



ANNUAL REPORT 2024/25



**THE HOME OF GOOD GOVERNANCE SERVICE
EXCELLENCE & OPPORTUNITIES FOR ALL**

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MAYOR`S MESSAGE

It is with great pleasure that I present to you the Annual Report of Cederberg Municipality for 2024/25. Management within local government has a significant role to play in strengthening the link between the citizen and government's overall priorities and spending plans. The goal is to enhance service delivery aimed at improving the quality of life for all people within Cederberg. The challenge is to do more with the available resources to achieve the developmental mandate as stipulated in the Constitution of South Africa. We need to remain focused on the effective delivery of core municipal services through the application of efficient and effective service delivery mechanisms.

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that sustainable municipal services are provided economically and equitably to all communities.

A financial plan was implemented at the Municipality which specifically focuses on cost containment measures and revenue enhancement. Turn-around strategies usually take about 3 years to reach their set goals. One also needs to take into account the current decline in the South African economy of which Cederberg Municipality is not immune to.

Given the above we were still able to improve on the following ratios:

- There was an increase in debtor's collections for 2024/25 of 91.2% in comparison with the prior year of 88.4%.
- The current assets to liabilities ratio increased slightly to 1.15:1 in comparison with 1.1:1 of the prior year.
- The average creditors' repayment days improved slightly to 82 days in comparison with 110 days in the prior year.

With these improved ratios we are of the opinion that the implementation of the financial plan is effective, and we will be able to reap the rewards of the said implementation within the next 1 to 2 years.

The municipality's business and service delivery priorities were reviewed during the year and we have embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers.

I thank the administration under the capable leadership of our Municipal Manager, Gerrit Matthyse, for carrying out their task under very difficult financial conditions and enabling me to steer the ship through difficult financial realities which face us at Cederberg. Thank you for keeping the focus on our mandate. I also wish to express a word of appreciation to all those private sector persons and

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institutions that have shown support and commitment by joining forces with us to make Cederberg a better place for all.

A. Scheepers

Executive Mayor: Cederberg Municipality

MUNICIPAL MANAGER OVERVIEW

The Cederberg Municipality's 2024/25 Annual Report marks the penultimate report of the current Council's five-year term. This period has been defined by resilience, institutional reflection, and a deliberate commitment to strengthening governance, financial management, and service delivery—often under difficult socio-economic and environmental conditions.

Council and the Administration are to be commended for the significant governance progress achieved during this term. The outcomes realised over the past five years reflect sustained good governance, accountability, and improved compliance. Notably, the attainment of a clean audit from the Auditor-General of South Africa in the second-last year of the term stands as a major institutional milestone. It demonstrates continuous improvement, strengthened internal controls, improved financial performance, enhanced service delivery, and effective oversight by Council.

This Annual Report represents the culmination of an extensive journey of organisational change. It reflects shifts in mindset, the breaking down of comfort zones, and improved collaboration between Council in its oversight role and the Administration in driving strategic and operational excellence. It offers an honest assessment of our performance, acknowledging both achievements and areas that require strengthened focus.

Significant progress has been achieved. The Municipality has successfully tabled a funded budget after several years of unfunded budgets; in process of eliminating the R47-million Eskom debt accumulated by previous administrations; ensured multi-year 100% expenditure of the Municipal Infrastructure Grant for bulk infrastructure upgrades; reduced reliance on government grants; increased payment levels; and replaced the entire ageing vehicle fleet to improve service delivery capacity etc. Furthermore, the senior leadership structure has stabilised, a funded organisational structure has been finalised, financial ratios and cash reserves have improved, and a multi-year housing pipeline has been approved and initiated. Notable gains have also been made across compliance indicators, job-creation initiatives, and the establishment of a dedicated Customer Service Unit supported by an adopted Customer Service Charter. However, persistent service delivery challenges remain. Poverty, unemployment, and inequality continue to place pressure on municipal revenue. Ageing infrastructure, service backlogs, and financial sustainability risks remain significant threats to the delivery of predictable municipal services. These realities require ongoing refinement of our turnaround strategies and deepened partnerships with communities and other spheres of government.

While the Municipality has made substantial progress over the past four years, evidenced by the clean audit, stronger liquidity, improved strategic direction, and achievement of key service delivery targets,

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several priority areas require urgent attention. These include infrastructure backlogs, water security risks, deteriorating road infrastructure in certain towns, load-reduction and power-supply constraints on Eskom networks, socio-economic pressures, theft and vandalism of municipal infrastructure, and service-delivery challenges in informal and rural settlements. Strengthening law enforcement remains a critical focus area to curb lawlessness, restore public confidence, and maintain order. In this regard, the Municipality continues to enhance the capacity and capability of its law-enforcement unit.

The Municipality now stands at a critical juncture where successful strategic execution—rather than further planning—will determine long-term sustainability. This Annual Report is submitted to Council, the residents of Cederberg, and the Provincial Government as an instrument of accountability, transparency, and reflection. It provides the foundation for informed oversight, constructive engagement, and collective action as the Municipality transitions into a new planning and governance cycle.

In conclusion, the interests of our citizens must remain paramount as we work to fulfil our Constitutional mandate, execute our strategic objectives, and continue building a capable, accountable, and developmental local government. I wish to express my sincere appreciation to the senior management team, all municipal employees, and the communities of Cederberg for their resilience, commitment, support, and understanding of the challenges facing us as a service-delivery institution.

As Accounting Officer, I also extend my gratitude to the Executive Mayor, Deputy Mayor, Speaker, Mayoral Committee members, Portfolio Committee members, Councillors, MPAC members, and members of the External Audit and Performance Audit Committees for their oversight, guidance, and support under exceptionally challenging circumstances.

G Matthyse

Municipal Manager

CHAPTER 1

1.1. MUNICIPAL OVERVIEW

This report addresses the performance of the Cederberg Municipality in the Western Cape in respect of its core legislative obligations. Local government must create a participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the Council of the Municipality provides regular and predictable reporting on programme performance and the general situation in their locality.

The 2024/25 Annual Report reflects on the performance of the Cederberg Municipality for the period 1 July 2024 to 30 June 2025. The Annual Report is prepared in Section 121(1) of the MFMA, in terms of which the Municipality must prepare an Annual Report for each financial year.

1.1.1. Vision and Mission

The Cederberg Municipality committed itself to the following vision and mission:

Vision:

"The home of good governance, service excellence and opportunities for all"

Mission:

We will achieve our vision by:

- Developing and executing policies and projects, which are responsive and provide meaningful redress
- Unlocking opportunities for economic growth and development for community prosperity
- Ensure good governance, financial viability and sustainability
- Ensure sustainable, efficient and effective service delivery in an environmentally sustainable manner
- Promote quality services in a cost-effective manner through partnerships, information, knowledge management and connectivity.
- Making communities safer
- Advancing capacity building programs for both our staff and the community

1. 2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

1.4.3. Demographic Profile

Demographics is broadly defined as the study of population dynamics which are significantly influenced by a wide array of factors such as birth and death rates, migration patterns, age, race, gender, life expectancy etc. The importance of understanding demographics as a decisive factor in shaping our current socio-economic reality is therefore critical for governments, economists and politicians alike.

The table below indicates a summary of the demographic profile within the municipal area:

Municipal Area		
Description	2022	2023
Population	60 790	55 108
Households	16 780	15 912
People per Household	3.7	3.5
Sex Ratio	99.4	96.5
Source: STATS SA 2022		

Table 1: Demographic Profile

1.4.4. Demographic Information

Municipal Geographical Information

The jurisdiction of the Cederberg Municipality covers an area of 8 007 km², which constitutes 26% of the total area (31 119 km²) of the West Coast District municipality within which it lies. The Cederberg Municipality is in the northern segment of the district and wedged between the

Matzikama municipality (to the north) and the Bergrivier Municipality (to the south).

It is bordered to the east by the Hantam municipality in the Northern Cape province. Clanwilliam is the main town and is located more or less in the middle of the municipal area. The other settlements are Citrusdal, Graafwater, Leipoldtville, Wupperthal, Algeria, and the coastal towns of Elands Bay and Lamberts Bay. The Cederberg municipal area is dissected by the N7 national road into a mountainous eastern part with the land levelling out westwards towards the Atlantic Ocean as the western municipal boundary. Clanwilliam is situated about 230km north of

Cape Town alongside the N7. This road has a north-south orientation and is the most prominent road link between towns (and rural areas) inside and outside the municipal area. Apart from the N7, the other prominent road is the R364. This road, with an east-west orientation, links

Clanwilliam with Lamberts Bay past Graafwater to the west, and Calvinia in the Hantam municipal area to the east. The table below lists some key points as a summary of the geographic context within which integrated development planning for the municipality is performed:

Geographic summary	
Province name	Western Cape
District name	West Coast
Local municipal name	Cederberg Municipality
Main town	Clanwilliam
Location of main town	Central to the rest of the municipal area
Major transport route	N7
Extent of the municipal area (km²)	8 007 km²
Nearest major city and distance between major town/city in the municipality	Cape Town (about 200 km)
Closest harbour and main airport outside the municipal area	Saldanha; Cape Town
Region specific agglomeration advantages	Agriculture: It is strategically located on the Cape-Namibia Corridor, and the N7 links the area with Cape Town (to the south) and the Northern Cape.
Municipal boundary: Most northerly point:	31°50'37.82"S; 18°27'5.76"E
Municipal boundary: Most easterly point:	32°29'9.13"S; 19°30'58.90"E
Municipal boundary: Most southerly point:	32°52'40.60"S; 19° 7'14.37"E
Municipal boundary: Most westerly point:	32°26'34.65"S; 18°20'4.21"E

Table 2: Table 2: Geographical Context

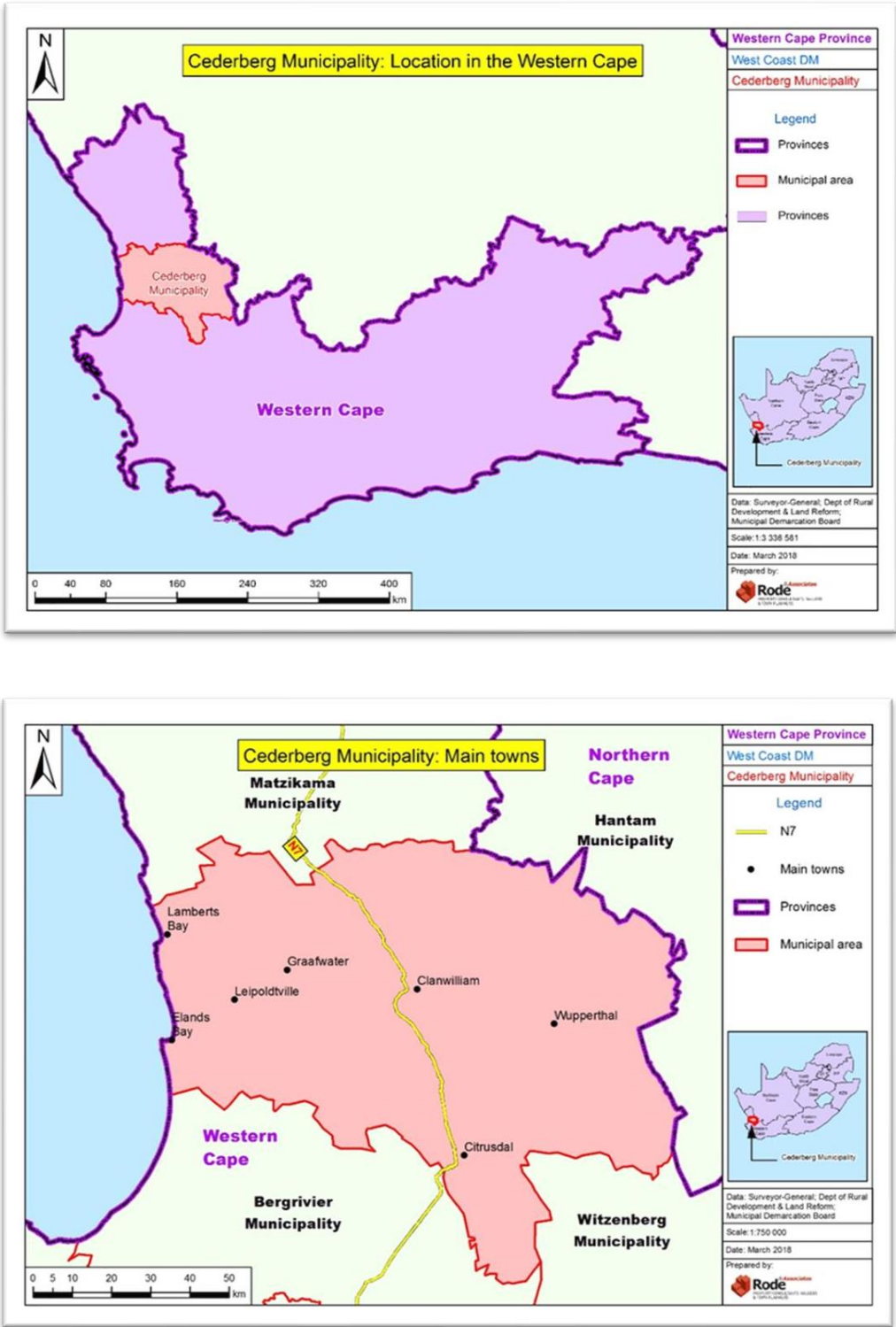
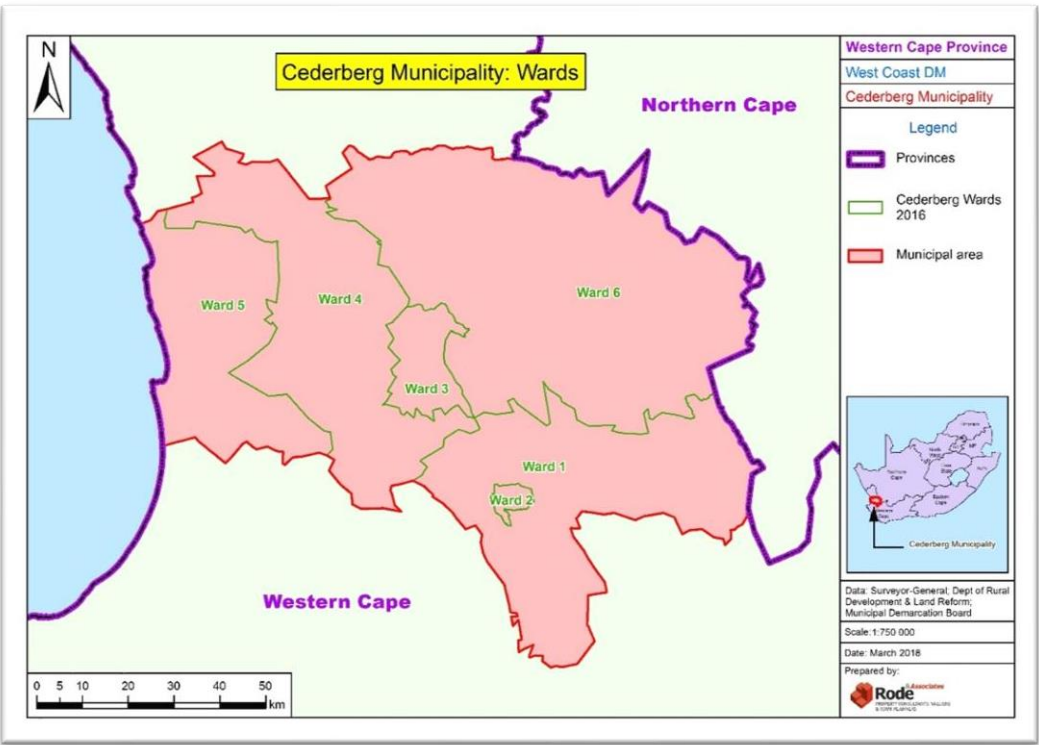


Figure 1: Cederberg Area Map

1.2.3 Wards

The Cederberg Municipality consists of 6 electoral wards, with wards 1, 4 and 6 being the largest in terms of size. In the table below, the 6 wards are listed with the approximate number of persons in each ward, the size of the ward and population density.



