurred by the municipality on staff salaries, wages, allowances, and benefits.

66. The accounting officer of a municipality must, in a format and for periods as may

be prescribed, report to the council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits, and in a manner that discloses such expenditure per type of expenditure, namely—

(a) salaries and wages;

(b) contributions for pensions and medical aid;

(c) travel, motor car, accommodation, subsistence and other allowances;

(d) housing benefits and allowances;

(e) overtime payments;

(f) loans and advances; and

(g) any other type of benefit or allowance related to staff.

Comment:

Please be advised that the information included in the S66 is payroll information and may differ from the schedules included in the S71 tables.

Expenditure on staff benefits - categories	Budget 2025/2026	YTD Total	% Spent	01 July to 30 September 2025	01 October to 31 December 2025	01 January to 31 March 2026	01 April to 30 June 2026
Salaries & Wages Section 66(a)	106 248 811	106 616 717	100.3%	26 596 723	26 250 588	27 345 527	26 423 879
Contributions for Pension & Medical Scheme Section 66(b)	27 639 986	24 937 297	90.2%	6 178 973	6 078 790	6 387 420	6 292 113
Transport Allowance Section 66(c)	6 509 154	5 143 859	79.0%	1 289 101	1 264 009	1 264 009	1 326 740
Housing Benefits & Allowances Section 66(d)	390 438	349 601	89.5%	82 773	85 116	99 432	82 280
Overtime, Shifts & Standby Payments Section 66(e)	7 509 213	9 069 455	120.8%	1 768 896	2 323 001	2 601 825	2 375 733
**** Fire Services*	*6 409 213*	*7 732 178*	*120.6%*	*1 500 532*	*1 989 907*	*2 243 695*	*1 998 044*
**** LED.Tourism/Resorts*	*600 000*	*845 192*	*140.9%*	*184 881*	*191 990*	*223 824*	*244 497*
**** Roads Services*	*500 000*	*492 084*	*98.4%*	*83 483*	*141 103*	*134 306*	*133 192*
Loans & Advances Section 66(f)	-			-	-	-	-
Other related staff benefits or allowances Section 66(g)	23 050 768	18 718 086	81.2%	2 983 016	11 130 239	2 805 963	3 093 971
****Operational Allowance*	*1 185 760*	*1 669 537*	*140.8%*	*399 201*	*398 514*	*484 955*	*386 867*
****Annual bonus*	9 616 866	*8 868 115*	*92.2%*	*89 974*	*8 262 382*	*7 094*	*508 664*
****Bargaining Council*	65 127	*58 032*	*89.1%*	*14 909*	*14 772*	*14 119*	*14 232*
****Group Assurance*	6 148 423	*5 689 420*	*92.5%*	*1 431 229*	*1 406 744*	*1 418 632*	*1 432 816*
****Long service bonus*	*Provision*	*490 944*		*174 681*	*31 747*	*163 636*	*120 880*
****Paid out accumulated leave*	*Provision*	*804 159*		*286 768*	*346 854*	*125 327*	*45 211*
****SARS - Levies*	*3 106 168*	*1 636 407*	*52.7%*	*384 108*	*465 540*	*397 525*	*389 234*
****SARS - UIF*	2 928 424	*796 574*	*27.2%*	*202 145*	*203 686*	*194 676*	*196 068*
	171 348 370	**164 835 015**	**96.2%**	**38 899 482**	**47 131 743**	**40 504 177**	**39 594 717**

Reconciliation between the Section 71 and Section 66 information

Section 71 employee related cost	**170,450,058**
Section 66 MFMA information	**164,835,015**
Differences	**5,615,043**
Outsourced labour not included in the S66	**4 562 965**
Provisions / Other obligations	**1 052 078**

7) Monthly investment report

MONTHLY INVESTMENT REPORT

REPORTING MONTH: June 2026

INSTITUTION	Account Type	Account number	Balance as at 01 Jun 26	Movements for the month: Call Investments made	Movements for the month: Call Investments withdrawn	Interest capitalised	Balance as at 30 Jun 26	Rate
Call Investments (Operational)								
Nedbank	Call Account (Main)	037881714042	3 643 148.81	16 000 000.00	- 13 700 000.00	22 564.13	5 965 712.94	6.90%
Absa Bamk	Investment Tracker (Main)	9358892970	3 749 066.04	4 500 000.00	- 3 500 000.00	93 980.58	4 843 046.62	6.90%
		Total for operational Investments	**R 7 392 214.85**	**R 20 500 000.00**	**R -17 200 000.00**	**R 116 544.71**	**R 10 808 759.56**	
Call Investments (Committed)								
Nedbank	Call Account (KWK Rehab)	037881183454	8 670 435.94	116 962.03	-	49 018.35	8 836 416.32	6.90%
Nedbank	Call Account (CRRF)	037881185767	1 012 130.01	-	-	5 737.19	1 017 867.20	6.90%
Absa Bamk	Investment Tracker (Special)	9374585345	33 776 762.13	-	- 8 000 000.00	227 508.86	26 004 270.99	7.40%
		Total for Committed Investments	**R 43 459 328.08**	**R 116 962.03**	**R -8 000 000.00**	**R 282 264.40**	**R 35 858 554.51**	
		TOTAL 1	**R 50 851 542.93**	**R 20 616 962.03**	**R -25 200 000.00**	**R 398 809.11**	**R 46 667 314.07**	
Currunt Accounts								
Nedbank	Primary Bank Account	1176524496	1 209 293.73	205 698.85		-	1 414 992.58	
Absa Bank	Cheque Account	1780000062	14 781.43	50 833.21		-	65 614.64	
		Total for Bank Accounts	**R 1 224 075.16**	**R 256 532.06**	**R -**	**R -**	**R 1 480 607.22**	
		TOTAL 2	**R 52 075 618.09**	**R 20 873 494.09**	**R -25 200 000.00**	**R 398 809.11**	**R 48 147 921.29**	

DATE	2026/07/13.
CHIEF FINANCIAL OFFICER	Stanley.