Ward	Description	Population	Size	Population density
1	Citrusdal (Farms)	9 849	1 769.7 km ²	5.6 people per km ²
2	Citrusdal (Town Area)	7 178	41.2 km ²	174.1 people per km ²
3	Clanwilliam	7 674	264.7 km ²	29.0 people per km ²
4	Graafwater and Elands Bay	8 515	1 650.4 km ²	5.2 people per km ²
5	Lamberts Bay and Leipoldtville	9 141	1 113.0 km ²	8.2 people per km ²
6	Wupperthal, Algeria and Paleisheuwel	7 411	3 169.8 km ²	2.3 people per km ²

Source: STATS SA 2011

Table 3: Municipal Wards

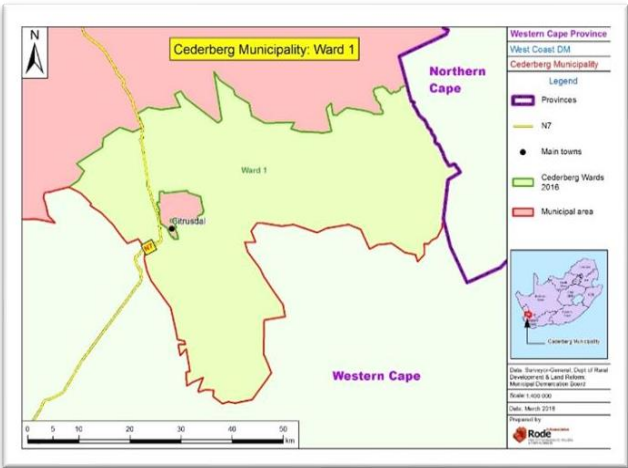


Figure 2: Ward 1

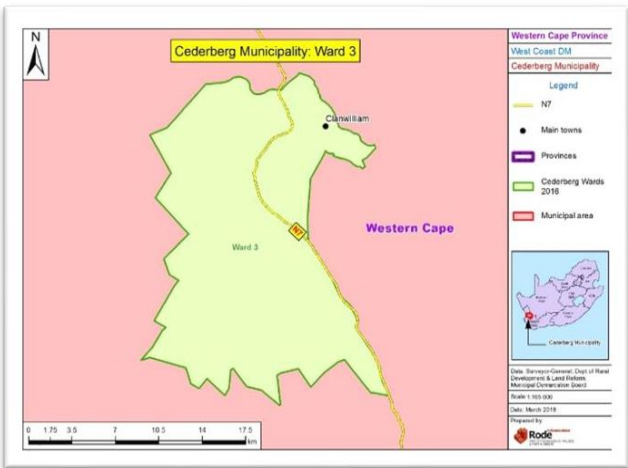


Figure 4: Ward 3

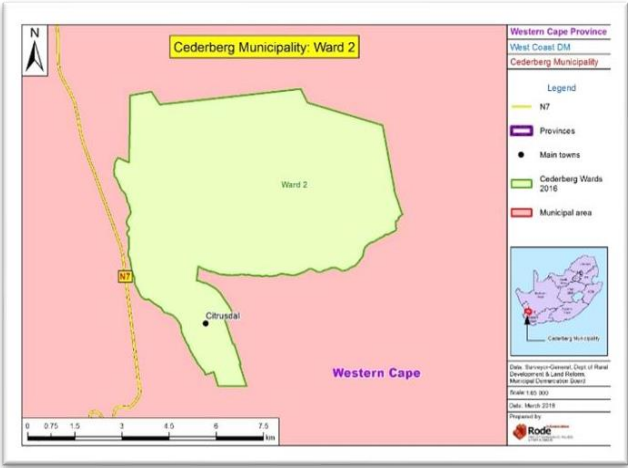


Figure 3: Ward 2

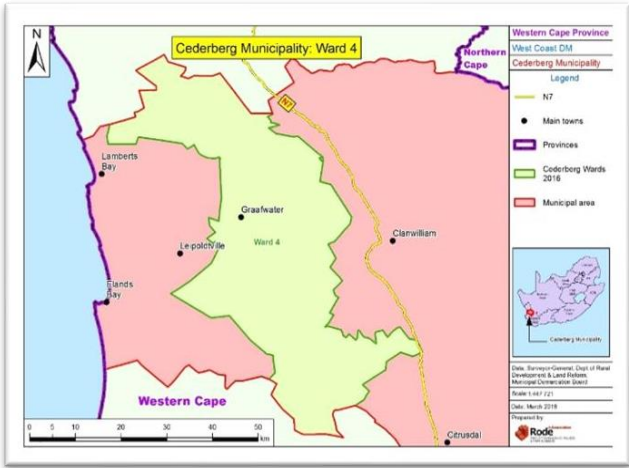


Figure 5: Ward 4



Figure 6: Ward 5

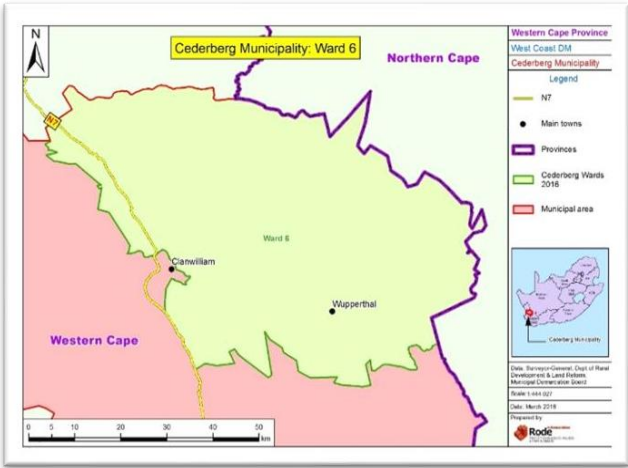


Figure 7: Ward 6

Towns

Citrusdal



Citrusdal originated as a service centre for the agricultural sector in the Upper Oliphant's River Valley. The citrus industry is the main source of income in the town's hinterland. Because of the labour-intensive nature of the activity, the town experienced an influx of seasonal workers. Unemployment has increased along with a rise in population numbers. The local export economy is vulnerable to the fluctuating exchange rate of the Rand, and the concomitant decline in export value has negative implications for the economic base of the town. The nearby hot spring presents some tourism and recreation potential. However, only limited growth is expected here.

Clanwilliam



Originated as a "central place" town in an agriculturally orientated environment on fertile land and surrounded by abundant water resources. This town currently fulfills the function of the administrative town for the municipal district, as well as being a service and commercial centre for the surrounding population. The environment presents a diversified resource potential, i.e. the natural beauty of the Cederberg Wilderness area, the Clanwilliam dam, wildflowers, the rock art at Boesmanskloof and various heritage resources (e.g. near Wupperthal). Although the economic base of the town is embedded in the agricultural sector, tourism has also become a growing component. Other sectors of the economy include light industries, especially concerning the town's two most important export products, namely shoe making and Rooibos tea cultivation. Clanwilliam has good accessibility on the N7 route between Cape Town, Northern Cape and Namibia.

Elands Bay



Elands Bay is to a certain extent an isolated settlement, which can partly be ascribed to the fact that the access routes to the town are mainly gravel roads. The town thus functions as a low order service centre and holiday town that supplies mainly basic goods and services to

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its local inhabitants. The fishing industry forms the main economic base, but it is showing a declining trend as a consequence of the quota limitations on fishing for the local community. Agriculture, especially potato farming, makes a steady contribution to the economy. The town has also become known as one of the surfing venues in the world. In 2009, Baboon Point was declared a Provincial Heritage Site due to its unique value and significance as the history of the Khoisan. The prominence of this point on the West Coast of South Africa, and the strong link to early evidence of Khoi and San interaction makes this area of national and international importance. To protect and use the site in a sustainable manner which can benefit Elands Bay and Cederberg community a conservation management plan is currently being developed. Heritage Western Cape, the provincial heritage resources authority and governing body responsible for the site is overseeing this process and has appointed Eco Africa Environmental Consultants.

agriculture provides the economic base. This Sandveld town serves only as a service point for the most basic needs of the immediately surrounding farms. Rooibos tea and potatoes are the most important agricultural products.

Graafwater



Graafwater is located halfway between Clanwilliam and Lamberts Bay. The town originated as a railway station, but this function is no longer a driving force. Most of the people living here are seasonal workers on the surrounding farms as

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Lamberts Bay



Lamberts Bay is a coastal town with its reason for existence linked to the fishing industry and the Harbour. The building of a processing factory for fishmeal, lobster packaging and potato chips led to sound growth that make a substantial contribution to the town's economic base. The greatest asset of the town is its impressive coastline and unique Bird Island, which is a favorite tourist destination.

Wuppertal



This picturesque place has been a Moravian mission station since 1865. The village today consists of an old thatched Church, a store, and terraces of neat thatched-roofed little cottages. Excellent velskoene (known throughout the country) are made and tobacco is dried and worked into rolls (roltabak). The other main products of the area are dried fruit, dried beans and rooibos tea. Since 1995 development aid to

Wuppertal has come in the form of grants, interest free loans and donations from various sources. Among projects that benefited from these was a 4X4 route around the district, a caravan park, two guesthouses, the revamping of a tea production facility and a needlework centre.

Key Economic Activities

The Municipality is dependent on the following economic activities:

Key Economic Activities	Description
Agriculture and fishing	The biggest sector in the Cederberg Municipality is the agricultural and fishing sectors. It is well known that both these sectors are in decline due to fish stocks and the agricultural sector employing less people on a permanent basis and more people on a seasonal basis. The economy in Cederberg is highly seasonal with a huge influx of seasonal workers to harvest the citrus and grapes from January to July.
Institutional, community, social and personal services	The second biggest employer in the Municipality is the institutional, community, social and personal services sectors with just over 20% of people employed.
Tourism and agri-processing	The tourism (4%) and agricultural processing sectors are possibly the two sectors with the greatest chance to create sustainable jobs

Table 4: Key Economic Activities

1.3 SERVICE DELIVERY OVERVIEW

1.3.1. Basic Service Delivery Highlights

The table below specifies the basic service delivery highlights for the year:

Highlights	Description
Improve water quality in Clanwilliam	Sandfilters were installed in Clanwilliam WTW
Clanwilliam Waste Water Treatment Works (WWTW)	<p>The upgrade and refurbishment of the WWTW in Cederberg Municipality is currently underway, funded by the Water Services Infrastructure Grant (WSIG) and the Municipal Infrastructure Grant (MIG). This project is designed to ensure that the WWTW can produce treated effluent that meets the stringent limits set by the DWS Standards, benefiting the residents of Clanwilliam and the surrounding environment.</p> <p>Scope of Refurbishment Works</p> <ol style="list-style-type: none">1. Upgrade the Inlet Works Flow Measurement Facility.2. Remedial works on existing WWTW equipment3. Installation of a small lime dosing facility to the pH correction at Inlet works4. Convert one of the existing sludge lagoons into a night storage pond5. Construct a temporary overflow weir at Inlet works <p>Install a temporary submersible pump</p>

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New 66/11kV substation and 66kV overhead line from Graafwater to Clanwilliam	100% Funding allocated for the Integrated National Electrification Programme (INEP)
Specialised Waste Vehicles	Through MIG funding, two Tractor-Loader-Backhoes (TLBs), one Front End Loader, one Refuse Compactor Truck, and one Cage Truck have been procured
Regional Bulk Waste Disposal Facility	Construction of the Regional Bulk Waste Disposal Facility began in January 2024

Table 5: Basic Services Delivery Highlights

1.3.2. Basic Services Delivery Challenges

The table below specifies the basic service delivery challenges for the year:

Challenges	Actions to address
Inadequate funding to address infrastructure needs	Funding applications must be submitted to secure funding for the upgrade of infrastructure
Water quality failures from the Clanwilliam Dam. No infrastructure to purify drinking water to acceptable standards as per SANS 241	Funding application must be submitted to Department of Water and Sanitation (DWS) to upgrade the purification works
The Citrusdal drinking water storage is inadequate and a 3ML reservoir is required	Funding application must be submitted to DWS for the construction of the 3ML reservoir
Inability to reduce water losses in all towns	Additional staff must be appointed to conduct repairs
Scarcity of ground water – Cederberg Area	Draft a Ground Water Monitoring Protocol to enhance the management of the water resource
Communities without water during power outages	The installation of permanent generators is required
Elands Bay oxidation ponds are overloaded	The appraisal requires that volume test on the oxidation ponds need to be done
Sewer sludge removal from WWTW is hampering operations resulting in none-compliance	Since sewer sludge removal is a huge cost driver in operation and maintenance, a business plans requesting funding must be submitted to DWS
Rural areas are without proper sanitation and require urgent interventions with regards to sanitation services	Negotiation with landowners to enable the Municipality to conduct feasibility studies on properties
Loadshedding	Load curtailment on the municipal side to ensure safeguarding of the network
Illegal electrical connections	Investigate no purchase list received from Finance Department
Illegal dumping on road reserves	Awareness and cleaning campaigns should be conducted
Roads infrastructure	Budgetary provision must be made to address aging infrastructure

Table 6: Basic Services Delivery Challenges

1.3.3. Proportion of Households with Access to Basic Services

The table below indicates the proportion of households with access to basic services:

KPI	Municipal Achievement	
	2023/24	2024/25
Number of formal residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2025	5 504	6 017
Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) (Excluding Eskom areas) and billed for the service as at 30 June 2025	8 558	7 171
Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as at 30 June 2025	5 032	5 150
Number of formal residential properties for which refuse is removed once per week and billed for the service as at 30 June 2025	5 784	5 983

Table 7: Households with Minimum Level of Basic Services

1.4. FINANCIAL HEALTH OVERVIEW

1.4.1. Financial Viability Highlights

The table below specifies the financial viability highlights for the year:

Highlights	Description
Data Cleansing/ Revenue Enhancement	The Municipality completed an in-house data cleansing project to compare the billing and valuation roll, ensuring that all billings are in line with the valuation roll
Debt Relief	The Municipality applied to be part of the debt relief program and has been approved. The first third of the debt was approved for write off. The municipality remains on track for approval of the second third write-off
Funded Budget	The Municipality for the first time in over 5 years managed to table a funded budget.

Table 8: Financial Viability Highlights

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1.4.2. Financial Viability Challenges

The table below specifies the financial viability challenges for the year:

Challenges	Action to address
Implementing Municipal Standard Chart of Accounts (mSCOA)	An mSCOA roadmap /project plan has been compiled and closely adhered to. Remaining differences are addressed. The mSCOA steering committee has been re-established
High provision of bad debt	Council approved a new Credit Control Policy. Credit control procedures are applied diligently every month to curb the increase of provision for bad debt

Table 9: Financial Viability Challenges

1.4.3. National Key Performance Indicators – Municipal Financial Viability and Management (Ratios)

The following table indicates the Municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and Section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area namely Municipal Financial Viability and Management.

KPA & Indicator	Basis of Calculation	2023/24	2024/25
Cost Coverage	(Available cash + Investments)/monthly fixed operational expenditure	1.50	2.93
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.16	0.16
Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	27.69	33.94

Table 10: National KPI's for Financial Viability and Management

1.4.4. Financial Overview

The table below indicates the financial overview for the year:

Details	Original budget	Adjustment Budget	Actual
	R'000		
Income			
Grants	94 462	116 218	105 686
Taxes, Levies and tariffs	276 206	295 004	300 578
Other	80 821	101 634	97 410
Sub Total	451 489	512 856	503 674
Less Expenditure	451 159	512 413	476 189

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Details	Original budget	Adjustment Budget	Actual
	R'000		
Net surplus/(deficit)	330	443	27 485

Table 11: Financial Overview

1.4.5. Total Capital Expenditure

The table below indicates the total capital expenditure for the year:

Detail	2023/24	2024/25
	R'000	
Original Budget	85 995	80 568
Adjustment Budget	53 664	71 924
Actual	41 662	53 751
% Spent	77.63%	74,73%

Table 12: Total Capital Expenditure

The underperformance on capital expenditure is due to the fact that the municipality received its disaster response & water service infrastructure grant funding late and were unable to spent that by 30 June, the municipality successfully applied for roll-over. The municipality managed to spent over 95% its MIG funding.

1.5. AUDITOR-GENERAL REPORT

1.5.1. Audited Outcomes

The Auditor-General of South Africa has a constitutional mandate and, as the Supreme Audit Institution (SAI) of South Africa, exists to strengthen our country’s democracy by enabling oversight, accountability and governance in the public sector through auditing, thereby building public confidence. In short, the auditor-general checks the spending of public money by looking at whether it has been used ideally and for the purposes intended. This is done by annually checking all government spending. In turn, this can be described as an audit.

The Auditor-General’s annual audit examines 3 areas:

- Fair presentation and absence of significant misstatements in financial statements
- Reliable and credible performance information for predetermined objectives
- Compliance with all laws and regulations governing financial matters

There can be 5 different outcomes to an audit, once the Municipality has submitted its financial statements to the Auditor-General, which can be simply defined as follow:

- **A clean audit:** The financial statements are free from material misstatements and there are no material findings on reporting on predetermined objectives or non-compliance with legislation.