The depleting of the cash balances with the subsidizing of the Roads and the Karwyderskraal project has significantly impacted municipal investment revenues. At reporting date, the position has improved with the road's claims of April and May, as well as advances being received from Department of Infrastructure.

8) **Monthly Loan report**

CASH FLOW REPORT IN TERMS OF PROVINCIAL CIRCULAR 10 & 50

Name of municipality Overberg District Municipality

SUMMARY OF EXTERNAL LOANS FOR MONTH

Lending Institition	Balance 01/06/2026	Interest Capitalised June 2026	Repayments June 2026	Balance 30/06/2026	Percentage	Sinking Funds	Loan Draw Downs
Standard Bank	R 1 826 990.19	R 17 891.49	R 467 596.70	R 1 377 284.98	11.17%		R -
Total	**1 826 990.19**	**17 891.49**	**467 596.70**	**1 377 284.98**		**-**	**-**

9) Bank reconciliation

```
Overberg R S C  ***L***
Cashbook Reconciliation for June 2026


CASHBOOK
--------


Balance B/fwd - 1 June 2026                                         1224075.16


Revenue:     40101010031                                           59978855.58


Expenditure:     40101010032                                       59722323.52-


Other:

                                                               ---------------
CASHBOOK BALANCE - 30 June 2026                                     1480607.22
                                                               ===============

BANK STATEMENT
--------------

Balance as per bank statement
     as at 30 June 2026                          30/06/2026         1480607.22


PLUS:
       Receipts not cleared in bank
       Other                                              0


LESS:
       Uncleared ACB
       Outstanding cheques
       Bank transactions not on GL                        0               0.00


Cash Book balance                                              ---------------
     as at 30 June 2026                                             1480607.22
                                                               ===============

Difference                                                                0.00



Verified by: S Zikmann .............................


Signature: ................................    On (dd/mm/ccyy) 03/07/2026 .........
```

10) Cash Position and Liquidity

The available cash as of 30 June 2026 is calculated as follows:

Item Description	Amounts	
Balance as per CFA	R	48 147 921
Interest	R	-
Sub total	R	48 147 921
Unspent conditional grants and funds	-R	3 170 250
Consumer and Sundry deposits	-R	8 160
Sinking fund investments	R	-
External loans unspent	R	-
EFF Accumulated Depreciation	R	-
Provision for bonusses	R	-
Capital Replacement reserve	R	-
VAT Refund (Roads Expenses prev years)	-R	43 500 000
Rehabilitation provision (KWK)	-R	8 836 416
Performance Bonus Provison	R	-
Set aside for retention	R	-
Capital Replacement Reserve Fund	R	-
Set aside for Creditor payments	-R	1 500 000
Provision for leave Payment	-R	650 000
Capital Funding Required		
Loan Repayments	R	-
Cash Surplus (Deficit)		**-R9 516 905**

Positive cash balance for reporting month

July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
✓	✓	✓	✓	✓	✓	✓	✓	✓	X	X	X

The management deficit is based on calculating the operating cash-flow considering all obligations (statutory and non-statutory monthly. This is the effect of the Roads as well as other cash strains on the municipal finances. Continuous monitoring of the above is done by finance and reported as needed.

The Roads function non-payment resulted in this unfortunate outcome. SARS contingent liability is also considering in the calculation as reflected.

The current legislated actual obligations of the municipality are the following –

- Unspent grant obligations
- Loan obligations

The cash calculation is performed to ensure prudently.

Based on the above cash position, the liquidity is determined below:

Description	AMOUNTS
LIQUIDITY REQUIREMENT	
Unspent Conditional Grants	R3 170 250
External Loans unspend	R0
1 (one) Month Operational Expenditure	R27 001 180
Provisions	R650 000
Capital Replacement Reserve	R0
Loan repayments	R0
Commitments for creditor payments	R1 508 160
Total Liquidity Requirement	**R32 329 589**
ACTUAL LIQUIDITY AVAILABLE	-R5 669 102
Total Investments	R46 667 314
Capital Replacement Reserve Fund	R0
VAT Refund (ABSA Deposit plus)	-R43 500 000
Rehabilitation provision (KWK)	-R8 836 416
Balance of Investments	**-R5 669 102**
Cash book - Bank Balance	R1 480 607
Equitable share received in advance	R0
Roads Invoice claim June 2026	R6 083 039
Consumer Debtors (current – 60 days)	R5 590 858
Total Liquidity Available	**R7 485 401**

Negative cash flow, over **R9.95 million** was calculated and total liquidity available of **R7.48 million** liquidity as evident as on 30 June 2026.

The actual revenue accounted for should also be measured against the actual expenditure monthly, going forward.

For June 2026, the calculation is as follows:

	Original	**Adjusted**	**Adjustment**
Actual Revenue	R285 988 592	R 292 071 631	R6 083 039
Actual Expenditure	-R 297 164 675	- R 297 164 675	
Surplus (Shortfall)	**(R 11 176 083)**	**(R5 093 044)**	

The revenue adjustment is calculated as follows:

Equitable share received for June 2026	-R0
Roads Revenue invoice for June 2026 (Nett amount advances minus claims not settled at reporting date)	**R6 083 039**

11) <u>Grant allocation and spending</u>

Grants Allocations and spending YTD

Grant	Prior year Grants liability	Rolled-Over 24/25 Approved	Grants Repaid	Allocation 25/26	Actual Receipt	Roll overs approved + actual receipt	Spend to date	% Spent on Total Funds	Unspent Grants to date	Committed	*Total Commited and Spent*
FMG	**R -**	**R -**	**R -**	R 1 000 000.00	R 1 000 000.00	R 1 000 000.00	R 1 000 000.00	100.00%	R -	R -	*R 1 000 000.00*
EPWP	**R -**	**R -**	**R -**	R 1 500 000.00	R 1 500 000.00	R 1 500 000.00	R 1 500 000.00	100.00%	R -	R -	*R 1 500 000.00*
CDW	**R -**	**R -**	**R -**	R 57 000.00	R 57 000.00	R 57 000.00	R 57 000.00	100.00%	R -	R -	*R 57 000.00*
RRAMS	**R 2 081 563.00**	**R -**	**-R 2 081 563.00**	R 2 951 650.00	R 2 175 000.00	R 2 175 000.00	R 2 175 000.00	100.00%	R -	R -	*R 2 175 000.00*
WOSA	R 73 260.00	**R -**	**-R 73 260.00**	R 1 000 000.00	R 1 000 000.00	R 1 000 000.00	R 918 945.40	91.89%	R 81 054.60	R -	*R 918 945.40*
CAPACITY PROJECT	**R -**	**R -**	**R -**	R 500 000.00	R 500 000.00	R 500 000.00	R 484 620.17	96.92%	R 15 379.83	R -	*R 484 620.17*
WC FMCG (WEB AUTO)	**R 563 103.00**	R -	-R 563 103.00	R -	R -	R -	R -	0.00%	R -	R -	*R -*
WC FMCG (MUN HEALTH REV)	**R 527 165.00**	**R 527 165.00**	**R -**	R 1 420 000.00	R 1 420 000.00	R 1 947 165.00	R 1 006 024.26	51.67%	R 941 140.74	R -	*R 1 006 024.26*
WC FMCG (CREMATORIUM)	**R -**	**R -**	**R -**	R 300 000.00	R 300 000.00	R 300 000.00	R 300 000.00	100.00%	R -	R -	*R 300 000.00*
WC FMCG (HOLIDAY HOMES)	**R 750 000.00**	**R 750 000.00**	**R -**	R 750 000.00	R 750 000.00	R 1 500 000.00	R -	0.00%	R 1 500 000.00	R 325 450.00	*R 325 450.00*
WC FMCG(STAR RATING)	**R -**	**R -**	**R -**	R 1 305 000.00	R 1 305 000.00	R 1 305 000.00	R 372 325.50	28.53%	R 932 674.50	R 21 552.37	*R 393 877.87*
WC FMCG (COLLABORATOR)	**R 300 000.00**	R -	-R 300 000.00	R -	R -	R -	R -	0.00%	R -	R -	*R -*
WC FMCG (BURSARIES)	**R 126 396.00**	R -	-R 126 396.00	R -	R -	R -	R -	0.00%	R -	R -	*R -*
Municipal Service Delivery and Capcity Building Grant (INTERNSHIP DISASTER)	**R 153 899.00**	**R 153 899.00**	R -	R -	R -	R 153 899.00	R153 899.00	100.00%	R -	R -	*R 153 899.00*
Municipal Service Delivery and Capcity Building Grant (MSR)	**R 370 277.00**	**R 370 277.00**	**R -**	R -	R -	R 370 277.00	R 370 277.00	100.00%	R -	R -	*R 370 277.00*
FIRE SERVICE CAPACITY GRANT	**R 92 441.00**	**R -**	**-R 92 441.00**	R -		R -	R0.00	0.00%	R -	R -	*R -*
WCPT Water resilience grant	**R 447 983.00**	**R 447 983.00**	**R -**	R -	R -	R 447 983.00	R 447 983.00	100.00%	R -	R -	*R 447 983.00*
Total Conditional Grants	**R5 486 087.00**	**R 2 249 324.00**	**-R 3 236 763.00**	**R 10 783 650.00**	**R 10 007 000.00**	**R 12 256 324.00**	**R 9 086 074.33**	**74.13%**	**R 3 170 249.67**	**R 347 002.37**	**R 9 433 076.70**

Unspent grants reported of amounts to R3.17M for the period ending 30 June 2026. The grants are cash-backed in terms of the National treasury requirements. Some of the grant funding allocated to the municipality is multi-year projects and do not pose any risk with repayments.

12) Debtors Analysis

0 - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June

Description R thousands	NT Code	Budget Year 2025/26 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	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	10	5	4	8	3	7	27	133	198	178		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	77	12	4	1	1	1	1	5	102	11		
Receivables from Non-exchange Transactions - Property Rates	1400	–	–	–	–	–	–	–	–	–	–		
Receivables from Exchange Transactions - Waste Water Management	1500	–	–	–	–	–	–	–	–	–	–		
Receivables from Exchange Transactions - Waste Management	1600	–	–	–	–	–	–	–	–	–	–		
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–		
Interest on Arrear Debtor Accounts	1810	–	2	1	1	1	1	6	70	84	80		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–		
Other	1900	3 196	1 796	98	72	62	81	179	882	6 365	1 276		
Total By Income Source	**2000**	**3 283**	**1 814**	**107**	**83**	**68**	**90**	**214**	**1 090**	**6 749**	**1 546**	**–**	**–**
2024/25 - totals only										–	**–**		
Debtors Age Analysis By Customer Group													
Organs of State	2200	1 767	1 589	–	–	12	26	–	–	3 395	39		
Commercial	2300	108	18	0	0	–	5	16	131	278	152		
Households	2400	1 407	207	107	82	56	59	199	959	3 075	1 355		
Other	2500	–	–	–	–	–	–	–	–	–	–		
Total By Customer Group	**2600**	**3 283**	**1 814**	**107**	**83**	**68**	**90**	**214**	**1 090**	**6 749**	**1 546**	**–**	**–**