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- **Unqualified audit with findings:** The financial statements contain material misstatements. Unless we express a clean audit come, findings have been raised on either reporting on predetermined objectives or non-compliance with legislation, or both these aspects.
- **Qualified audit opinion:** The financial statements contain material misstatements in specific amounts, or these insufficient evidence for us to conclude that specific amounts included in the financial statements are not materially misstated.
- **Adverse Audit Opinion:** The financial statements contain material misstatements that are not confined to specific amounts, or the misstatements represent a substantial portion of the financial statements
- **Disclaimer of Audit opinion:** The auditee provided insufficient evidence in the form of documentation on which to base an audit opinion. The lack of sufficient evidence is not confined to specific amounts, or represents a substantial portion of the information contained in the financial statements

The table below indicates the audit opinion received:

Year	2022/23	2023/24	2024/25
Opinion received	Unqualified with findings	Unqualified with findings	Unqualified without findings

Table 13: Opinion Received

1.6. 2024/ 25 IDP/BUDGET PROCESS

The table below provides details of the 2024/25 IDP/Budget process:

No	Activity	Responsible person	Date
Pre-Budgeting Processes/Tasks			
1	2022/2023 4 th Quarter Performance (Section 52) Report tabled to Council	IDP/PMS	31/08/2023
2	Submit monthly report on the budget for period ending 31 July 2023 within 10 working days to the Executive Mayor	CFO	31/08/2023
3	Table Final Process Plan and IDP/PMS/Budget Time Schedule for approval by Council	IDP/PMS	31/08/2023
4	Table Annual Performance Report and Annual Financial Statements to Council	IDP/PMS	31/08/2023
5	Submit the Annual Performance Report and Annual Financial Statements to the Auditor-General	IDP/PMS CFO	31/08/2023
6	Table Annual Performance Report and Annual Financial Statements to Council	IDP/PMS	31/08/2023
7	Submit the Annual Performance Report and Annual Financial Statements to the Auditor-General	IDP/PMS CFO	31/08/2023
8	Submit Process Plan & IDP/Budget key deadlines to Provincial Government and West Coast District Municipality	IDP/PMS	01/09/2023
9	Advertisement of Process Plan & IDP/PMS/Budget Time Schedule on website/local newspaper/notice boards	IDP/PMS	07/09/2023
10	Make public the 4 th Quarter 2022/2023 Performance Report	IDP/PMS	07/09/2023

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No	Activity	Responsible person	Date
11	Submit the 4th Quarter Performance Report to Provincial Treasury, National Treasury and Department of Local Government	IDP/PMS	07/09/2023
12	Provincial Public Participation Forum	IDP/PMS	
13	Submit monthly report on the budget for period ending 31 August 2023 within 10 working days to the Executive Mayor	Manager Budget	14/09/2023
14	Performance Evaluations Senior Managers	Municipal Manager & IDP/PMS	22/09/2023
15	Ward Committee consultation sessions on IDP/Public engagements	IDP/PMS & Public Participation	08-30/09/2023
16	Submit 1 st Quarter Performance Report (Section 52) to Mayoral Committee	IDP/PMS	20/10/2023
17	Submit monthly report on the budget for period ending 30 September 2023 within 10 working days to the Executive Mayor	Manager Budget	13/10/2023
18	Make public the 1 st Quarter Performance Report	IDP/PMS	03/11/2023
19	Submit the 1 st Quarter Performance Report to Provincial Treasury, National Treasury and Department of Local Government	IDP/PMS	03/11/2023
20	Submit monthly report on the budget for period ending 31 October 2023 within 10 working days to the Executive Mayor	Manager Budget	14/11/2023
21	Strategic Workshop with Council	Municipal Manager	22/11/2023
22	Provincial IDP Managers Forum	IDP/PMS	07&08/12/2023
23	Provincial Public Participation Forum Meeting	IDP/PMS	07&08/12/2023
24	Submit monthly report on the budget for period ending 30 November 2023 within 10 working days to the Executive Mayor	Manager Budget	14/12/2023
25	Submit monthly report on the budget for period ending 31 December 2023 within 10 working days to the Executive Mayor	Manager Budget	15/01/2024
26	Submit Mid-Year Performance Assessment Report to Executive Mayor	IDP/PMS	25/01/2024
27	Submit Mid-Year Budget Assessment to Executive Mayor	CFO	25/01/2024
28	Submit 2nd Quarter Performance Report to Council	IDP/PMS	31/01/2024
29	Table Draft Annual Report 2022/2023 to Council	Municipal Manager	31/01/2024
30	Submit Mid-Year Budget and Performance Report to Council	IDP/PMS CFO	31/01/2024
31	Submit Mid-Year Budget and Performance Report to Provincial Treasury, National Treasury and Department of Local Government	Municipal Manager	31/01/2024
32	Submit the 2 nd Quarter Performance Report to Provincial Treasury, National Treasury and Department of Local Government	IDP/PMS	31/01/2024
34	Make public the Annual Report for comments	IDP/PMS	08/02/2024
35	Make public the Mid-Year Budget and Performance report	Municipal Manager	08/02/2024
36	Make public the 2nd Quarter Performance Report	IDP/PMS	08/02/2024
37	Mid-Year Performance Evaluations Senior Managers	Municipal Manager	09/02/2024
38	Submit monthly report on the budget for period ending 31 January 2024 within 10 working days to the Executive Mayor	Manager Budget	14/02/2024
39	Council considers and adopts 2023/24 Adjustment Budget and potential revised 2023/24 SDBIP	Municipal Manager	28/02/2024

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No	Activity	Responsible person	Date
40	Advertise the approved 2023/24 Adjustments Budget and submit budget and B Schedules to National Treasury and Provincial Treasury as required per legislation (within 10 working days)	Manager Budget	13/03/2024
41	Submit monthly report on the budget for period ending 29 February 2024 within 10 working days to the Executive Mayor	Manager Budget	14/03/2024
42	Budget Steering Committee Meeting	CFO	15/03/2024
43	Table Draft IDP / BUDGET/ SDBIP & SDF to Council	Municipal Manager	28/03/2024
44	Table Oversight Report to Council	Municipal Manager	28/03/2024
45	Submit the draft IDP, SDBIP and budget to Department of Local Government, National, Provincial Treasury and West Coast District Municipality	IDP/PMS CFO	02/04/2024
46	Advertise the Draft IDP, SDBIP, budget, SDF and other required documents and provide at least 21 days for public comments and submissions	IDP/PMS CFO	02/04/2024
47	Make public the Oversight Report within 7 days of its adoption (MFMA-Sec129)	IDP/PMS	9/04/2024
48	Submit the Annual Report and Oversight Report to the provincial legislature as per circular (MFMA-Sec 132)	IDP/PMS	9/04/2024
49	Submit monthly report on the budget for period ending 31 March 2024 within 10 working days to the Executive Mayor	Manager Budget	15/04/2024
50	Consult the Draft IDP, SDBIP and Budget with the Ward Committee	IDP/PMS CFO	08-29/04/2024
51	Closing of comments and representations on the Draft IDP, Budget & SDF	IDP/PMS & CFO	08/05/2024
52	Submit monthly report on the budget for period ending 30 April 2024 within 10 working days to the Executive Mayor	Manager Budget	15/05/2024
53	Budget Steering Committee Meeting	CFO	17/05/2024
54	MAYCO meeting to recommend the Revised IDP And the budget to Council (at least 30 days before the start of the budget year)	Municipal Manager	10/05/2024
55	Submit 3 rd Quarter Performance Report to Council	IDP/PMS	30/05/2024
56	Council to adopt Revised IDP, Budget (at least 30 days before the start of the budget year)	Municipal Manager	30/05/2024
57	Provincial IDP Managers Forum	IDP/PMS	06 & 07/06/2024
58	Make Public the 3 rd Quarter Performance Report	IDP/PMS	03/06/2024
59	Place the IDP, multi-year budget, all budget-related documents and all budget-related policies on the website	IDP/PMS CFO	03/06/2024
60	Submit a copy of the revised IDP to the MEC for LG (within 10 days of the adoption of the plan)	IDP/PMS	07/06/2024
61	Submit approved Budget to National and Provincial Treasuries (both printed and electronic formats)	CFO	07/06/2024
62	Submit a copy of the revised IDP to West Coast District Municipality	IDP/PMS	07/06/2024
63	Submit the 3 rd Quarter Performance Report to Provincial Treasury, National Treasury and Department of Local Government	IDP/PMS	06/06/2024

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No	Activity	Responsible person	Date
64	Give notice to the public of the adoption of the IDP (within 14 days of the adoption of the plan) and budget (within 10 working days)	IDP/PMS CFO	06/06/2024
65	Submit to the Executive Mayor the SDBIP and performance agreements for the budget year (no later than 14 days after the approval of an annual budget)	Municipal Manager	14/06/2024
66	Submit monthly report on the budget for period ending 31 May 2024 within 10 working days to the Executive Mayor	Manager Budget	14/06/2024
67	Executive Mayor takes all reasonable steps to ensure that the SDBIP is approved (within 28 days after approval of the budget)	Municipal Manager	28/06/2024
68	Place the performance agreements on the website	IDP/PMS	28/06/2024
69	Submit copies of the performance agreements to Council and the MEC for Local Government as well as the national minister responsible for local government (within 14 days after concluding the employment contract and performance agreements)	IDP/PMS	28/06/2024
70	Submit the SDBIP to National and Provincial Treasury within 10 working days of the approval of the plan	IDP/PMS	12/07/2024
71	Make public the projections, targets and indicators as set out in the SDBIP (no later than 10 days after the approval of the SDBIP)	IDP/PMS	12/07/2024
72	Make public the performance agreements of the Municipal Manager and senior managers (no later than 14 days after the approval of the SDBIP)	IDP/PMS	12/07/2024
73	Submit monthly report on the budget for period ending 30 June 2024 within 10 working days to the Executive Mayor	Manager Budget	12/07/2024
74	2023/2024 4 th Quarter Performance (Section 52) Report tabled to Council	IDP/PMS	30/08/2024
75	Submit monthly report on the budget for period ending 31 July 2024 within 10 working days to the Executive Mayor	Manager Budget	15/08/2024
78	Table Final IDP/PMS/Budget Time Schedule for approval by Council	IDP/PMS	30/08/2024
79	Table Annual Performance Report and Annual Financial Statements to Council	IDP/PMS	30/08/2024
80	Submit the Annual Performance Report and Annual Financial Statements to the Auditor-General	IDP/PMS CFO	30/08/2024
Community Participation Process			
81	Community Participation Process took Place During April 2024	All Wards	April 2024
Budget Preparatory Process			
82	IDP and Budget Process plan 2024/25 approved by Council	Executive Mayor	31 August 2023
Budgetary Policies			
83	Tariff Policy Credit Control and Indigent Policy Supply Chain Management Policy Property Rates Policy Grant-in Aid Policy Cash and Investment Policy Asset Management Policy	Executive Mayor	14/05/2024

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No	Activity	Responsible person	Date
	Virement Policy Funding and Reserves Policy Borrowing Policy Budget Policy Creditors, Councillors & Staff Payment Policy Customer Care Improvement Strategy Petty Cash Policy Relocation Policy Study Aid Policy Employment Equity and Employment Assistance Absenteeism & Desertion COVID-19 Policy Code of Ethics Policy Job Evaluation Policy Overtime & Standby Policy PPE Procedure Relocation Policy Disciplinary Procedure Policy (SALGBC) HIV / AIDS Policy Sexual Harassment Policy Smoking Policy Study Aid Study Bursary Substance Abuse Recruitment & Selection Training and Skills Development Telecommunications EPWP Policy Subsistence and Travel Human Resource Management System Financial Management System Performance Management and Related Systems Risk Management System Document management and process flow systems		
Tabling of Budget			
84	Annual Report 2023/2024 approved	Executive Mayor	29/01/2025
85	Draft Budget approved by Council & Draft IDP 2024/2025 approved	Executive Mayor	28/03/2025
86	Final Budget and IDP approved by Council	Executive Mayor	14/05/2024
Finalising			
87	Oversight Report with Annual report 2023/24 approved by Council	Executive Mayor	31/03/2025

Table 14: 2024/25 IDP/Budget Process

CHAPTER 2

COMPONENT A:POLITICAL AND ADMINISTRATIVE GOVERNANCE

Good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

6.1. NATIONAL KEY PERFORMANCE INDICATORS- GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The following table indicates the municipality’s performance in terms of the National Key Performance Indicator required in terms of the Local Government: Municipal Planning and the Performance Management Regulations 796 of 2001 and Section 43 of the MSA. This key performance indicator is linked to the National Key Performance Area - Good Governance and Public Participation.

Indicator	Unit of measurement	Municipal Achievement	
		2023/24	2024/25
The percentage of the municipal capital budget actually spent on capital projects by 30 June [(Amount actually spent on capital projects/ Amount budgeted for capital projects)x100]	% of capital budget spent on capital projects by 30 June 2025	77.63%	74.73%

Table 15: National KPIs - Good Governance and Public Participation Performance

6.2. PERFORMANCE HIGHLIGHTS – GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The table below specifies the highlights for the year:

Highlights	Description
Unqualified Audit without findings	Council with the Administration received an unqualified audit without findings
Appointment of Chief Financial Officer	Recruitment process for top layer, i.e. Chief Financial Officer concluded at Council Level

Highlights	Description
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Table 16: Good Governance and Public Participation Performance Highlights

6.3. CHALLENGES – GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The table below specifies the challenges for the year:

Challenges	Actions to address
Organisational structure	The lack of funding to develop an organisational structure and inclusion into the provincial project at a late stage means that Cederberg along with the five other municipalities will implement the organisational structure and all other processes related to the same at a later stage than planned.
Local Government Municipal Staff Regulations, 2021	The implementation of the regulations remains a challenge due to the regulated changes and additional requirements that places strain on the staff in the Human Resources Department

Table 17: Good Governance and Public Participation Challenges

6.4. GOVERNANCE STRUCTURE

6.4.1. Political Governance Structure

The Council performs both legislative and executive functions. They focus on legislative, oversight and participatory roles, and have delegated its executive function to the Mayor and the Executive Committee. Their primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as decision makers, councillors are also actively involved in community work and the various social programmes in the municipal area.

a) Council

The Municipal Council comprises of 11 elected councillors, made up of 6 ward councillors and 5 proportional representation councillors. The portfolio committees are made up of councillors drawn from all political parties.

Below is a table that categorised the councillors within their specific political parties and wards.

Name of Councillor	Capacity	Political Party	Ward representing or proportional
Azrial Scheepers	Executive Mayor	ANC	Ward 1

Name of Councillor	Capacity	Political Party	Ward representing or proportional
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Ruben Richards	Deputy Executive Mayor	CE	Proportional
Maxwell Heins	Speaker	CE	Ward 3
Martin Bergh	Chairperson of MPAC	CE	Proportional
Andre Mouton	Mayoral Committee Member	CE	Ward 6
Johan Van Heerden	Mayoral Committee Member	FF+	Proportional
William Farmer	Councillor	PA	Proportional
John Hayes	Ward Councillor	DA	Ward 5
Josias Engelbrecht	Councillor	DA	Proportional
Yeves Blaauw	Ward Councillor	DA	Ward 2
Paulus Strauss	Ward Councillor	ANC	Ward 4

Table 18: Council 2024/25

b) Executive Committee

The Executive Mayor of the Municipality, assisted by the Executive Committee, heads the executive arm of the Municipality. The Mayor is at the centre of the system of governance, since executive powers are vested in him to manage the day-to-day affairs. This means that he has an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Mayor, delegated by the Council, as well as the powers assigned by legislation. Although accountable for the strategic direction and performance of the Municipality, the Mayor operates in concert with the Executive Committee.

The name and portfolio of each Member of the Executive Committee are listed in the table below:

Name of member	Capacity
Azrial Scheepers	Executive Mayor
Ruben Richards	Deputy Executive Mayor
Andre Mouton	Member of Mayoral Committee
Johan Van Heerden	Member of Mayoral Committee

Table 19: Executive Committee 2024/25

c) Portfolio Committees

Section 80 committees are permanent committees that specialise in a specific functional area of the municipality and may in some instances make decisions on specific functional issues. They advise the executive committee on policy matters and make recommendations to Council. Section 79 committees are temporary and appointed by the executive committee as needed. They are usually set up to investigate a particular issue and do not have any decision-making powers. Just like Section 80 committees they can also make recommendations to Council. Once their ad hoc task had been completed, Section 79 committees are usually disbanded. External experts, as well as Councillors can be included on Section 79 committees.

The portfolio committees were as follow:

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Support Services Committee	
Chairperson	Other members
Ruben Richards	Johan Van Heerden
	Maxwell Heins
Financial Services Committee	
Chairperson	Other members
Johan Van Heerden	Andre Mouton
	Maxwell Heins
Municipal Public Accounts Committee	
Chairperson	Other members
Martin Bergh	Johan Van Heerden
	William Farmer
Technical Services Committee	
Chairperson	Other members
Andre Mouton	Paulus Strauss
	Maxwell Heins

Table 20: Portfolio Committees 2024/25

d) Political decision-taking

Section 53 of the MSA stipulates inter alia that the respective roles and areas of responsibility of each political structure and political office bearer of the Municipality and of the Municipal Manager must be defined. The section below is based on the Section 53 role clarification.

Municipal Council

- governs by making and administering laws, raising taxes and taking decisions that affect people’s rights
- is a tax authority that may raise property taxes and service levies
- is the primary decision maker and takes all the decisions of the Municipality except those that are delegated to political structures, political office bearers, individual Councillors or officials
- can delegate responsibilities and duties for the purposes of fast and effective decision making
- must strive towards the constitutional objects of local government
- must consult the community with respect to local government matters
- is the only decision maker on non-delegated matters such as the approval of the IDP and budget

Executive Mayor

- is the executive and political leader of the Municipality and is in this capacity supported by the Executive Committee
- is the social and ceremonial head of the Municipality

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- must identify the needs of the Municipality and must evaluate progress against key performance indicators
- is the defender of the public’s right to be heard
- has many responsibilities with respect to the annual budget, the budget process, budget control and various other financial matters
- performs the duties and exercises the responsibilities that were delegated to him by the Council

Executive Committee

- its members are elected by the Mayor from the ranks of Councillors
- its functional responsibility area is linked to that of the Mayor to the extent that he must operate together with the members of the Executive Committee
- its primary task is to assist the Mayor in the execution of his powers - it is in fact an “extension of the once of Mayor”
- the committee has no powers of its own – decision making remains that of the Mayor

6.4.2. Administrative Governance Structure

The Municipal Manager is the Chief Accounting Officer of the Municipality. He is the head of the administration, and primarily has to serve as chief custodian of service delivery and implementation of political priorities. He is assisted by his direct reports, which constitute the Management Team.

Council approved an organisational structure on 14 May 2024 and the Management Team and directorates were as follows:

Name of Official	Position
G Matthyse	Municipal Manager
R. De Ridder	Director Technical Services
H Witbooi	Director Support Services
J Booysen	Director Financial Services

Table 21: Administrative Governance Structure

COMPONENT B: INTERGOVERNMENTAL RELATIONS

In terms of the Constitution of South Africa, all spheres of government and all organs of state within each sphere must co-operate with one another in mutual trust and good faith fostering friendly relations. They must assist and support one another; inform and consult one another on matters of common interest; coordinate their actions, adhere to agreed procedures and avoid legal proceedings against one another.