Debtors' analysis

The outstanding debtors decreased from month to month due to the current amount column declining from last month's R6.550 million to R3.283 million. This is due to the bi-annual billing for fire services rendered to the local municipalities paid before 30 June 2026. This in effect reduces the outstanding debtor's figure to R9.870 million to R6.749M for the period to date.

The largest portion of the current accounts consist of “organs of state” amounting to R1.767 million payable by the local municipalities making use of the landfill facility and fire services throughout the period and TASK administration services.

The resorts collection rate is 95% for the month and 89% average for the YTD. The impact on the rising costs on fuel and affordability is reflecting in the collection ratio, as well as the peak seasons to enjoy the facility concluded hence, priority will only reflect with improved payment volumes, closer to the festive period.

1. Organs of state

Significant amounts from TWK Municipality were settled in July 2026 (late payment) – R1 574 416.07 million (31-60 days). Task administration shared services payments from SWD muni’s outstanding clarity regarding payment was done, await payments R51,186.60.(120-180 days)

Remuneration for secondment of Municipal Manager – R149 972.13 to department of community safety and policing (30-60days)

2. Commercial

Karwyderskraal – One user handed over to debt collectors in July - R124 754.78 (90 days and over)

3. Households

Resorts -3 Late Estate matters (R109 459) (90 days and over), Water user (R224 892) -User department continuously notified to engage and legal procedure to follow. Hand overs to date Total amount transferred to debt collectors amounts to R1 072 303.03 (120 days and over)

13) <u>Creditors Analysis</u>

0 - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 June

Description R thousands	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	–	–	–	–	–	–	–	–	–	
Bulk Water	0200	–	–	–	–	–	–	–	–	–	
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	
Loan repayments	0600	–	–	–	–	–	–	–	–	–	
Trade Creditors	0700	–	–	–	–	–	–	–	–	–	
Auditor General	0800	–	–	–	–	–	–	–	–	–	
Other	0900	–	–	–	–	–	–	–	1	1	
Medical Aid deductions	0950	–	–	–	–	–	–	–	–	–	
Total By Customer Type	**1000**	–	–	–	–	–	–	–	1	1	–

The Municipality is fully compliant with respect to creditors payments.

Creditors outstanding are only applicable where service / goods are not delivered in full, hence part payments on goods received are made.

PART 2 - IN YEAR BUDGET STATEMENT TABLES

0 - Table C1 Monthly Budget Statement Summary - M12 June

Description	2024/25	Budget Year 2025/26							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	–	–	–	–	–	–	–		–
Service charges	–	18 771	19 721	1 387	19 434	19 721	(288)	-1%	19 721
Investment revenue	–	9 202	8 352	924	7 091	8 352	(1 261)	-15%	8 352
Transfers and subsidies - Operational	–	98 798	100 599	2 663	94 380	100 599	(6 219)	(0)	100 599
Other own revenue	–	180 041	182 612	28 630	165 084	182 612	(17 528)	-10%	182 612
Total Revenue (excluding capital transfers and contributions)	**–**	**306 812**	**311 285**	**33 604**	**285 989**	**311 285**	**(25 296)**	**-8%**	**311 285**
Employee costs	–	173 064	172 028	13 385	170 450	172 028	(1 577)	-1%	172 028
Remuneration of Councillors	–	7 136	7 136	592	7 106	7 136	(31)	-0%	7 136
Depreciation and amortisation	–	3 697	3 670	308	3 707	3 670	37	1%	3 670
Interest	–	1 427	1 402	94	1 138	1 402	(265)	-19%	1 402
Inventory consumed and bulk purchases	–	44 121	45 818	3 762	45 463	45 818	(356)	-1%	45 818
Transfers and subsidies	–	1 000	752	–	752	752	(0)	-0%	752
Other expenditure	–	76 322	80 430	8 860	68 549	80 430	(11 880)	-15%	80 430
Total Expenditure	**–**	**306 767**	**311 236**	**27 001**	**297 165**	**311 236**	**(14 071)**	**-5%**	**311 236**
Surplus/(Deficit)	**–**	**45**	**49**	**6 603**	**(11 176)**	**49**	**(11 225)**	**-22886%**	**49**
Transfers and subsidies - capital (monetary	–	500	948	140	933	948	(15)	-2%	948
Transfers and subsidies - capital (in-kind)	–	–	1 287	1 291	1 291	1 287	4	0%	1 287
Surplus/(Deficit) after capital transfers & contributions	**–**	**545**	**2 284**	**8 034**	**(8 953)**	**2 284**	**(11 236)**	**-492%**	**2 284**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**–**	**545**	**2 284**	**8 034**	**(8 953)**	**2 284**	**(11 236)**	**-492%**	**2 284**
Capital expenditure & funds sources									
Capital expenditure	**–**	**14 878**	**30 302**	**9 528**	**24 993**	**30 302**	**(5 309)**	**-18%**	**30 302**
Capital transfers recognised	–	500	948	77	869	948	(79)	-8%	948
Borrowing	–	9 200	23 500	7 204	19 707	23 500	(3 793)	-16%	23 500
Internally generated funds	**–**	**5 178**	**5 854**	**2 247**	**4 416**	**5 854**	**(1 438)**	**-25%**	**5 854**
Total sources of capital funds	**–**	**14 878**	**30 302**	**9 528**	**24 993**	**30 302**	**(5 309)**	**-18%**	**30 302**
Financial position									
Total current assets	–	78 259	85 531		58 998				85 531
Total non current assets	–	138 329	164 286		148 469				164 286
Total current liabilities	–	31 921	33 435		26 751				33 435
Total non current liabilities	–	63 289	92 679		66 954				92 679
Community wealth/Equity	**–**	**121 378**	**123 703**		**113 762**				**123 703**
Cash flows									
Net cash from (used) operating	–	2 140	1 241	5 246	(6 107)	7 926	14 033	177%	1 241
Net cash from (used) investing	–	(12 218)	(13 244)	(8 219)	(23 702)	(32 473)	(8 771)	27%	(13 244)
Net cash from (used) financing	–	2 099	27 899	(430)	(5 141)	28 471	33 613	118%	27 899
Cash/cash equivalents at the month/year end	**–**	**64 346**	**70 590**	**43 876**	**43 876**	**82 751**	**38 875**	**47%**	**94 721**

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	3 283	1 814	107	83	68	90	214	1 090	6 749
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	1	1

0 - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		**–**	**114 240**	**116 504**	**5 031**	**105 992**	**116 504**	(10 512)	-9%	**116 504**
Executive and council		–	34 521	35 121	1 652	32 310	35 121	(2 810)	-8%	35 121
Finance and administration		–	79 720	81 383	3 379	73 682	81 383	(7 702)	-9%	81 383
Community and public safety		**–**	**42 619**	**45 493**	**3 391**	**42 553**	**45 493**	(2 940)	-6%	**45 493**
Sport and recreation		–	23 795	25 133	1 795	24 132	25 133	(1 002)	-4%	25 133
Public safety		–	14 223	15 860	1 460	14 159	15 860	(1 701)	-11%	15 860
Health		–	4 600	4 500	136	4 262	4 500	(238)	-5%	4 500
Economic and environmental services		**–**	**131 832**	**132 702**	**25 292**	**121 083**	**132 702**	(11 619)	-9%	**132 702**
Road transport		–	131 694	132 564	25 292	121 083	132 564	(11 481)	-9%	132 564
Environmental protection		–	138	138	–	–	138	(138)	-100%	138
Trading services		**–**	**18 621**	**18 821**	**1 320**	**18 584**	**18 821**	**(237)**	-1%	**18 821**
Waste management		–	18 621	18 821	1 320	18 584	18 821	(237)	-1%	18 821
Total Revenue - Functional	2	**–**	**307 312**	**313 519**	**35 035**	**288 212**	**313 519**	**(25 307)**	**-8%**	**313 519**
Expenditure - Functional										
Governance and administration		**–**	**68 556**	**69 285**	**7 009**	**66 964**	**69 285**	(2 320)	-3%	**69 285**
Executive and council		–	11 682	11 739	1 883	12 414	11 739	675	6%	11 739
Finance and administration		–	54 512	55 183	5 003	53 167	55 183	(2 016)	-4%	55 183
Internal audit		–	2 363	2 363	123	1 383	2 363	(979)	-41%	2 363
Community and public safety		**–**	**92 299**	**95 120**	**8 123**	**85 994**	**95 120**	(9 126)	-10%	**95 120**
Sport and recreation		–	22 250	22 961	1 887	19 325	22 961	(3 636)	-16%	22 961
Public safety		–	46 060	47 445	4 069	45 901	47 445	(1 544)	-3%	47 445
Health		–	23 989	24 714	2 167	20 769	24 714	(3 945)	-16%	24 714
Economic and environmental services		**–**	**137 524**	**138 338**	**10 999**	**136 823**	**138 338**	(1 515)	-1%	**138 338**
Planning and development		–	1 898	1 899	171	1 863	1 899	(37)	-2%	1 899
Road transport		–	131 694	132 564	10 522	131 203	132 564	(1 360)	-1%	132 564
Environmental protection		–	3 932	3 875	306	3 757	3 875	(118)	-3%	3 875
Trading services		**–**	**8 387**	**8 492**	**870**	**7 383**	**8 492**	**(1 110)**	-13%	**8 492**
Waste management		–	8 387	8 492	870	7 383	8 492	(1 110)	-13%	8 492
Total Expenditure - Functional	**3**	**–**	**306 767**	**311 236**	**27 001**	**297 165**	**311 236**	**(14 071)**	**-5%**	**311 236**
Surplus/ (Deficit) for the year		**–**	**545**	**2 284**	**8 034**	**(8 953)**	**2 284**	**(11 236)**	**-4.92025**	**2 284**