6.5. INTERGOVERNMENTAL RELATIONS

6.5.1. Intergovernmental Structures

To adhere to the principles of the Constitution as mentioned above the Municipality participates in the following intergovernmental structures:

Name of Structure	Members	Outcomes of Engagements/Topics Discussed
Cederberg Local Drug Action Committee (LDAC)	Cederberg Municipality, Department of Health (DoH), Department of Social Development (DSD), Cederberg NGO's, West Coast District Municipality (WCDM), Police	A collective effort to address substance abuse in Cederberg. Quarterly meetings to report on programs and projects
Cederberg Early Childhood Development (ECD) Forum launch	Cederberg Municipality; DSD; Grassroots; WCDM; ECD centres across Cederberg	Monitoring and evaluation of ECD activities. Partnership with Grassroots and DSD to ensure optimum involvement and assistance to Cederberg ECD centres
Cederberg Social Development Forum	Cederberg Municipality, DSD, Initiative for Community Advancement (ICA), Rural Impact, Stop Crime Against Children (SCAC), DoH, Cederberg Matzikama AIDS Network (CMAN)	An integrated approach to tackle social ills in Cederberg as the umbrella structure. Draft a framework to guide Cederberg on how to respond to the social challenges in the respective communities. Implement the MOU between DSD and Cederberg Municipality
Codebridge Youth (Not yet established)	Cederberg Municipality, Open-Up, ICA	To Make youth more involved in municipal affairs through technology and social platforms
Council of Stakeholders (CRDP) – Elands Bay and Graafwater	Cederberg Municipality, SCAC, SALDA, Verlorenvlei, Department Agriculture	Comprehensive Rural Development Programme
District Communication Forum	All Local Communicators in the West Coast	Sharing best practices and collaboration

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Provincial Comms Tech	All communicators at municipals in the province	Sharing best practices campaigns / management / training
Provincial Treasury	Municipality	Municipalities
National Treasury	Municipality	Municipalities

Table 22: Intergovernmental Structures

6.5.2. Joint projects and functions with Sector Departments

All the functions of government are divided between the different spheres namely National, Provincial and Local. The Municipality therefore share their area and community with other spheres of government and their various sector departments and has to work closely with national and provincial departments to ensure the effective implementation of various projects and functions. The table below provides detail of such projects and functions:

Name of Project/ Function	Expected Outcome/s of the Project	Sector Department/s involved
Archaeological and Paleontological Heritage Route in Elands Bay linked to Diepkloof Rock Shelter	Establishment of a museum and interpretation centre in Elands Bay	Department of Cultural Affairs and Sport (DCAS), Department of Economic Development and Tourism (DEDAT), Western Cape Tourism, Trade and Investment Promotion Agency (Wesgro)
Red tape reduction interventions	Creation of online portal to process building control applications, supply chain transactions and event applications	Department of Economic Development and Tourism (DEDAT)
Integrated waste management initiatives	Capacity building programmes, technical support to recyclers, awareness campaigns and education	Department of Environmental Affairs and Development Planning (DEADP)
Economic development support and entrepreneur support	Support to local SMME's and entrepreneurs by means of training and other capacity-building initiatives to promote local economic development	Department of Water & Sanitation (DWS), Department of Agriculture
National Rural Youth Service Corps (Narysec)	Recruit young people from Cederberg to take part in the two-year program	Department Rural Development & Land Reform & Cederberg IDS
Comprehensive Rural Development Programme (CRDP) youth intervention	Intensify youth development with a core group in the rural node, ward 5 in Cederberg	Department of Agriculture
National Youth Development Agency (NYDA) info sessions	NYDA to establish a footprint in Cederberg. Make the youth aware of the services NYDA can provide for	National Youth Development Agency, Cederberg Municipality and Cederberg NGO's.

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	young people in Cederberg	
Municipal Infrastructure Grant (MIG) Coordination Meetings	For MIG reporting and information sharing	Western Cape Municipalities, Department of Cooperative Governance (DCoG), Department of Local Government (DLG), DWS, Department of Human Settlements (DHS), Municipal Infrastructure Support Agent (MISA), Expanded Public Works Programme (EPWP)
Quarterly Municipal Infrastructure Forum	Western Cape Municipalities, DCOG, DLG, DWS, DHS, MISA, EPWP	Share infrastructure Information (Continuous development session)
(B2B) Back to Basics Meeting (DLG)	Municipal support to unlock projects and programmes	Cederberg Municipalities, DLG, DWS, DHS, MISA, Provincial Treasury, South African Local Government Association (SALGA)
West Coast Joint District Approach (JDA) – Presidency	Planning on District Level	Municipalities in West Coast, DLG, DEADP, WCDM, Department of Rural Development and Land Reform (DRDLR)
Waste Management Forum	Discussing waste issues, Integrated waste planning, waste management and services,	Municipalities, DEADP and invitees
Green Deeds	Environmental issues, Air pollution, Coastal management and related	Municipalities in Province
Water Service Infrastructure Grant (WSIG) Coordination meetings	To coordinate projects and funding from the Department of Water Affairs (DWA)	Municipalities in Province, DWA
Human settlement (IGR)	DOH, DHA, DPLG, Cederberg Municipality	Sharing best practices
RBIG	Coordination	Municipalities in Province, DWA
EPWP Grant	Coordination	Municipalities in Province, DWA
Coastal Management IGR	Coastal Management (red tide)	WCDM, DFFE, WC government and Cederberg Municipality

Table 23: Joint Projects and Functions with Sector Departments

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COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Section 16 of the MSA refers specifically to the development of a culture of community participation within municipalities. It states that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance. For this purpose, it must encourage and create conditions for the local community to participate in the affairs of the community. Such participation is required in terms of:

- the preparation, implementation and review of the IDP
- establishment, implementation and review of the performance management system
- monitoring and review of the performance, including the outcomes and impact of such performance
- preparation of the municipal budget

2.6. PUBLIC MEETINGS

2.6.1. Ward Committees

The ward committees support the ward councillor who receives reports on development, participates in development planning processes, and facilitates wider community participation. To this end, the Municipality constantly strives to ensure that all ward committees function optimally with community information provision; convening of meetings; ward planning; service delivery; IDP formulation and performance feedback to communities. Ward Committees established are as follow:

a) Ward 1: Citrusdal (Farms)

Name of representative	Capacity representing
Maria Boois	Geographical
Hester Muller	Woman and Elderly
Jacqueline Roman	Geographical
Lea Fortuin	Social Development
Abraham Snyers	Small Scale Farmers
Melvin Bezuidenhout	Tourism and entrepreneurship
Gert Bezuidenhout	Geographical
Samiel Hugo	Safety
Salmon Daniels	Geographical

Table 24: Ward 1: Committee Members

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b) Ward 2: Citrusdal (Town Area)

Name of representative	Capacity representing
Shamonielle Titus	Youth
Chriszelda Mdabuli	ECD
Anna Marie Skippers	Schools
Nompulele Fiki	Women
Arnoldus Bruwer	Tourism
Liezel Van Der Merwe	Geographic

Table 25: Ward 2: Committee Members

c) Ward 3: Clanwilliam

Name of representative	Capacity representing
Jan Oosthuizen	Safety
Gerda De Wet	Tourism
Sharon Goliath	Faith
Lazaar Volschenk	Sport
Theresa Van Der Wath	ECD
Wilfred Meyer	Small Scale Farmers
Micheal Mdlankomo	Geographical
Ilse Lochner	Business Chamber
Hannes Beukes	Women, Elderly and Disabled

Table 26: Ward 3: Committee Members

d) Ward 4: Graafwater and Elands Bay

Name of representative	Capacity representing
Washiela Douries	NPO
Jakobus Van Der Westhuizen	Sport(Graafwater)
Thelma Majikijela	CWP Community Garden
Ben Skippers	Geographical
Paul Taylor	Sport(Elands bay)

Table 27: Ward 4: Committee Members

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e) Ward 5: Lamberts Bay and Leipoldtville

Name of representative	Capacity representing
Joos Engelbrecht	Tourism
Henry Arangie	Safety
Micheal Van Der Horst	Sport
Jeff Schalk	Health
Elisma Daniels	SME Development
Maria Tieties	Social Development
Malibongwa Shosa	Geographical

Table 28: Ward 5: Committee Members

f) Ward 6: Wupperthal, Algeria and Paleisheuwel

Name of representative	Capacity representing
Richolene Coetzee	Geographical
Herman Adonis	Geographical
Milton Fortuin	Geographical
Brenda Farmer	Geographical
Nico Slinger	Geographical
Patrick Hanekom	Geographical
Steward An Rooy	Geographical

Table 29: Ward 6: Committee Members

2.6.2. REPRESENTATIVE FORUMS

a) Labour Forum

The table below specifies the members of the Labour Forum for the 2024/25 financial year:

Name of representative	Capacity
Councillor Andre Mouton	Chairperson
Councillor Ruben Richards	Member
Gerrit Matthyse	Municipal Manager
Henry Witbooi	Director: Support Services
Riaan De Ridder	Director: Technical Services
Jerome Booyesen	Chief Financial Officer
Zukile Xhoma	SAMWU Shop Steward
Ayanda Sonqkayi	SAMWU Shop Steward
Anthony V Mlata	SAMWU Shop Steward
Enrico Sampson	IMATU Shop Steward
Rodney Foentjies	IMATU Shop Steward

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Name of representative	Capacity
Muriel Links	IMATU Shop Steward
Jacobus Van Maro	IMATU Shop Steward
Mariaan Bester	Manager: Human Resources
Izaan Tieties	HR Practitioner: Labour Relations
Jessica Cloete	Committee Services Officer

Table 30: Labour Forum

COMPONENT D: CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed.

2.7. RISK MANAGEMENT

In terms of Section 62 of the MFMA (1)(c)(i) *"the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure- that the municipality has and maintains effective, efficient and transparent systems – of financial and risk management and internal control;"...*

The management of risk is the process by which the Accounting Officer, the CFO and the other senior management of a Municipality will pro-actively, purposefully and regularly, but at least annually, identify and define current as well as emerging business, financial and operational risks and identify appropriate, business and cost-effective methods of managing these risks within the Municipality, as well as the risk to the stakeholders.

Purpose and Scope

This policy addresses key elements of the risk management framework to be implemented and maintained by the Municipality, which will allow for the management of risks within the defined risk/return parameters, risk appetite and tolerances as well as risk management standards. As such, it provides a framework for the effective identification, evaluation, management measurement and reporting of the Municipality's risks.

Objectives

The objective of the risk policy is to ensure that a strategic plan is developed that should address the following:

- an effective risk management architecture
- a reporting system to facilitate risk reporting
- an effective culture of risk assessment

The role of the service departments is to identify, review and manage their risks on an ongoing basis, making risk management an integral or natural part of the organisational processes and procedures. Risk management should be embedded in the organisation, it becomes an intrinsic part of business planning and decision making - there is no direction taken without looking at potential risks.

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The table below includes the top strategic and operational risks of the Municipality:

Risk Description	Current Controls	Risk Type	Residual Risk	Directorate
Unbudgeted financial costs due to litigations against the Municipality which could not be attended in time	Only one person to service whole organisation	Strategic Risks	Within risk appetite	Office of the Municipal Manager - Municipal Manager
Tarnished image of the municipality (Social media)	Managing the Facebook page_Single access to the profile	Strategic Risks	Below risk appetite	Office of the Municipal Manager - Municipal Manager
Poor quality service delivery due to fleet management	Tender process for new vehicles/tracking	Strategic Risks	Below risk appetite	Financial Services - Chief Financial Officer
Loss of Income (Bad Debt & Recovery of Debt)	Revenue Enhancement Strategy_Long Term Financial Strategy_Credit control measures	Strategic Risks	Exceeds risk tolerance level	Financial Services - Chief Financial Officer
Delays in payment to Eskom	Approved Debt relief application effective from 01/07/2023 _Current account paid on a monthly basis	Strategic Risks	Below risk appetite	Financial Services - Chief Financial Officer
Vandalism and theft of council assets leading to higher risk profile of insurance	No controls in place	Strategic Risks	Exceeds risk tolerance level	Support Services - Director: Support Services
Inadequate systems to detect and prevent security access risk with regard to Fire Wall (Intrusion Detection System (IDS) vs Intrusion Prevention System (IPS)	Closed WAN networks _Security gateway(hardware)_monitored VPN access into network	Strategic Risks	Below risk appetite	Support Services - Director: Support Services
Lack of financial viability and economic sustainability	3 year strategic plan	Strategic Risks	Within risk appetite	Financial Services - Chief Financial Officer
Inability to provide timely and effective services to the community	masterplans and asset register	Strategic Risks	Within risk appetite	Technical Services - Director: Technical Services
Uncontrolled growth of informal settlements	Relocation of informal settlements_Funds received from Department of Human Settlements	Strategic Risks	Below risk appetite	Support Services - Director: Support Services
Loss of income and / or legal fines for the non compliance of landfill sites in the region	Established Intern municipal cooperation forum_MOA designed between the municipalities in the district	Strategic Risks	Below risk appetite	Technical Services - Director: Technical Services
Cost of compliance, under-funded mandates and insufficient equitable Share	No current controls in place	Strategic Risks	Exceeds risk tolerance level	Financial Services - Chief Financial Officer
Inability to provide the community with water services	Water and electricity meters audit conducted	Strategic Risks	Exceeds risk tolerance level	Technical Services - Director: Technical Services

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Risk of power failures and possible safety concerns due to the overloading of the network	Audit conducted on the Electricity supply_Frequent inspections being implemented with support of Law Enforcement Authorities _Staff being appointed as per available funding_Bulk upgrading INEP Project to be completed by 2024/2025 financial year	Strategic Risks	Exceeds risk tolerance level	Technical Services - Director: Technical Services
Wastewater treatment works are overloaded and generates poor risky sewer final effluent	Desludging of oxidation ponds_Emergency repairs are in the process of being procured whilst the tender for the upgrading and refurbishment of the treatment works are at tender stages	Strategic Risks	Within risk appetite	Technical Services - Director: Technical Services
Census results	No controls in place	Strategic Risks	Within risk appetite	Office of the Municipal Manager - Municipal Manager
Uncontrolled diseases affecting the workforce and the community at large	Communication from DOH	Strategic Risks	Within risk appetite	Support Services - Director: Support Services
The inability to attract and retain certain skilled employees in the finance and technical departments	Municipal Staff regulations_Recruitment policies	Strategic Risks	Within risk appetite	Support Services - Director: Support Services
Upgrading of the Clanwilliam Dam Wall	No controls in place	Strategic Risks	Below risk appetite	Office of the Municipal Manager - Municipal Manager
Cemetery Air space	None	Strategic Risks	Exceeds risk tolerance level	Support Services - Director: Support Services
Social Cohesion	Integrated Social Development plan_Regional Socio-economic Programme(RSEP)_Community Safety Assessment report_Integrated Development Plan	Strategic Risks	Exceeds risk tolerance level	Support Services - Director: Support Services
Housing demand exceeding housing supply	Bulk infrastructure plan._Cleaning/Updating of the demand waiting list._Dora Allocation / MIG 5%_Housing Consumer Education programmes_Housing Policy._Spatial Development Framework.	Strategic Risks	Exceeds risk tolerance level	Support Services - Director: Support Services

Table 31: Top Risks

The role of the Risk Committee is to provide timely and useful enterprise risk management reports to the Audit Committee of the Municipality. The report contains the current top risks of the Municipality, which includes:

- the key strategic and financial risks facing the Municipality (all extreme and high-risk exposures)

- the key operational risks per strategic goal (top 5 risks per objective as per risk exposure from high to low) Further detail of the roles of the Risk Committee are included in the approved Risk Committee Charter.

Name of Committee Member	Capacity
Gerrit Matthyse	Municipal Manager
Joylyon Goeieman	Internal Auditor
Riaan de Ridder	Director Technical Services
Jerome Booysen	Chief Financial Officer (CFO)
Henry Witbooi	Director: Support Services
Collin Julies	Officer: OHS and Organizational Risk Management

Table 32: Risk Committee

2.8. ANTI-CORUPTION AND ANTI-FRAUD

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the MFMA, Section 112(1)(m)(i) identify supply chain measures to be enforced to combat fraud and corruption, favoritism and unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

2.8.1. DEVELOPED STRATEGIES

Name of strategy	Developed (Yes/No)	Date adopted
Fraud and Corruption Prevention Policy	Yes	12 October 2022
Fraud and Corruption Prevention Strategy	Yes	12 October 2022

Table 33: Strategies

2.8.2. IMPLEMENTATION OF STRATEGIES

Strategies to implement	Key Risk Areas	Key measures to curb corruption and fraud
Code of Ethics	Use of consultants where not necessary	The OHS Officer is responsible for Risk Management until the position is advertised and filled.
Whistle Blowing Policy	Inadequate risk management capacity	The Internal Audit Department oversees the whistle blowing hotline. The incidence reporting register/database is in place

Table 34: Implementation of the Strategies

2.9. AUDIT COMMITTEE

Section 166(2) of the MFMA states that an audit committee is an independent advisory body which must –

(a) advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to –

- Internal Financial Control
- Risk Management
- Performance Management
- Effective Governance

The Audit Committee has the following main functions as prescribed in section 166 (2)(a-e) of the MFMA and the Local Government Municipal and Performance Management Regulation:

2.9.1. FUNCTIONS OF AUDIT COMMITTEE

- To advise the Council on all matters related to compliance and effective governance
- To review the annual financial statements to provide Council with an authoritative and credible view of the financial position of the municipality, its efficiency and its overall level of compliance with the MFMA, the annual Division of Revenue Act (DoRA) and other applicable legislation
- Respond to the council on any issues raised by the Auditor-General in the audit report
- To review the quarterly reports submitted to it by the internal audit
- To evaluate audit reports pertaining to financial, administrative and technical systems
- The compilation of reports to the Council, at least twice during a financial year
- To review the performance management system and make recommendations in this regard to Council
- To identify major risks to which Council is exposed and determine the extent to which risks have been minimised
- To review the annual report of the Municipality
- Review the plans of the internal audit function and in so doing; ensure that the plan addresses the high-risk areas and ensure that adequate resources are available
- Provide support to the internal audit function

- Ensure that no restrictions or limitations are placed on the internal audit section
- Evaluate the activities of the internal audit function in terms of their role as prescribed by legislation

2.9.2. MEMBERS OF THE AUDIT COMMITTEE

The following table indicates the members of the Audit Committee:

Name of representative	Capacity
Omar Valley	Chairperson
Charles Beukes	Member
Omphile Sehunelo	Member

Table 35: Members of the Audit Committee

2.10. PERFORMANCE AUDIT COMMITTEE

The Municipal Planning and Performance Management Regulations require that the Performance Audit Committee is comprised of a minimum of three members, the majority of whom are external (neither a Councillor nor an employee) of the Municipality. Section 14(2)(b) of the Municipal Planning and Performance Management Regulations further stipulates that the performance audit committee must include at least one person who has expertise in performance management. It is also a requirement of the regulations in Section 14(2)(d) that the Council of a municipality designate neither a member of the Performance Audit Committee who is neither a Councillor nor an employee of the Municipality as the chairperson of the committee.

In terms of Section 166(4)(a) of the MFMA, an Audit Committee must consist of at least three persons with appropriate experience, of who the majority may not be in the employ of the Municipality.

Section 166(5) of the MFMA, requires that the members of an Audit Committee must be appointed by the Council of the Municipality. One of the members, not in the employ of the Municipality, must be appointed as the chairperson of the committee. No Councillor may be a member of an Audit Committee.

Both the Municipal Planning and Performance Management Regulations and the MFMA, indicate that three is the minimum number of members needed to comprise a Performance Audit Committee. While the regulations preclude the appointment of a councillor as chairperson of the Performance Audit Committee, the MFMA excludes the involvement of a councillor in the composition of a Performance Audit Committee entirely.

Section 14(3)(a) of the Municipal Planning and Performance Management Regulations requires that the Performance Audit Committee of a Municipality must meet at least twice during each financial year.

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However, additional special meetings of the Performance Audit Committee may be called for by any member of the committee, where sufficient justification exists in terms of Section 14(3)(b) of the Municipal Planning and Performance Management Regulation.

2.10.1. Functions of the Performance Audit Committee

In terms of Section 14(4)(a) of the Municipal Planning and Performance Management Regulations the performance audit committee has amongst others the responsibility to -

- i) review the quarterly reports produced and submitted by the internal audit process;
- ii) review the Municipality’s performance management system and make recommendations in this regard to the Council of the Municipality; and
- iii) at least twice during each financial year submit a performance audit report to the Council of the Municipality.

2.10.2. Members of the Performance Audit Committee

The following table indicates the members of the Performance Audit Committee:

Name of representative	Capacity
Omar Valley	Chairperson
Charles Beukes	Member
Omphile Sehunelo	Member

Table 36: Members of the Performance Audit Committee

2.11. SUPPLY CHAIN MANAGEMENT

2.11.1. Competitive Bids in Excess of R200 000

Bid Committee meetings

The following table details the number of bid committee meetings held for the 2024/25 financial year:

Bid Specification Committee	Bid Evaluation Committee	Bid Adjudication Committee
20	11	7

Table 37: Bid Committee Meetings

Awards made by the Bid Adjudication Committee

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The bid adjudication committee awarded 20 bids with an estimated value of R47 900 572 million. The highest bids awarded by the bid adjudication committee are as follows:

Bid number	Title of bid	Directorate and section	Successful Bidder	Value of bid awarded (inclusive of all costs)
CED 11/2024-2025	Graafwater: Construction of multi-purpose centre	Technical Services	Rodpaul Construction T/A Rods Construction	16 619 983.57
CED 37/2024-2025	Upgrading of roads and stormwater phase 2 - Graafwater	Technical Services	Westland Construction (Pty) Ltd	9 2018 466.13
CED 09/2024-2025	Clanwilliam Water Filters	Technical Services	Westland Construction (Pty) Ltd	4 200 166.85
CED 35/2024-2025	Clanwilliam wastewater treatment works fencing	Technical Services	Rodpaul Construction T/A Rods Construction	3 808 767.65
CED 12/2024-2025	Upgrading of medium and low voltage networks in Clanwilliam, Graafwater and Lamberts Bay	Technical Services	Anchor Powerlines (Pty) Ltd	3 584 156.46
CED 34/2023-2024	Lamberts Bay: Wadrift Tanks	Technical Services	Corecon (Pty) Ltd	3 037 226.42

Table 38: Highest Bids Awarded by Bid Adjudication Committee

Awards made by the Accounting Officer

In terms of paragraph 5(2)(a) of Council’s Supply Chain Management (SCM) Policy, only the Accounting Officer may award a bid which is in excess of R10 000 000. The power to make such an award may not be sub-delegated by the Accounting Officer. The bids awarded by the Accounting Officer were as follows:

Bid number	Title of bid	Directorate and section	Value of bid awarded (inclusive of all costs)
CED 11/2024-2025	Graafwater: Construction of multi-purpose centre	Technical Services	R16 619 983.57

Table 39: Awards Made by Accounting Officer

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Appeals Lodged by Aggrieved Bidders

No Objections were successful.

Awards made in terms of the Preferential Procurement Regulations, 2011

All awards above R200 000 were made in terms of the above-mentioned amended Regulation including the phase of Interim Arrangements. Further all deviations were approved by the Municipal Manager or delegated authority.

2.11.1. Deviation from Normal Procurement Processes

Paragraph 36 of Council’s SCM Policy allows the Accounting Officer to dispense with the official procurement process. Deviations amounting to R3 837 973 was approved by the Accounting Officer. The following table provides a summary of deviations approved for 2024/25:

Type of deviation	Number of deviations	Value of deviations	Percentage of total deviations value
Sole Provider	8	2 104 727	54.84%
Impractical / Exceptional	6	323 606	36.73%
Emergency	14	1 409 640	8.43%

Table 40: Summary of Deviations

Deviations from the normal procurement processes have been monitored closely and reported monthly.

2.11.3. Logistics Management

The system of logistics management must ensure the following:

- The setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock
- The placing of manual or electronic orders for all acquisitions other than those from petty cash
- Before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract
- Appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased

- Regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes
- Monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for goods or services

Inventory levels are set at the start of each financial year. These levels are set for normal operations. If special projects are launched by departments, such information is not communicated timely to the Stores Section for them to gear them to order stock in excess of the normal levels.

Internal controls are in place to ensure that goods and services that are received are certified by the responsible person which is in line with the general conditions of contract.

Regular checking of the condition of stock is performed. Quarterly stock counts are performed at which surpluses, deficits, damaged and redundant stock items are identified and reported to Council.

2.11.4. Disposal Management

The system of disposal management must ensure the following:

- Immovable property is sold only at market related prices except when the public interest or the plight of the poor demands otherwise
- Movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous
- Firearms are not sold or donated to any person or institution within or outside the Republic unless approved by the National Conventional Arms Control Committee
- Immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise
- All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed
- Where assets are traded in for other assets, the highest possible trade-in price is negotiated;
- In the case of the free disposal of computer equipment, the provincial department of education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment

The Municipality complies with Section 14 of the MFMA which deals with the disposal of capital assets. The disposal process plan was finalised in May 2025 and aims to provide the guidelines for the disposal of all obsolete and damaged assets.

2.12. COMMUNICATION

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa, 1996 and other statutory enactments all impose an obligation on local government and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.

Good customer care is clearly of fundamental importance to any organisation. A successful communication strategy therefore links the people to the Municipality’s programme for the year.

Below is a communication checklist of compliance with the communication requirements:

Newsletters

Type of Newsletter	Distributed
Internal	Quarterly
External	Quarterly

Table 41: Newsletter

Awareness Campaigns

Topic	Target Groups
Anti – Corruption and Fraud Campaign (Internal Focus)	Internal awareness campaign to educate and inform staff and councillors about practices of fraud and corruption
Batho Pele – People First	Internal awareness campaign to refresh the staff of the principles of Batho Pele and customer care
Municipal radio profiling: Managers	Managers and or delegated staff of the municipality profiling their departments and the corporate message of the municipality
Municipal radio: Executive Mayor & Municipal Manager	Executive Mayor profiles the programmes of the municipality against the set vision and progress made. The Municipal Manager profiles the municipality against the service delivery standards project management and customer care and customer relations
Internal Newsletter	Internal news dealing with management, staff, councillor, union related matters
External Newsletter	External news dealing with campaign programme and project related matter

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Applications and forms	Education campaign to customers struggling to understand or correctly complete municipal forms (across the spectrum)
Clean rivers and wetland (include coastal clean – up)	Environmental awareness campaign
TID electricity	Education and awareness campaign to all electricity pre – paid users
Fire Awareness Campaign	Awareness campaign in Clanwilliam and all informal settlement
Welcome to Cederberg	Campaigns to welcome guests and tourists to Cederberg (include save water campaign on – going)
Back to School Campaign	Educational awareness campaign. Emphasis on the good standards of our schools and teachers
Jamboree	Campaign bringing municipal services to communities
Do not litter campaign	Awareness campaign to stop illegal dumping and littering
Youth Job and Entrepreneurship Summit	Education workshop campaign
Anti – Vandalism Campaign	Awareness and education campaign
Clean Towns	Awareness and education campaign
Communication survey	Information and statistical

Table 42: Awareness Campaigns

Additional Communication Channels Utilised

Channel	Yes/No
SMS system	Yes
Call system and WhatsApp	Yes
Facebook	Yes
WhatsApp Groups	Yes
IGR Forums/Engagements	Yes
Joint Operations Centre Meetings	Yes
Municipal Website	Yes
Local Radio	Yes
Ward Committees	Yes

Table 43: Additional Communication Channels Utilised

2.13. WEBSITE

Municipalities are required to develop and maintain a functional website that displays relevant information as per the requirements of Section 75 of the MFMA and Section 21A and B of the MSA as amended.

The website should serve as a mechanism to promote accountability and transparency to communities and therefore information posted should be accurate and timeously updated.

The municipal website is a key communication mechanism in terms of service offering, information sharing and public participation. It is a communication tool that should allow easy and convenient access to relevant information. The municipal website should serve as an integral part of the Municipality’s communication strategy.

The table below indicates the information and documents that are published on our website.

Description of information and/or document	Yes/No
Municipal contact details (Section 14 of the Promotion of Access to Information Act)	
Full Council details	Yes
Contact details of the Municipal Manager	Yes
Contact details of the CFO	Yes
Physical address of the Municipality	Yes
Postal address of the Municipality	Yes
Financial Information (Sections 53, 75, 79 and 81(1) of the MFMA)	
Draft Budget 2024/25	Yes
Adjusted Budget 2024/25	Yes
Asset Management Policy	Yes
Customer Care, Credit control & Debt Collection Policy	Yes
Indigent Policy	Yes
Investment & Cash Management Policy	Yes
Rates Policy	Yes
Supply Chain Management Policy	Yes
Tariff Policy	Yes
Virement Policy	Yes

Description of information and/or document	Yes/No
Travel and Subsistence Policy	Yes
SDBIP 2024/25	Yes
Budget and Treasury Office Structure	No

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IDP and Public Participation (Section 25(4)(b) of the MSA and Section 21(1)(b) of the MFMA)	
Reviewed IDP for 2025/26	Yes
IDP Process Plan for 2025/26	Yes
Supply Chain Management (Sections 14(2), 33, 37 & 75(1)(e) & (f) and 120(6)(b) of the MFMA and Section 18(a) of the National SCM Regulation)	
List of capital assets that have been disposed	Yes
Long term borrowing contracts	Yes
SCM contracts above R30 000	Yes
Section 37 of the MFMA; No 56 of 2003 (Unsolicited Bids/Contracts)	Yes
Public invitations for formal price quotations	Yes
Reports (Sections 52(d), 71, 72 & 75(1)(c) and 129(3) of the MFMA)	
Annual Report of 2023/24	Yes
Oversight Report	Yes
Mid-year budget and performance assessment	Yes
Quarterly Reports	Yes
Monthly Budget Statement	Yes
Local Economic Development (Section 26(c) of the MSA)	
LED Strategy	Yes
LED Policy Framework	No
Economic Profile	No
LED Projects	Yes
Performance Management (Section 75(1)(d) of the MFMA)	
Performance Agreements for employees appointed as per S57 of MSA	Yes

Table 44: Website Checklist

CHAPTER 3

This chapter provides an overview of the key service achievements of the Municipality that came to fruition during 2024/25 in terms of the deliverables achieved compared to the key performance objectives and indicators in the Integrated Development Plan (IDP).

3.1. OVERVIEW OF PERFORMANCE WITHIN ORGANISATION

Performance managements is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor measure and review performance indicators to ensure effectiveness and the impact of service delivery by the Municipality.

At the local government level performance management is institutionalized through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure whether strategic goals, set by the organisation and its employees are met.

The Constitution of South Africa, Section 152, dealing with the objectives of local government paves the way for performance management with requirements for an "accountable government". The democratic values and principles in terms of Section 195(1) are also linked with the concept of performance management. With reference to the principles of inter alia:

- The promotion of efficient, economic and effective use of resources
- Accountable public administration
- To be transparent by providing information
- To be responsive to the needs of the community
- And to facilitate a culture of public service and accountability amongst staff

The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the IDP to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery Budget Implementation Plan (SDBIP).

In addition, Regulation 7(1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning. Monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players. "Performance management is not only relevant to the organisation as a whole, but also the individuals employed in the organisation as well as the external service

providers and the Municipal Entities. This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

3.1.1. Legislative Requirements

In terms of Section 46(1)(a) of the MSA, a municipality must prepare for each financial year a performance report reflecting the municipality's and any service provider's performance during the financial year, including comparison with targets of and with performance in the previous financial year. The report must, furthermore, indicate the development and service delivery priorities and the performance targets set by the Municipality for the following financial year and measures that were or are to be taken to improve performance.

3.1.2. Organisational Performance

Strategic performance indicates how well the Municipality is meeting its objectives and which policies and processing are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop strategic plans and allocate resources for implementation. The implementation must be monitored on an on-going basis and the results must be reported on during the financial year to various role-players to enable them to timeously implement corrective measures where required.

This report highlights the strategic performance in terms of the Municipality's Top Layer SDBIP, high level performance in terms of the National Key Performance Areas, performance on the National Key Performance Indicators prescribed in terms of Section 43 of the MSA and an overall summary of performance on municipal services.

3.1.3. Performance Management System Used in the Financial Year 2024/25

a) Adoption of a Performance Management Framework

The Municipality's performance framework was approved by Council on 31 May 2020.

b) The IDP and the Budget

The reviewed IDP for 2024/25 and the Annual Budget for 2024/25 were approved by Council on 14 May 2024. The IDP process and the performance management processes are integrated. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

c) *The Service Delivery Budget Implementation Plan*

The organisational performance is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level and through the SDBIP at the directorate and departmental levels. The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the municipality is implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and Budget.

The MFMA Circular No. 13 prescribes that:

- The IDP and budget must be aligned
- The budget must address the strategic priorities
- The SDBIP should indicate what the municipality is going to do during next 12 months
- The SDBIP should form the basis for measuring the performance against goals set during the budget/IDP processes

The SDBIP were prepared as per legislation and the Top Layer SDBIP was approved by the Executive Mayor on 14 June 2024. The Top Layer SDBIP was revised with the Adjustment Budget in terms of Section 26(2)(c) of the Municipal Budget and Reporting Regulations and an adjusted Top Layer SDBIP was approved by the Council on 26 February 2025 and 30 June 2025 respectively.

d) *The Municipal Scorecard (Top Layer SDBIP)*

The municipal scorecard (Top Layer SDBIP) consolidates service delivery targets set by Council/senior management and provide an overall picture of performance for the Municipality as a whole, reflecting performance on its strategic priorities. Components of the Top Layer SDBIP include:

- One-year detailed plan
- Monthly projections of revenue to be collected (not billed) for each source
- Monthly projections of expenditure (operating and capital) and revenue for each vote
- Quarterly projections of service delivery targets and performance indicators for each vote
- Non-financial measurable performance objectives in the form of targets and indicators
- Output not input / internal management objectives
- Level and standard of service being provided to the community
- Ward information for expenditure and service delivery
- Detailed capital project plan is broken down by ward over three years

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The following diagram illustrates the establishment, components and review of the municipal scorecard (Top Layer SDBIP):

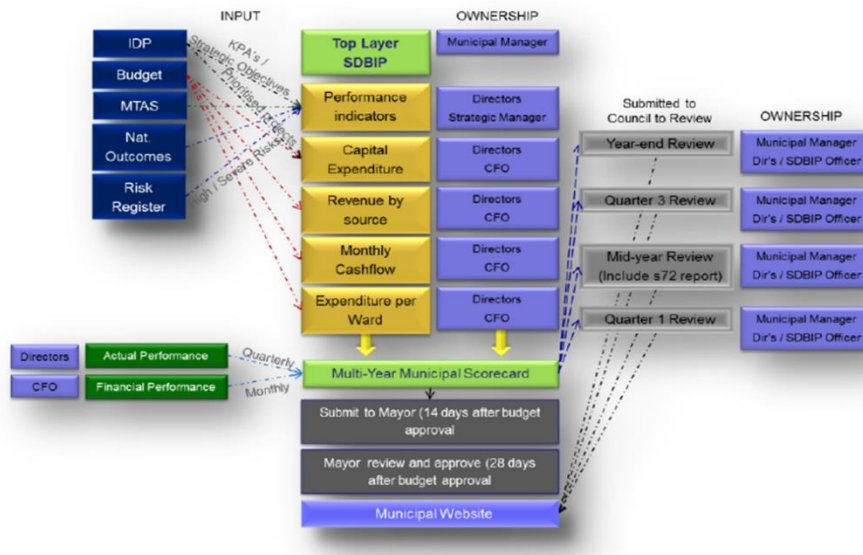


Figure 1: Components of the Municipal Scorecard (Top Layer)

Top Layer KPI's were prepared based on the following:

- Key Performance Indicators (KPI's) for the programmes/activities identified to address the strategic objectives as documented in the IDP
- KPI's identified during the IDP and KPI's that need to be reported to key municipal stakeholders
- KPI's to address the required National Agenda Outcomes, priorities and minimum reporting requirements

e) Actual Performance

The Municipality utilizes an electronic web-based system on which KPI owners update actual performance on a monthly basis. KPI owners report on the results of the KPI by documenting the following information on the performance system:

- The actual result in terms of the target set
- The output/outcome of achieving the KPI
- The calculation of the actual performance reported (if %)
- A performance comment
- Actions to improve the performance against the target set, if the target was not achieved

It is the responsibility of every KPI owner to maintain a portfolio of evidence to support actual performance results updated.