0 - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - Municipal Manager		–	34 521	35 121	1 652	32 310	35 121	(2 810)	-8.0%	35 121
Vote 3 - Corporate Services		–	47	240	198	239	240	(2)	-0.7%	240
Vote 4 - Finance		–	79 673	81 143	3 182	73 443	81 143	(7 700)	-9.5%	81 143
Vote 5 - Community Services		–	193 072	197 016	30 004	182 220	197 016	(14 796)	-7.5%	197 016
Total Revenue by Vote	2	**–**	**307 312**	**313 519**	**35 035**	**288 212**	**313 519**	**(25 307)**	**-8.1%**	**313 519**
Expenditure by Vote	1									
Vote 1 - Municipal Manager		–	17 772	17 839	2 330	17 477	17 839	(362)	-2.0%	17 839
Vote 3 - Corporate Services		–	20 418	20 360	1 720	19 950	20 360	(410)	-2.0%	20 360
Vote 4 - Finance		–	30 709	31 426	2 973	29 691	31 426	(1 735)	-5.5%	31 426
Vote 5 - Community Services		–	237 868	241 611	19 979	230 046	241 611	(11 565)	-4.8%	241 611
Total Expenditure by Vote	2	**–**	**306 767**	**311 236**	**27 001**	**297 165**	**311 236**	**(14 071)**	**-4.5%**	**311 236**
Surplus/ (Deficit) for the year	2	**–**	**545**	**2 284**	**8 034**	**(8 953)**	**2 284**	**(11 236)**	**-492.0%**	**2 284**

0 - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
		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			150	900	67	849	900	(51)	-6%	900
Service charges - Waste management			18 621	18 821	1 320	18 584	18 821	(237)	-1%	18 821
Sale of Goods and Rendering of Services			144 147	145 892	25 494	131 812	145 892	(14 080)	-10%	145 892
Agency services			13 951	13 951	1 202	13 951	13 951	(0)	0%	13 951
Interest			–	–	–	–	–	–		–
Interest earned from Receivables			318	322	6	14	322	(308)	-96%	322
Interest from Current and Non Current Assets			9 202	8 352	924	7 091	8 352	(1 261)	-15%	8 352
Dividends			–	–	–	–	–	–		–
Rent on Land			–	–	–	–	–	–		–
Rental from Fixed Assets			16 165	16 165	1 341	16 216	16 165	52	0%	16 165
Licence and permits			1 445	1 345	118	1 126	1 345	(219)	-16%	1 345
Special rating levies			–	–	–	–	–	–		–
Operational Revenue			1 356	2 279	469	1 967	2 279	(312)	-14%	2 279
Non-Exchange Revenue			–	–	–	–	–	–		–
Property rates			–	–	–	–	–	–		–
Surcharges and Taxes			–	–	–	–	–	–		–
Fines, penalties and forfeits			–	–	–	–	–	–		–
Licence and permits			–	–	–	–	–	–		–
Transfers and subsidies - Operational			98 798	100 599	2 663	94 380	100 599	(6 219)	-6%	100 599
Interest			–	–	–	–	–	–		–
Fuel Levy			–	–	–	–	–	–		–
Operational Revenue			–	–	–	–	–	–		–
Gains on disposal of Assets			2 660	2 660	–	–	2 660	(2 660)	-100%	2 660
Other Gains			–	–	–	–	–	–		–
Discontinued Operations			–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**–**	**306 812**	**311 285**	**33 604**	**285 989**	**311 285**	**(25 296)**	**-8%**	**311 285**
Expenditure By Type										
Employee related costs			173 064	172 028	13 385	170 450	172 028	(1 577)	-1%	172 028
Remuneration of councillors			7 136	7 136	592	7 106	7 136	(31)	0%	7 136
Bulk purchases - electricity			–	–	–	–	–	–		–
Inventory consumed			44 121	45 818	3 762	45 463	45 818	(356)	-1%	45 818
Debt impairment			100	100	–	–	100	(100)	-100%	100
Depreciation and amortisation			3 697	3 670	308	3 707	3 670	37	1%	3 670
Interest			1 427	1 402	94	1 138	1 402	(265)	-19%	1 402
Contracted services			35 245	36 899	4 284	28 452	36 899	(8 447)	-23%	36 899
Transfers and subsidies			1 000	752	–	752	752	(0)	0%	752
Irrecoverable debts written off			–	–	–	–	–	–		–
Operational costs			40 976	43 431	4 576	40 097	43 431	(3 334)	-8%	43 431
Losses on Disposal of Assets			–	–	–	–	–	–		–
Other Losses			–	–	–	–	–	–		–
Total Expenditure		**–**	**306 767**	**311 236**	**27 001**	**297 165**	**311 236**	**(14 071)**	**-5%**	**311 236**
Surplus/(Deficit)		**–**	**45**	**49**	**6 603**	**(11 176)**	**49**	**(11 225)**	**(0)**	**49**
Transfers and subsidies - capital (monetary allocations)			500	948	140	933	948	(15)	-2%	948
Transfers and subsidies - capital (in-kind)			–	1 287	1 291	1 291	1 287	4	0%	1 287
Surplus/(Deficit) after capital transfers & contributions		**–**	**545**	**2 284**	**8 034**	**(8 953)**	**2 284**	**(11 236)**	**(0)**	**2 284**
Income Tax			–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**–**	**545**	**2 284**	**8 034**	**(8 953)**	**2 284**	**(11 236)**	**(0)**	**2 284**
Share of Surplus/Deficit attributable to Joint Venture			–	–	–	–	–	–		–
Share of Surplus/Deficit attributable to Minorities			–	–	–	–	–	–		–
Surplus/(Deficit) attributable to municipality		**–**	**545**	**2 284**	**8 034**	**(8 953)**	**2 284**	(11 236)	(0)	**2 284**
Share of Surplus/Deficit attributable to Associate			–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions			–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		**–**	**545**	**2 284**	**8 034**	**(8 953)**	**2 284**	(11 236)	(0)	**2 284**