3.1.4. Performance Management

(a) ***Organisational Performance***

The organisational performance is monitored and evaluated via the SDBIP and the performance process can be summarised as follows:

- The Top Layer SDBIP was approved on 14 June 2024
- The web-based system sent automated e-mails to the users of the system as a reminder for updating their actual performance against key performance indicator targets every month for the previous month's performance
- Additionally, the performance system administrator reminded all departments on a monthly basis to update their actual performance on the web-based system

(b) ***Individual Performance Management - Municipal Managers and Managers directly accountable to the Municipal Manager***

The MSA prescribes that the Municipality must enter into performance based agreements with all s57 managers and that performance agreements must be reviewed annually. This process and the format are further regulated by Regulation 805 (August 2006). The performance agreement of the Municipal Manager for 2024/25 financial year was signed on 1 July 2024.

The appraisal of the performance in terms of the signed agreements take place twice per annum as regulated. Informal mid-year performance evaluations for 2024/25 (1 July 2024 to December 2024) took place. The final appraisal for year-end will take place on 8 December 2025.

The appraisals are done by an evaluation panel as indicated in the signed performance agreements and in terms of Regulation 805 and consisted of the following people:

- Executive Mayor
- Portfolio Chairperson
- Municipal Manager
- Chairperson of the Performance Audit Committee
- Municipal Manager from another municipality

(c) ***Individual Performance Management - All Staff***

The Municipal Staff Regulations (Regulation 890) and Guidelines (Regulation 891) promulgated on 20 September 2021 Chapter 4, Performance Management and Development System Section 32 (1) states that the Performance Management and Development System (PMDS) applies to all staff members of a municipality with the exclusion of certain staff members as stated by the subsections (a) – (d). The Municipality has

implemented individual performance management to all levels in the municipality during the 2024/25 financial year.

Mid-year Evaluations

Mid-year Evaluations took place during January 2025. In accordance with Regulation 890, an amendment period followed the mid-year review process, allowing for adjustments to performance agreements. The Final Annual Reviews, set to begin on 1 July 2025, will be based on these revised and approved plans.

3.2. STRATEGIC AND MUNICIPAL PERFORMANCE FOR 2024/25

3.2.1 Strategic Service Delivery Budget Implementation Plan (Top Layer)

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section should provide an overview of the strategic achievement of a municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top Layer (strategic) SDBIP is the Municipality’s strategic plan and shows the strategic alignment between the different documents (IDP, budget and performance agreements).

In the paragraphs below the performance achieved is illustrated against the Top layer SDBIP according to the IDP (strategic) objectives.

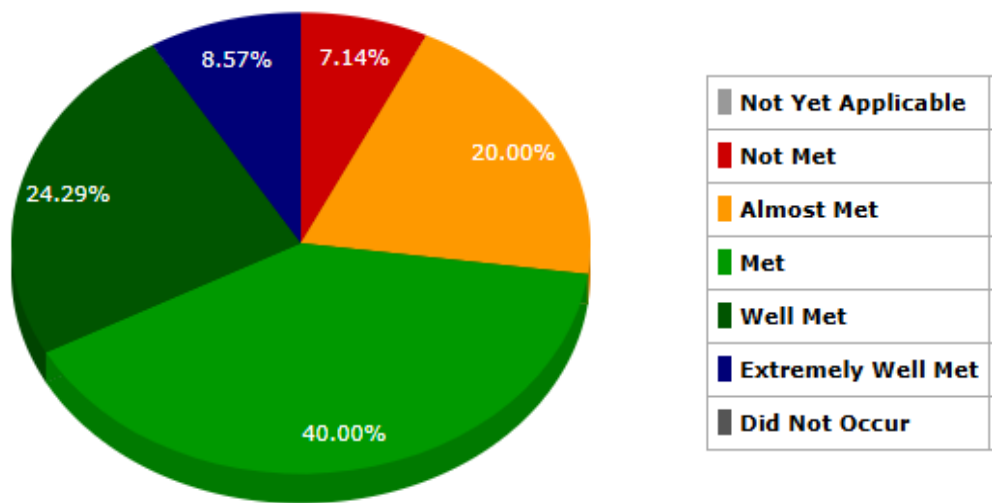
The following table explains the method by which the overall assessment of actual performance against targets set for the key performance indicators (KPI’s) of the SDBIP is measured:

Category	Colour	Explanation
KPI Not Met	R	0% > = Actual/Target < 75%
KPI Almost Met	O	75% > = Actual/Target < 100%
KPI Met	G	Actual/Target = 100%
KPI Well Met	G2	100% > Actual/Target < 150%
KPI Extremely Well Met	B	Actual/Target > = 150%

Figure 2: SDBIP Measurement Criteria

The overall performance results achieved by the Municipality in terms of the Top Layer SDBIP are indicated in the tables and graphs below:

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Graph 1: Overall Performance Top Layer SDBIP

Measurement Category	Objective 1	Objective 2	Objective 3	Objective 4	Objective 5	Objective 6	Objective 7	Total
	Improve and sustain basic service delivery and infrastructure development	Strive for financial viability and economic sustainability	Promote Good Governance, Community Development & Public Participation	Facilitate, expand and nurture sustainable economic growth and eradicate poverty	Enable a resilient, sustainable, quality and inclusive living environment and human settlements i.e. Housing development and informal settlement upgrade	Facilitate social cohesion, safe and healthy communities	Develop and transform the institution to provide a people-centred human resources and administrative service to citizens, staff and Council	
KPI Not Met	3	0	2	0	0	0	0	5
KPI Almost Met	12	0	1	1	0	0	0	14
KPI Met	6	8	11	2	0	1	0	28
KPI Well Met	13	2	1	0	0	0	1	17
KPI Extremely Well Met	1	3	0	0	0	0	2	6
Total	35	13	15	3	0	1	3	70

Table 45: Top Layer SDBIP per Strategic Objectives

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a) *Improve and sustain basic service delivery and infrastructure development*

Ref	KPI	Description of Unit of Measurement	Ward	Actual Performance for 2023/24	Overall Performance 2024/25						
					Target				Annual	Actual	R
					Q1	Q2	Q3	Q4			
TL9	The percentage of the municipal capital budget actually spent on capital projects as at 30 June 2025 (Actual amount spent on capital projects/Total amount budgeted for capital projects)X100	% of the municipal capital budget actually spent on capital projects as at 30 June 2025	All	77.63%	0%	20%	60%	90%	90%	74.73%	O
Corrective Action		The municipality accounted for the grant funding in the budget. However, the municipality received the funds. The municipality therefore was unable to conclude the procurement process before 30 June. The procurement process commenced before 30 June, but no award could be given, considering the impact of the roll-over application. The municipality were left with only one option to apply for a roll-over. Once approved the funds will again be included in an adjustment budget for completion of the project. It will ensure all funding is spent once the roll-over is approved.									
TL16	Number of residential account holders that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2025	Number of residential account holders which are billed for water	All	5504	6 011	6 011	6 047	6 047	6 047	6 017	O
Corrective Action		The municipality amended its policy to consolidate debtor accounts. The process proved to be very effective and decreased the number of residential accounts receiving piped water. This efficiency reduced the reported target significantly. The municipality's performance is considered exemplary and is left with only one conclusion to reduce future targets.									

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TL1 7	Number of residential account holders with electricity which are connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June 2025	Number of residential account holders billed credit meter and pre paid meters connected to the network.	All	8558	6 781	6 781	7017	7 017	7 017	7 171	G 2
TL1 8	Number of residential account holders with sanitation services which are connected to the municipal waste water(sanitation/sew erage) network and are billed for sewerage service, irrespective of the number of water closets (toilets) as at 30 June 2025	Number of residential account holders which are billed for sewerage	All	5032	5 161	5 161	5 172	5 172	5 172	5 150	O
Corrective Action		The municipality amended its policy to consolidate debtor accounts. The process proved to be very effective and decreased the number of residential accounts receiving sanitation services. This efficiency reduced the reported target significantly. The municipality's performance is considered exemplary and is left with only one conclusion to reduce future targets.									
TL1 9	Number of residential account holders for which refuse is removed once per week and billed for the service as at 30 June 2025	Number of residential account holders which are billed for refuse removal	All	5784	6 000	6 000	6 001	6 001	6 001	5 983	O
Corrective Action		The municipality amended its policy to consolidate debtor accounts. The process proved to be very effective and decreased the number of residential accounts receiving refuse removal services. This efficiency reduced the reported target significantly. The municipality's performance is considered exemplary and is left with only one conclusion to reduce future targets.									
TL2 0	Provide free basic water to indigent households as per the requirements in the indigent policy as at 30 June 2025	Number of households receiving free basic water	All	1320	2 196	2 196	2 244	2 244	2 244	1 663	R
Corrective Action		The municipality performed additional review processes on the indigent register. The review process resulted in a significant decrease in households receiving indigent subsidy. This efficiency reduced the reported number of households who received basic water as indigents. target significantly. The municipality's performance is considered exemplary and is left with only one conclusion to reduce future targets.									

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TL2 1	Provide free basic electricity to indigent households as per the requirements in the indigent policy as at 30 June 2025	Number of households receiving free basic electricity	All	1223	2 077	2 077	2 289	2 289	2 289	2 294	G 2
TL2 2	Provide free basic sanitation to indigent households as per the requirements in the indigent policy as at 30 June 2025	Number of households receiving free basic sanitation services	All	1305	2 145	2 145	2 292	2 292	2 292	1 846	O
Corrective Action		The municipality performed additional review processes on the indigent register. The review process resulted in a significant decrease in households receiving indigent subsidy. This efficiency reduced the reported number of households who received basic sanitation as indigents. target significantly. The municipality's performance is considered exemplary and is left with only one conclusion to reduce future targets.									
TL2 3	Provide free basic refuse removal to indigent households as per the requirements in the indigent policy as at 30 June 2025	Number of households receiving free basic refuse removal	All	1318	2 191	2 191	2 355	2 355	2 355	1 918	O
Corrective Action		The municipality performed additional review processes on the indigent register. The review process resulted in a significant decrease in households receiving indigent subsidy. This efficiency reduced the reported number of households who received basic sanitation as indigents. target significantly. The municipality's performance is considered exemplary and is left with only one conclusion to reduce future targets.									
TL2 4	Spend 90% of the approved capital budget for the procurement of Fleet by 30 June 2025 (Actual amount spent /Total amount budgeted)X100	% of budget spent by 30 June 2025	All	99.23%	0%	20%	60%	90%	90%	91.70%	G 2
TL2 9	Spend 90% of the approved maintenance budget for Technical Services (Water, Waste Water, Electricity, Roads and Stormwater) by 30 June 2025 [(Actual expenditure on maintenance/total approved maintenance budget)x100]	% of budget spent by 30 June 2025	All	80.48%	0%	20%	60%	90%	90%	82.95%	O

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Corrective Action		While the municipality has not achieved its target it implemented various projects to ensure significant spending on repairs and maintenance. The municipality attempted to fact-track spending, however internal processes did not allow this as it is staff dependent. The reallocation of resources did not yield the accelerated results. Adverse weather also played a role in the attempts to increase repairs and maintenance expenditure.									
TL3 0	Spend 100% of the MIG grant by 30 June 2025 [(Actual expenditure on MIG funding received/total MIG funding received)x100]	% of budget spent by 30 June 2025	All	100%	10%	40%	70%	100%	100%	100%	G
TL3 1	95% of the water samples comply with SANS 241 micro biological parameters {(Number of water samples that comply with SANS 241 indicators/Number of water samples tested)x100}	% of water samples complying with SANS 241 micro biological parameters	All	90%	95%	95%	95%	95%	95%	100%	G 2
TL3 2	Limit unaccounted for water to less than 25% by 30 June 2025 {(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold (incl free basic water) / Number of Kilolitres Water Purchased or Purified x 100}	% unaccounted water	All	30.91%	25%	25%	25%	25%	25%	25.47%	R
Corrective Action		The municipality implemented a digital approach. The installation of various bulk water meters between treatment works and the network enabled the municipality to identify its losses experienced. It is still in the process of closing the loss identification process, with the roll-out of meters on strategic positions. The municipality has also started looking at the operations at the treatment works. It appointed a manager responsible for water and wastewater treatment. The municipality will review and Installation of bulk water flow meters, intensify awareness campaigns to reduce water losses, Improve water balance calculations and data collection. The municipality will roll-out a smart water meter project within the 2025/26 financial year.									

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TL3 3	Limit unaccounted for electricity losses to less than 15% by 30 June 2025 (Number of Electricity Units Purchased and / or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and / or Generated) × 100	% unaccounted electricity	All	8.69%	15%	15%	15%	15%	15%	5.77%	B
TL3 5	Spend 90% of the budget approved for the construction of a Multi Purpose Centre (Phase 1) in Graafwater by 30 June 2025 [(Total actual expenditure on the project/ Approved capital budget for the project)x100]	% of budget spent by 30 June 2025	4	99.98%	0%	20%	60%	90%	90%	100%	G 2
TL3 6	Spend 90% of the project budget to upgrade and refurbishment of the Clanwilliam Waste Water Treatment Works by 30 June 2025 [(Total actual expenditure on the project/ Approved capital budget for the project)x100]	% of budget spent by 30 June 2025	3	100%	0%	20%	60%	90%	90%	81.45%	O
Corrective Action		<p>The municipality submitted the business plan for approval. It was unable to complete the full budget expenditure before 30 June. Due to the late approval of the business plan the municipality again found themselves in a race against the clock to complete the procurement process before 30 June. Any award would have been at risk of the disallowance of the roll-over application. Considerable attempts were made to complete this project.</p> <p>The WSIG business plan had to be revised to align with the scope that needs to be done to comply with the conditions of the WULA and EIA, which had a negative effect on the expenditure. Also the approval of the revised business plan hampered the implementation of the project. Ensure that the business plan is aligned with scope and that the project is implemented according to the approved scope of business plan. Revised Business Plan, submission - 6 December 2024. Approval - 25 March 2025 as per POE.</p>									

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TL3 8	Spend 90% of the approved INEP budget for the bulk electricity upgrade in Clanwilliam: Construction of Substation by 30 June 2025 [(Total actual expenditure on the project/ Approved operational budget for the project)x100]	% of budget spent by 30 June 2025	3	100%	0%	20%	60%	90%	90%	100%	G 2
TL3 9	Spend 90% of the approved project budget for the electricity upgrade network in Clanwilliam by 30 June 2025 [(Total actual expenditure on the project/ Approved capital budget for the project)x100]	% of budget spent by 30 June 2025	3	New Indicator for 2024/25	0%	20%	60%	90%	90%	100%	G 2
TL4 0	Spend 90% of the approved project budget to upgrade the 11KV cable in Mark Street, Clanwilliam by 30 June 2025 [(Total actual expenditure on the project/ Approved capital budget for the project)x100]	% of budget spent by 30 June 2025	3	New Indicator for 2024/25	0%	20%	60%	90%	90%	88.86%	O
Corrective Action		The municipality managed to spend a significant portion of the grant. It implemented all the corrective actions. The difference can be attributed to savings within the project.									
TL4 1	Spend 90% of the approved project budget to refurbish the overheadline east of town, Graafwater by 30 June 2025 [(Total actual expenditure on the project/ Approved capital budget for the project)x100]	% of budget spent by 30 June 2025	4	New Indicator for 2024/25	0%	20%	60%	90%	90%	100%	G 2