0 - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June

Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<u>Multi-Year expenditure appropriation</u>	2									
Vote 1 - Municipal Manager		–	–	–	–	–	–	–		–
Vote 3 - Corporate Services		–	–	–	–	–	–	–		–
Vote 4 - Finance		–	–	–	–	–	–	–		–
Vote 5 - Community Services		–	9 200	23 630	7 204	19 837	23 630	(3 793)	-16%	23 630
Total Capital Multi-year expenditure	4,7	**–**	**9 200**	**23 630**	**7 204**	**19 837**	**23 630**	**(3 793)**	**-16%**	**23 630**
<u>Single Year expenditure appropriation</u>	2									
Vote 1 - Municipal Manager		–	23	22	(2)	20	22	(2)	-9%	22
Vote 3 - Corporate Services		–	2 675	1 047	2	436	1 047	(612)	-58%	1 047
Vote 4 - Finance		–	42	42	–	–	42	(42)	-100%	42
Vote 5 - Community Services		–	2 938	5 561	2 324	4 700	5 561	(861)	-15%	5 561
Total Capital single-year expenditure	4	–	5 678	6 672	2 324	5 156	6 672	**(1 516)**	**-23%**	6 672
Total Capital Expenditure		**–**	**14 878**	**30 302**	**9 528**	**24 993**	**30 302**	**(5 309)**	**-18%**	**30 302**
<u>Capital Expenditure - Functional Classification</u>										
Governance and administration		**–**	**2 720**	**1 091**	**2**	**437**	**1 091**	(654)	-60%	**1 091**
Executive and council			–	–	–	–	–	–		–
Finance and administration			2 720	1 091	2	437	1 091	(654)	-60%	1 091
Internal audit			–	–	–	–	–	–		–
Community and public safety		**–**	**2 700**	**5 653**	**2 324**	**4 803**	**5 653**	(851)	-15%	**5 653**
Community and social services			–	–	–	–	–	–		–
Sport and recreation			250	623	50	425	623	(198)	-32%	623
Public safety			1 700	4 305	2 262	3 672	4 305	(633)	-15%	4 305
Housing			–	–	–	–	–	–		–
Health			750	725	12	706	725	(19)	-3%	725
Economic and environmental services		**–**	**258**	**58**	**(2)**	**46**	**58**	(12)	-21%	**58**
Planning and development			20	20	(2)	18	20	(2)	-10%	20
Road transport			–	–	–	–	–	–		–
Environmental protection			238	38	–	28	38	(10)	-27%	38
Trading services		**–**	**9 200**	**23 500**	**7 204**	**19 707**	**23 500**	(3 793)	-16%	**23 500**
Energy sources			–	–	–	–	–	–		–
Water management			–	–	–	–	–	–		–
Waste water management			–	–	–	–	–	–		–
Waste management			9 200	23 500	7 204	19 707	23 500	(3 793)	-16%	23 500
Other			–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**–**	**14 878**	**30 302**	**9 528**	**24 993**	**30 302**	**(5 309)**	**-18%**	**30 302**
<u>Funded by:</u>										
National Government			–	–	–	–	–	–		–
Provincial Government			500	948	77	869	948	(79)	-8%	948
District Municipality			–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)			–	–	–	–	–	–		–
Transfers recognised - capital		**–**	**500**	**948**	**77**	**869**	**948**	**(79)**	**-8%**	**948**
Borrowing	6		9 200	23 500	7 204	19 707	23 500	(3 793)	-16%	23 500
Internally generated funds			5 178	5 854	2 247	4 416	5 854	(1 438)	-25%	5 854
Total Capital Funding		**–**	**14 878**	**30 302**	**9 528**	**24 993**	**30 302**	**(5 309)**	**-18%**	**30 302**

0 - Table C6 Monthly Budget Statement - Financial Position - M12 June

Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents			64 346	70 590	43 876	70 590
Trade and other receivables from exchange transactions			9 303	9 703	8 911	9 703
Receivables from non-exchange transactions			560	605	1 530	605
Current portion of non-current receivables			2 283	2 317	2 073	2 317
Inventory			1 767	1 263	1 717	1 263
VAT			–	1 053	892	1 053
Other current assets			–	–	–	–
Total current assets		–	78 259	85 531	58 998	85 531
Non current assets						
Investments			–	–	–	–
Investment property			12 782	12 782	12 797	12 782
Property, plant and equipment			101 897	127 148	112 395	127 148
Biological assets			–	–	–	–
Living and non-living resources			–	–	–	–
Heritage assets			–	–	–	–
Intangible assets			600	417	85	417
Trade and other receivables from exchange transactions			–	–	–	–
Non-current receivables from non-exchange transactions			23 051	23 940	23 192	23 940
Other non-current assets			–	–	–	–
Total non current assets		–	138 329	164 286	148 469	164 286
TOTAL ASSETS		–	216 588	249 817	207 467	249 817
LIABILITIES						
Current liabilities						
Bank overdraft			–	–	–	–
Financial liabilities			2 297	2 297	–	2 297
Consumer deposits			8	8	8	8
Trade and other payables from exchange transactions			6 940	5 915	621	5 915
Trade and other payables from non-exchange transactions			2 527	3 303	10 559	3 303
Provision			19 765	20 828	15 563	20 828
VAT			384	1 084	–	1 084
Other current liabilities			–	–	–	–
Total current liabilities		–	31 921	33 435	26 751	33 435
Non current liabilities						
Financial liabilities			7 820	32 120	1 377	32 120
Provision			55 469	60 559	65 577	60 559
Long term portion of trade payables			–	–	–	–
Other non-current liabilities			–	–	–	–
Total non current liabilities		–	63 289	92 679	66 954	92 679
TOTAL LIABILITIES		–	95 210	126 115	93 705	126 115
NET ASSETS	2	–	121 378	123 703	113 762	123 703
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)			100 378	102 703	92 762	102 703
Reserves and funds			21 000	21 000	21 000	21 000
Other			–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	–	121 378	123 703	113 762	123 703