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TL4 2	Spend 90 % of the project budget for the upgrade of roads and stormwater infrastructure in Graafwater by 30 June 2025 [(Total actual expenditure on the project/ Approved capital budget for the project)x 100]	% of budget spend by 30 June 2025	4	91.01%	0%	20%	60%	90%	90%	100%	G 2
TL4 4	Spend 90% of the approved budget for the new borehole scheme in Lamberts Bay by 30 June 2025 [(Total actual expenditure on the project/Approved capital budget for the project)x 100]	% of budget spend by 30 June 2025	5	56.7%	0%	20%	60%	90%	90%	77.76%	O
Corrective Action		<p>Target not reached due to additional borehole monitoring request from DWS, which affected the progress of the project with regards to planning and design of the bulk pipeline.</p> <p>The municipality aimed to fast-track the roll-out of the new borehole scheme, but due to the additional requests it was unable to meet this target. This was largely out of the municipalities control, but it maintained communication with DWS on progress.</p> <p>Regular engagements with DWS to confirm requirements early in project initiation and also parallel planning processes to be adopted where possible.</p>									
TL4 5	Spend 90% of the approved ISUPG budget of Citrusdal Riverview by 30 June 2025 [(Total actual expenditure on the project/ Approved budget for the project)x100]	% of budget spent by 30 June 2025	2	100%	0%	20%	60%	90%	90%	100%	G 2
TL4 6	Spend 90% of the approved ISUPG budget for the installation of water services of Clanwilliam Khayelitsha by 30 June 2025 [(Total actual expenditure on the project/ Approved budget for the project)x100]	% of budget spent by 30 June 2025	3	55.15%	0%	20%	60%	90%	90%	100%	G 2

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TL4 7	Spend 90% of the approved budget for the Water Treatment Works filters in Clanwilliam by 30 June 2025 [(Total actual expenditure on the project/Approved capital budget for the project)x 100]	% of budget spend by 30 June 2025	3	New Indicator for 2024/25	0%	20%	60%	90%	90%	96.77%	G 2
TL4 9	Submit a quarterly report to Council on the Blue and Green Drop Status	Number of reports submitted	All	New Indicator for 2024/25	1	1	1	1	4	3	O
Corrective Action		The municipality was unable to submit 4 reports for the year. The municipality was unable to review these targets, but the blue and green drop status report which include actions to achieve the set targets. It will ensure reports are submitted to council quarterly.									
TL5 0	Conduct an investigation, test the market for renewable energy and submit findings with recommendations to Council by 30 June 2025	Findings and recommendations submitted to Council by 30 June 2025	All	New Indicator for 2024/25	0	0	0	1	1	1	G
TL5 1	Submit a report on the Implementation of the GIS to Council by 30 June 2025	GIS implementation report submitted to Council by 30 June 2025	All	New Indicator for 2024/25	0	0	0	1	1	1	G
TL5 2	Submit a report on the Implementation of the Smart Meters to Council by 30 June 2025	Smart Meters implementation report submitted to Council by 30 June 2025	All	New Indicator for 2024/25	0	0	0	1	1	1	G
TL5 3	Submit a report on the progress made on the Clanwilliam By-Pass to Council by 30 June 2025	Clanwilliam By-Pass Progress report submitted to Council by 30 June 2025	All	New Indicator for 2024/25	0	0	0	1	1	1	G
TL5 4	Submit a business plan to possible funders for a new Reservoir in Paleisheuvel by 30 June 2025	Business Plan submitted by 30 June	All	New Indicator for 2024/25	0	0	0	1	1	1	G

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TL7 1	Spend 90% of the approved budget for the MDRG by 30 June 2025 [(Total Actual expenditure on the project/Approved capital budget for the project) x 100]	% of budget spend by June 2025	All	New Indicator for 2024/25	0%	0%	0%	90%	90%	46.12%	R
Corrective Action		The municipality accounted for the grant funding in the budget. The municipality was unable to conclude the procurement process by 30 June, due to the late receipt of funds. The procurement process commenced before 30 June, but no award could be given, considering the impact of the roll-over application. The municipality were left with only one option to apply for a roll-over. Once approved the funds will again be included in an adjustment budget for completion of the project. It will ensure all funding is spent once the roll-over is approved.									
TL7 2	Spend 90 % of the project budget for the upgrade of roads in Cederberg by 30 June 2025 [(Total actual expenditure on the project/ Approved capital budget for the project)x 100]	% of capital budget spent by 30 June	All	New Indicator for 2024/25	0%	0%	0%	90%	90%	86.02%	O
Corrective Action		The scope was reduced, leading to a saving on the project. The efficiencies of the municipality resulted in the completion of the project. The project scope reduction resulted in a lower reported target. Nothing could really have been done differently to ensure 90% compliance.									
TL7 3	Spend 90 % of the budget for the specialised waste vehicles by 30 June 2025 [(Total actual expenditure on the project/Approved capital budget for the project)x 100]	% of capital budget spent by 30 June	All	New Indicator for 2024/25	0%	0%	0%	90%	90%	100%	G 2

Table 46: Improve and sustain basic service delivery and infrastructure development

b) Strive for financial viability and economically sustainability

Ref	KPI	Unit of Measurement	Area	Actual Performance for 2023/24	Overall Performance for 2024/25						
					Target				Annual	Actual	R
					Q1	Q2	Q3	Q4			
TL8	Achieve an unqualified audit opinion for the 2023/24 financial year	Unqualified Audit opinion received for the 2023/24 financial year	All	1	0	0	1	0	1	1	G
TL10	Financial viability measured in terms of the municipality's ability to meet its service debt	% of debt coverage by 30 June 2025	All	9.13%	0%	0%	0%	45%	45%	0.10%	B

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	obligations as at 30 June 2025 [(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue - Operating Conditional Grant) x 100]										
TL11	Financial viability measured in terms of the outstanding service debtors as at 30 June 2025 [(Total outstanding service debtors/annual revenue received for services)x 100]	% of outstanding service debtors by 30 June 2025	All	16%	0%	0%	0%	10%	10%	4.44%	B
TL12	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2025 [(Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)]	Number of months it takes to cover fix operating expenditure with available cash	All	1.59	0	0	0	1	1	3.01	B
TL13	100% of the Financial Management Grant spent by 30 June 2025 [(Total actual grant expenditure/Total grant allocation received)x100]	% of Financial Management Grant spent by 30 June 2025	All	100%	0%	20%	60%	100%	100%	100%	G

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TL14	Submit the annual financial statements to the Auditor-General by 31 August 2024	Approved financial statements submitted to the Auditor-General by 31 August 2024	All	1	1	0	0	0	1	1	G
TL15	Achievement of a payment percentage of 92% by 30 June 2025 ((Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue) x 100	Payment % achieved by 30 June 2025	All	90.6%	70%	91%	92%	92%	92%	92.50%	G2
TL55	Comply 95% with the government debt relief plan by 30 June	% of compliance to government relief plan	All	New Indicator for 2024/25	0%	0%	0%	95%	95%	98%	G2
TL56	Address mSCOA issues by 30 June	% of issues addressed by 30 June	All	New Indicator for 2024/25	0%	0%	0%	90%	90%	90%	G
TL57	Submit the annual financial statements to the Auditor-General by 31 August	Annual financial statements submitted to the Auditor-General by 31 August	All	New Indicator for 2024/25	1	0	0	0	1	1	G
TL58	Update the property register and valuation roll bi-annually and submit to the Municipal Manager	Number of bi-annual updates	All	New Indicator for 2024/25	0	1	0	1	2	2	G
TL59	Submit the draft main budget to Council by 31 March	Draft main budget submitted to Council by 31 March	All	New Indicator for 2024/25	0	0	1	0	1	1	G
TL60	Submit the adjustments budget to Council by 28 February	Adjustment budget submitted to Council by 28 February	All	New Indicator for 2024/25	0	0	1	0	1	1	G

Table 47: Strive for financial viability and economically sustainability

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c) Promote Good Governance, Community Development & Public Participation

Ref	KPI	Unit of Measurement	Ward	Actual Performance for 2023/24	Overall Performance for 2024/25						
					Target				Annual	Actual	R
					Q1	Q2	Q3	Q4			
TL1	Develop and submit the Risk Based Audit Plan for 2025/26 to the Audit Committee by 30 June 2025	Risk Based Audit Plan submitted to the Audit Committee by 30 June 2025	All	1	0	0	0	1	1	1	G
TL2	Review and submit the final IDP to Council by 31 May 2025	Final IDP submitted to Council by 31 May 2025	All	1	0	0	0	1	1	1	G
TL3	Compile and submit the Strategic and Operational Risk Register to the Risk Committee by 30 June 2025	Strategic and Operational risk register submitted to the Risk Committee by 30 June 2025	All	New Indicator for 2024/25	0	1	0	0	1	1	G
TL4	Report quarterly to Council on the implementation status of the Municipal Recovery Plan	Number of quarterly reports submitted	All	3	1	1	1	1	4	4	G
TL5	Report quarterly to Council on the implementation status of the Budget Funding Plan	Number of quarterly reports submitted	All	4	1	1	1	1	4	4	G
TL6	Report quarterly to Council on the implementation status of the Government Debt Relief Plan	Number of quarterly reports submitted	All	4	1	1	1	1	4	4	G
TL7	Conduct market testing for alternative service delivery mechanisms and submit findings and recommendations to Council by 30 June 2025	Findings and recommendations submitted to Council by 30 June 2025	All	1	0	0	0	1	1	1	G

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TL28	Review and submit the Informal Traders Policy to Council for approval by 30 June 2025	Reviewed Informal Traders Policy submitted to Council by 30 June 2025	All	New Indicator for 2024/25	0	0	0	1	1	1	G
TL64	Conduct quarterly ICT steering committee meetings	Number of meetings conducted	All	New Indicator for 2024/25	1	1	1	1	4	3	O
Corrective Action		The second quarter meeting was held during January 2025. This is an administrative oversight. The municipality aimed to meet this requirement, however, due to the inability to synchronize the various committee members' schedules due to, factors out of the committee's control. There is no need to review the target, meetings are just subjected to its committee members availability.									
TL65	Review the System of Delegations and submit to Council by June 2025	System of delegations reviewed	All	New Indicator for 2024/25	0	0	0	1	1	0	R
Corrective Action		Due to council commitment the municipality was unable to implement the review of system delegations. This will be executed in the next period. To be reviewed and works shopped with Council in the new financial year by September 2025.									
TL66	Review the property register and submit to Council 31 May	Property Register submitted	All	New Indicator for 2024/25	0	0	0	1	1	0	R
Corrective Action		The municipality aimed to complete the land audit prior to submission to council. The land audit couldn't be completed in time for the submission to council.									
TL67	Conduct a quarterly Central Occupational Health & Safety Committee meeting	Number of meetings conducted	All	New Indicator for 2024/25	1	1	1	1	4	4	G
TL68	Submit the Workplace Skills Plan to LGSETA by 30 April	Workplace Skills Plan submitted to LGSETA	All	New Indicator for 2024/25	0	0	0	1	1	1	G
TL69	Spent 90% of the approved training budget by 30 June [(Actual expenditure /total approved budget)x100]	% of budget spent	All	New Indicator for 2024/25	0%	10%	50%	90%	90%	101.41%	G2
TL70	Submit the Employment Equity Report to the Department of Labour by 15 January	Employment Equity Report submitted	All	New Indicator for 2024/25	0	0	1	0	1	1	0

Table 48: Promote Good Governance, Community Development & Public Participation

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d) Facilitate, expand and nurture sustainable economic growth and eradicate poverty

Ref	KPI	Unit of Measurement	Ward	Actual performance for 2023/24	Overall Performance 2024/25						
					Target					Actual	R
					Q1	Q2	Q3	Q4	Annual		
TL34	Create 160 jobs opportunities in terms of the Expanded Public Works Programme (EPWP) by 30 June 2025	Number of job opportunities created in terms of EPWP by 30 June 2025	All	501	0	0	0	160	160	136	O
Corrective Action		Target not reached mainly due to the Environmental (EAC) Sector target being high. To achieve this target the municipality aimed to fast-track communication with the NDPW regarding the reduction of the target. The result was mainly due to projects not updated on the validation report. The municipality could not adjust these targets and had to conclude on the underperformance. The municipality explored the option to employ more participants over a shorter period of time to increase the number of work opportunities, however this was considered to have a negative effect on the total full time equivalents.									
TL61	Review the LED Strategy and submit to Council by 30 June	Number of reports submitted to Council	All	New Indicator for 2024/25	0	0	0	1	1	1	G
TL62	Review the Disaster Management Plan and submit to Council by 31 March	Disaster Management Plan submitted	All	New Indicator for 2024/25	0	0	1	0	1	1	G

Table 49: Facilitate, expand and nurture sustainable economic growth and eradicate poverty

e) Facilitate social cohesion, safe and healthy communities

Ref	KPI	Unit of Measurement	Ward	Actual Performance for 2023/24	Overall Performance for 2024/25						
					Target				Annual	Actual	R
					Q1	Q2	Q3	Q4			
TL63	Conduct a feasibility study in conjunction with Government Departments on the viability of a vehicle impound centre by 30 June 2025	Completed feasibility study	All	New Indicator for 2024/25	0	0	0	1	1	1	G

Table 50: Facilitate social cohesion, safe and healthy communities

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f) *Develop and transform the institution to provide a people-centred human resources and administrative service to citizens, staff and Council*

Ref	KPI	Description of Unit of Measurement	Ward	Actual Performance for 2023/24	Overall Performance 2024/25					
					Target				Actual	R
					Q1	Q2	Q3	Q4		
TL25	The number of people from employment equity target groups employed in the three highest levels of management in compliance with the equity plan as at 30 June 2025	Number of people employed as at 30 June	All	6	0	0	0	1	3	B
TL26	The percentage of the municipality's personnel budget actually spent on implementing its workplace skills plan by 30 June 2025 [(Actual amount spent on training/total operational budget)x100]	% of the municipality's personnel budget on training by 30 June 2025 (Actual amount spent on training/total personnel budget)x100	All	0,29%	0%	0%	0%	0.15%	38%	B
TL27	Spend 90% of the approved capital budget for IT by 30 June 2025 [(Total actual expenditure on the project/ Approved capital budget for the project)x100]	% of budget spent by 30 June 2025	All	83,36	0%	20%	60%	90%	98%	G2

Table 51: *Develop and transform the institution to provide a people-centred human resources and administrative service to citizens, staff and Council*

3.2.2. Service Providers Strategic Performance

Section 76(b) of the MSA states that KPIs should inform the indicators set for every municipal entity and service provider with whom the municipality has entered into a service delivery agreement. A service provider:

- means a person or institution or any combination of persons and institutions which provide a municipal service to or for the benefit of the local community
- means an external mechanism referred to in Section 76(b) which provides a municipal service for a municipality
- service delivery agreement means an agreement between a municipality and an institution or person mentioned in Section 76(b) in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the municipality

During the year under review the Municipality did not appoint any service providers who provided a municipal service to or for the benefit of the local community on behalf of the Municipality and therefore this report contains no such details. All other contract appointments are regularly monitored and ensured, that the requirements of the contract are complied with.

3.2.3. Municipal Functions

a) Analysis of Functions

The municipal functional areas are as indicated below:

Municipal Function	Municipal Function Yes / No
Constitution Schedule 4, Part B functions:	
Air pollution	Yes
Building regulations	Yes
Child care facilities	Yes
Electricity and gas reticulation	Yes
Fire Fighting Services	Yes
Local tourism	Yes
Municipal airports	Yes
Municipal planning	Yes
Municipal health services	No
Municipal public transport	Yes
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	No
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No

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Municipal Function	Municipal Function Yes / No
Stormwater management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste water and sewage disposal systems	Yes
Constitution Schedule 5, Part B functions:	
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlors and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	No
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

Table 52: Functional Areas

COMPONENT A: BASIC SERVICES

This component includes basic service delivery highlights and challenges, includes details of services provided for water, waste water (sanitation), electricity, waste management, housing services and a summary of free basic services.

3.3. WATER PROVISION

3.3.1. Introduction to Water Services

Water is arguably the most essential and irreplaceable natural resource, vital for life, the environment, food production, hygiene, and power generation. The link between poverty reduction and improved water management is undeniable. According to Section 4B of the Constitution, local governments are responsible for water and sanitation services, including potable water supply systems and domestic wastewater and sewerage disposal systems. Basic water service is defined as 25 liters of potable water per day provided within 200 meters of a household.

Due to the drought situation in the Western Cape, Cederberg Municipality was compelled to assess its bulk water supply systems. With surface water provision at risk, the Municipality sought assistance from the Department of Local Government. The Department funded an all-town water reconciliation study to ensure water security for the next twenty years, leading to the exploration and initiation of borehole projects.

3.3.2. Highlights: Water Services

The table below specify the highlight for the year:

Highlight	Description
Water Filters for Clanwilliam water provision	Water Filter Project for Clanwilliam completed.
Wadriest Reservoir Repairs	Project under construction, to be completed in September 2025.
Bulk Water Meters	Bulk water meters purchased and installed to improve NRW.

Table 53: Water Services Highlights

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3.3.3. Challenges: Water Services

The table below specifies the challenges for the year:

Description	Actions to address
Inadequate capital funding to address infrastructure needs, especially the bulk sources. This includes the completion of the Lamberts Bay Desalination Plant and the Nortier Wellfields project.	Funding applications submitted to secure funding for new bulk supply as well as the upgrade of infrastructure to DWS (RBIG & WSIG)
Aged asbestos water networks	Business Plans and Funding application must be submitted to Department of Water and Sanitation (DWS) for the replacement of water networks.
The Clanwilliam and Citrusdal storage capacity is inadequate and a 3ML reservoirs are required	Funding application has been submitted to Department of Infrastructure (Human Settlements) for the construction of 3ML reservoirs
Informal Settlements	Rapid growth of Informal Settlements caused the water demand to exceed the current supply in Citrusdal. Bulk infrastructure will be addressed through the Human Settlements program.