0 - Table C7 Monthly Budget Statement - Cash Flow - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates			–	–	–	–	–	–		–
Service charges			18 771	19 746	1 387	19 434	18 085	1 349	7%	19 746
Other revenue			177 063	178 036	30 384	167 015	163 955	3 061	2%	178 036
Transfers and Subsidies - Operational			98 798	98 798	152	96 121	95 969	152	0%	98 798
Transfers and Subsidies - Capital			500	500	–	500	500	–		500
Interest			9 520	9 524	927	7 131	8 389	(1 258)	-15%	9 524
Dividends			–	–	–	–	–	–		–
Payments										
Suppliers and employees			(299 252)	(302 114)	(26 914)	(293 901)	(276 713)	17 189	-6%	(302 114)
Interest			(460)	(1 427)	(38)	(469)	(1 186)	(716)	60%	(1 427)
Transfers and Subsidies			(2 800)	(1 821)	(652)	(1 937)	(1 072)	864	-81%	(1 821)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**–**	**2 140**	**1 241**	**5 246**	**(6 107)**	**7 926**	**14 033**	**177%**	**1 241**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE			2 660	2 660	–	–	–	–		2 660
Decrease (increase) in non-current receivables			–	–	–	–	–	–		–
Decrease (increase) in non-current investments			–	–	–	–	–	–		–
Payments										
Capital assets			(14 878)	(15 904)	(8 219)	(23 702)	(32 473)	(8 771)	27%	(15 904)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**–**	**(12 218)**	**(13 244)**	**(8 219)**	**(23 702)**	**(32 473)**	**(8 771)**	**27%**	**(13 244)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans			–	–	–	–	–	–		–
Borrowing long term/refinancing			9 200	33 500	–	–	33 500	(33 500)	-100%	33 500
Increase (decrease) in consumer deposits			–	–	–	–	–	–		–
Payments										
Repayment of borrowing			(7 101)	(5 601)	(430)	(5 141)	(5 029)	113	-2%	(5 601)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**2 099**	**27 899**	**(430)**	**(5 141)**	**28 471**	**33 613**	**118%**	**27 899**
NET INCREASE/ (DECREASE) IN CASH HELD		**–**	**(7 979)**	**(8 236)**	**(3 403)**	**(34 951)**	**3 925**			**15 895**
Cash/cash equivalents at beginning:			72 325	78 826	47 278	78 826	78 826			78 826
Cash/cash equivalents at month/year end:		–	64 346	70 590	43 876	43 876	43 876			94 721

PART 3 – SUPPORTING DOCUMENTATION

0 - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		–	93 966	93 966	–	90 952	90 952	–		93 966
Local Government Equitable Share			88 359	88 359	–	86 277	86 277	–		88 359
Finance Management			1 000	1 000	–	1 000	1 000	–		1 000
EPWP Incentive			1 500	1 500	–	1 500	1 500	–		1 500
Rural Roads Asset Management Grant			3 107	3 107	–	2 175	2 175	–		3 107
								–		
	3							–		
								–		
								–		
								–		
								–		
Other transfers and grants [insert description]								–		
Provincial Government:		–	4 832	4 832	–	4 832	4 832	–		4 832
CDW Operational Support Grant			57	57	–	57	57	–		57
Human Capacity Building Grant			1 000	1 000	–	1 000	1 000	–		1 000
Fire Safety Plan			3 775	3 775	–	3 775	3 775	–		3 775
Municipal Service Delivery and Capacity Building Grant	4		–	–	–			–		
								–		
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Other grant providers:		–	–	–	152	337	185	152	82.3%	–
SETA			–	–	152	337	185	152	82.3%	
								–		
								–		
								–		
								–		
								–		
								–		
Total Operating Transfers and Grants	5	–	98 798	98 798	152	96 121	95 969	152	0.2%	98 798
Capital Transfers and Grants										
National Government:		–	–	–	–	–	–	–		–
								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
Other capital transfers *[insert description]*								–		
Provincial Government:		–	500	500	–	500	500	–		500
Fire Service Capacity Building Grant			500	500	–	500	500	–		500
MUNICIPAL WATER RESILIANCE GRANT								–		–
								–		
								–		
								–		
								–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
								–		
								–		
								–		
								–		
Total Capital Transfers and Grants	5	–	500	500	–	500	500	–		500
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	–	99 298	99 298	152	96 621	96 469	152	0.2%	99 298

0 - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M12 June

Month R thousands	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
Monthly expenditure performance trend									
July		42	–	–	–	42	42	100.0%	0%
August		42	–	–	–	83	83	100.0%	0%
September		1 248	7	7	7	91	83	91.9%	0%
October		1 312	1 950	1 950	1 957	2 040	83	4.1%	13%
November		1 490	231	231	2 188	2 272	83	3.7%	15%
December		1 476	7	7	2 195	2 279	83	3.7%	15%
January		1 576	29	29	2 224	2 307	83	3.6%	15%
February		1 937	42	42	2 266	2 350	83	3.5%	15%
March		2 387	855	855	3 121	3 205	83	2.6%	21%
April		1 447	1 082	1 082	4 203	4 286	83	1.9%	28%
May		962	11 280	11 280	15 483	15 566	83	0.5%	0
June		962	14 819	8 219	23 702	30 385	6 683	22.0%	0
Total Capital expenditure	**–**	**14 878**	**30 302**	**23 702**	**23 702**	30 302			