Table 54: Water Services Challenges

3.3.4. Service Delivery Levels: Water Services

Below is a table that specifies the different water service delivery levels per household for the financial years 2023/24 and 2024/25:

Description	2023/24	2024/25
	Actual	Actual
Household		
Water: (above minimum level)		
Piped water inside dwelling	6 047	6 017
Piped water inside the yard (but not in dwelling)	0	0
Using public tap (within 200m from dwelling)	0	125
Other water supply (within 200m)	0	0
Minimum Service Level and Above Sub-total	6 047	6 142
Minimum Service Level and Above Percentage	100%	96.98%
Water: (below minimum level)		
Using public tap (more than 200m from dwelling)	0	0

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Description	2023/24	2024/25
	Actual	Actual
Household		
Water: (above minimum level)		
Other water supply (more than 200m from dwelling)	0	0
No water supply	0	0
Below Minimum Service Sub-total	0	0
Below Minimum Service Level Percentage	0%	0%
Total number of Households (formal and informal)	6 047	6 142
<i>Include informal settlements</i>		

Table 55: Water Service Delivery Levels: Households

3.3.5. Employees: Water Services

The following table indicates the staff composition for this division:

Employees: Water Services					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	12	23	18	5	21.7
4 - 6	2	8	2	6	75
7 - 9	7	10	7	3	30
10 - 12	1	2	1	1	50
13 - 15	0	0	0	0	0
16 - 18	0	1	1	0	0
19 - 20	0	0	0	0	0
Total	22	44	29	15	34

Table 56: Employees: Water Services

3.3.6. Capital: Water Services

The following table indicates the capital expenditure for this division:

Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
MWRG: CLANWILLIAM WTW FILTERS	3 043 478,00	4 043 478,00	3 913 043,48	130 434,52
VEHICLES	350 000,00	6 743,00	0,00	6 743,00
RBIG - LAMBERT'S BAY REGIONAL WATER SUPPLY AND	12 896 522,00	0,00	0,00	0,00
WATER: EQUIPMENT LAMBERS BAY	0,00	15 420,00	14 800,61	619,39
WATER EQUIPMENT CLW	186 000,00	142 000,00	112 159,19	29 840,81
WATER EQUIPMENT CDAL	0,00	229 257,00	228 659,07	597,93
MWRG: NEW BOREHOLE SCHEME IN LAMBERTS BAY	3 913 044,00	6 331 912,00	4 923 703,80	1 408 208,20
MDRG: UPGRADE BOSCHKLOOF BOREHOLE	0,00	182 608,00	0,00	182 608,00
MDRG: PLANT & EQUIPMENT	0,00	49 304,00	0,00	49 304,00
MDRG: UPGRADE MAIN WATER PIPE CITRUSDAL	0,00	173 913,00	0,00	173 913,00
MDRG: REPLACE MAIN WATER SUPPLY CLANWILLIAM	0,00	695 652,00	103 041,83	592 610,17
WMC: BOREHOLE INSTALLATION AND GROUNDWATER QUALITY	0,00	447 857,00	447 826,10	30,90
BOREHOLE INSTALLATION AND GROUNDWATER QUALITY - OWN FUNDS	0,00	62 580,00	41 373,90	21 206,10

Table 57: Capital Expenditure 2024/25: Water Services

3.4. WASTE WATER (SANITATION) PROVISION

The Department of Water and Sanitation (DWS) began regulating water services in South Africa in 2004 and has since strengthened this approach with the introduction of incentive-based regulatory programs, such as the Green Drop and the newly launched No Drop Certification. These programs have surpassed expectations, even gaining political attention. However, despite these positive efforts, Cederberg Municipality continues to struggle with meeting the standards set by local government. The challenge is compounded by the growing funding requirements to address infrastructure backlogs in the waste water sector, which worsen annually due to rising inflation. According to Section 4B of the Constitution, local governments are responsible for water and sanitation services, including potable water supply systems and domestic wastewater and sewerage

disposal. Cederberg Municipality is focused on eradicating these backlogs to improve overall compliance in operations and management.

The tables information below gives a clear indication of the challenges encountered as well as the highlights achieved.

3.4.1. Highlights: Waste Water (Sanitation) Provision

The table below specify the highlight for the year:

Highlight	Description
Clanwilliam Waste Water Treatment Works	<p>Upgrade and Refurbishment of the Works has been funded by WSIG and MIG respectively, and is currently under construction.</p> <p>This project will aim to provide the residents of Clanwilliam, and the surrounding environment, with a WWTW capable of producing a treated effluent that complies with the special limits as regulated by DWS Standards.</p> <p>Refurbishment Work at Clanwilliam WWTW has been completed and the plant is fully operational.</p> <p>Upgrading project is a multi year project and funded by WSIG</p>
Additional Sewer Suction Tanker Vehicles	Two additional Sewer Suction Trucks have been purchased to improve the service delivery in the municipal area.
Standby Pumps for Sewer Pumpstations	Standby pumps have been purchased to mitigate interruption in the functioning of the sewer pumpstations.
Sewer sludge removal from WWTW hampered operations resulting in none-compliance	Sewer Sludge Pump purchased. Planning processes in progress for operations to commence in 2025/2026.

Table 58: Waste Water (Sanitation) Provision Highlights

3.4.2. Challenges: Waste Water (Sanitation) Provision

The table below specifies the challenges for the year:

Description	Actions to address
Elands Bay oxidation ponds are overloaded	Planning processes completed. Funding application processes for the upgrading initiated.
Rural areas are without proper sanitation and require urgent interventions with regards to sanitation services	Collaborated Provincial Departmental initiative launched to address the backlogs.

Table 59: Waste Water (Sanitation) Provision Challenges

3.4.3. Service Delivery Levels: Waste Water (Sanitation) Provision

Below is a table that specifies the different sanitation service delivery levels per household for the financial years 2023/24 and 2024/25:

Description	2023/24	2024/25
	Actual	Actual
Household		
Sanitation/Sewerage: (above minimum level)		
Flush toilet (connected to sewerage)	5 171	5 150
Flush Toilet (with Septic tank)	487	403
Chemical Toilet	0	0
Pit Toilet (ventilated)	0	74
Other toilet provisions (above minimum service level)	0	0
Minimum Service Level and Above Sub-Total	5 658	5 627
Minimum Service Level and Above Percentage	100%	99.82%
Sanitation/Sewerage: (below minimum level)		
Bucket Toilet	0	23
Other Toilet provisions (below minimum service level)	0	0
No toilet provisions	0	0
Below Minimum Service Level Sub-Total	0	23
Below Minimum Service Level Percentage	0%	0.41%
Total number of households	5 658	5 637

Table 60: Waste Water (Sanitation) Provision Service Delivery Levels

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3.4.4. Employees: Waste Water (Sanitation) Provision

The following table indicates the staff composition for this division:

Employees: Sanitation Services					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	7	1	6	85.7
4 - 6	2	4	2	2	50
7 - 9	4	4	4	0	0
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	7	15	7	8	53.3

Table 61: Employees Waste Water (Sanitation) Provision

3.4.5. Capital: Waste Water (Sanitation) Provision

The following table indicates the capital expenditure for this division:

Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
SEWERAGE: EQUIPMENT GRAAFWATER	0,00	325 500,00	168 722,53	156 777,48
SEWERAGE: EQUIPMENT LAMBERTS BAY	202 000,00	477 000,00	392 408,41	84 591,59
SEWERAGE: EQUIPMENT ELANDSBAY	156 000,00	79 500,00	34 040,00	45 460,00
SEWERAGE: EQUIPMENT CLW	93 000,00	345 000,00	225 879,69	119 120,31
SEWERAGE: EQUIPMENT CITRUSDAL	68 000,00	198 000,00	18 497,10	179 502,90
VEHICLES	0,00	2 390 000,00	2 076 770,00	313 230,00
UPGRADE VAN RIOOLNETWERK CITRUSDAL	900 000,00	0,00	0,00	0,00
UPGRADE VAN RIOOLNETWERK LAMBERTS BAY	1 200 000,00	0,00	0,00	0,00
MIG: WWTW CLANWILLIAM	6 986 730,00	6 986 730,00	6 986 730,00	0.00
WSIG: WWTW CLANWILLIAM	8 695 652,00	8 695 652,00	5 654 265,69	3 041 386,31
WWTW CLANWILLIAM: CO-FUNDING	3 424 967,00	3 424 967,00	2 922 130.54	502 836.46
MDRG: PLANT & EQUIPMENT	0,00	316 194,00	315 232,00	962,00

Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
MDRG: PLANT & EQUIPMENT	0,00	803 558,00	732 486,00	71 072,00
MDRG: CLANWILLIAM CUT-OFF WALL WWTW	0,00	782 608,00	0,00	782 608,00

Table 62: Capital Expenditure 2024/25: Waste Water (Sanitation) Provision

3.5. ELECTRICITY

3.5.1. Introduction to Electricity

Local government plays a very important role in the provision of electricity. Section 153 of the Constitution places the responsibility on municipalities to ensure the provision of services to communities in a sustainable manner for economic and social support.

Service Backlogs

The Municipality cannot allow any development in Clanwilliam due to a shortage of electricity from the Eskom bulk intake point. Negotiations between Eskom and the Municipality have been finalised. The Department of Mineral Resources and Energy (DMRE) committed a contribution of 100% of the cost to build a 66 KV overhead line and a new 66/11kV, 10MVA substation. The project is in the execution phase with the projected end date being the end of 2024/2025 financial year.

Infrastructure

The Municipality is responsible for the distribution of electricity in all urban areas including Clanwilliam, Citrusdal, Lamberts Bay, Elands Bay and Graafwater. Eskom distributes electricity to the areas not serviced by the Municipality.

3.5.2. Highlights: Electricity

The table highlights below specifies the for the year:

Highlights	Description
New 66/11kV substation and 66kV overhead line from Graafwater to Clanwilliam	100% Funding allocated for the Integrated National Electrification Programme (INEP)
Repairs on internal networks	R3,4m of own funding was spent on upgrades and replacement of network infrastructure.

Table 63: Electricity Highlights

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3.5.3. Challenges: Electricity

The table below specifies the challenges for the year:

Description	Actions to address
Loadshedding	Load curtailment on the municipal side to ensure safeguarding of the network
Load reduction in Graafwater	Continuous maintenance to be done by Eskom on the network.
Illegal electrical connections in the Informal Settlements	Dedicated strategy will be developed to eliminate illegal connections and provide prepaid meters to informal settlements.
Vandalism and Theft during loadshedding	Police patrol areas during loadshedding
Generators being used outside its designed purpose	Generators must be monitored daily and only run when the dam levels drop below safe maintainable levels
Staff working extensive overtime hours	Rotate staff and give enough time-off to rest. Augment staff compliment to address the compliance and work load.

Table 64: Electricity Challenges

3.5.4. Service Delivery Levels: Electricity

The table below specifies the service delivery levels for the year:

Households		
Description	2023/24	2024/25
	Actual	Actual
	No.	No.
Households		
Electricity	8 558	7 171
Total number of households	8 558	7 171
Number of debtors according to the billing system		

Table 65: Electricity Service Delivery Levels

3.5.5. Employees: Electricity

The following table indicates the staff composition for this division:

Employees: Electricity Services					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0

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Employees: Electricity Services					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
4 - 6	6	9	7	2	22.2
7 - 9	2	3	3	0	0
10 - 12	7	7	7	0	0
13 - 15	1	1	1	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	16	20	18	2	10

Table 66: Employees: Electricity Services

3.5.6. Capital: Electricity

The following table indicates the capital expenditure for this division:

Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
ELECTRICITY: UPGRADE NETWORK CLANWILLIAM	1 320 000,00	1 200 000,00	1 200 000,00	0.00
MACHINERY & EQUIPMENT	0,00	120 000,00	0,00	120 000,00
CLANWILLIAM: 11KV CABLE - MARK STREET	1 300 000,00	1 150 000,00	1 021 929,28	128 070,72
GRAAFWATER: REFURBISH OVERHEADLINE EAST OF TOWN	1 100 000,00	1 100 000,00	1 100 000,00	0,00
VEHICLES	0,00	150 000,00	75 900,00	74 100,00
MDRG: CLANWILLIAM DAMWAL CONTROL PANEL	0,00	1 375 948,00	1 375 284,64	663,36
MDRG:CLANWILLIAM SUBSTATION & PERIMETER FENCE	0,00	1 919 131,00	1 630 625,28	288 505,72
MDRG:ELANDSBAY MINISUB REPLACEMENT	0,00	652 174,00	0,00	652 174,00

Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
MDRG: REPLACE 315KVA TRANSFORMER	0,00	1 347 826,00	0,00	1 347 826,00
MDRG: REPLACE TRANSFORMER GHOLF COURSE WARD 3	0,00	478 261,00	0,00	478 261,00
MDRG: REPLACE OVERHEADLINE GRAAFWATER	0,00	234 783,00	0,00	234 783,00
INEP - BULK ELECTRICITY UPGRADE CLANWILLIAM	11 712 174,00	0,00	0,00	0,00

Table 67: Capital Expenditure 2024/25: Electricity

3.6. WASTE MANAGEMENT (REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

3.6.1. Introduction to Waste Management

The fragmented and uncoordinated approach to pollution and waste management, combined with insufficient resources to implement and monitor existing legislation, has led to unacceptably high levels of pollution and waste in South Africa. Improvements are expected through the implementation of various policies, legislation, standards, and guidelines, along with the promotion of cooperative governance as outlined in the Constitution. These efforts aim to eliminate fragmentation, duplication, and lack of coordination.

Pollution and waste management are not solely the government's responsibility; the private sector and civil society also play crucial roles. Establishing partnerships between the government and private sector is essential for sustainable and effective pollution and waste management. Likewise, fostering cooperative governance between state organs is vital due to the cross-cutting nature of pollution and waste management.

3.6.2. Highlights: Waste Management

The table below specifies the highlights for the year:

Highlights	Description
Specialised Waste Vehicles	A Cage Truck and a Tipper Truck has been procured through MIG funding.

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Highlights	Description
Regional Bulk Waste Disposal Facility	The Construction of the Regional Bulk Waste Disposal Facility has been completed April 2025

Table 68: Waste Management Highlights

3.6.3. Challenges: Waste Management

The table below specifies the challenges for the year:

Description	Actions to address
Illegal dumping on road reserves	Skips will be placed at strategic points and informal settlements.
Infrastructure facilities for Regional Waste Operations not yet constructed and operational.	Additional funding to be secured for Transfer Station and Drop-Offs, location of sites to be finalised.
High cost of Regional Waste Operations	Funding to be sourced for Capital Costs and operations to be optimised.

Table 69: Waste Management Challenges

3.6.4. Service Delivery Levels: Waste Management

The table below specifies the service delivery levels for the year:

Description	Households	
	2023/24	2024/25
	Actual	Actual
	No.	No.
<i>Solid Waste Removal: (Minimum level)</i>		
Removed at least once a week	5 784	5 983
<i>Minimum Service Level and Above sub-total</i>	5 784	5 983
<i>Minimum Service Level and Above percentage</i>	100%	100%
<i>Solid Waste Removal: (Below minimum level)</i>		
Removed less frequently than once a week	0	0
Using communal refuse dump	0	0
Using own refuse dump	0	0
Other rubbish disposal	0	0
No rubbish disposal	0	0
<i>Below Minimum Service Level sub-total</i>	0	0
<i>Below Minimum Service Level percentage</i>	0%	0%
Total number of households	5 784	5 983

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Table 70: Waste Management Service Delivery Levels

3.6.5. Employees: Waste Management

The following table indicates the staff composition for this division:

Employees: Solid Waste Services					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	23	27	24	3	11.1
4 - 6	3	6	3	3	50
7 - 9	5	8	5	3	37.5
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	31	41	32	9	21.95

Table 71: Employees: Waste Management

3.6.6. Capital: Waste Management

Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
REFUSE: EQUIPMENT	0,00	500 000,00	0,00	500 000,00
VEHICLES	0,00	2 080 000,00	635 444.89	1 444 555.11
MIG: SPECIALISED WASTE VEHICLES	0,00	2 375 195,00	2 375 195,00	0.00
CLANWILLIAM TRANSFER STATION	2 500 000,00	0,00	0,00	0,00

Table 72: Capital Expenditure 2024/25: Waste Management

3.7. HOUSING

3.7.1. Introduction to Housing Subsidy Programmes: Be Homewise

Introduction to Housing Subsidy Programmes: Be Homewise

Housing need:

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The need for an integrated residential development approach that addresses the whole spectrum of residential needs has been identified and the following main combined income categories have been considered:

1. Subsidy Housing Opportunity: If you earn R0-R3 500 pm

If your household income falls between R0 and R3 500 per month, you may qualify for one of the following government housing subsidies and programmes. - Individual Subsidy

To access one of these subsidies, you must be registered on the housing demand database at the municipality where you live.

A. What You Get

This subsidy can be used once if your application is successful. The subsidy amount is up to R202 888.

You can use this subsidy to:

- Buy an existing house
- Buy a house on a plot and plan basis
- Finished an incomplete house, if not previously subsidised

B. What You Need To Qualify

You qualify for this subsidy if:

- You registered on the housing demand database (waiting list) at your municipality.
- You have been on the municipal housing demand database for a minimum of 5 years.
- You are a South African Citizen or have a permanent residency permit.
- You are 18 years or older.
- You are married or living with a partner.
- You are single or divorced and have proven financial dependants permanently living with you.
- Your maximum monthly household income is R3 500 or less before deductions
- You or your partner have never owned property or in exceptional cases where the final order of divorce leaves all immovable property to one person, a person owns a portion e.g. A fifth of a property bequeathed in an estate and where a person owns a vacant stand bought without State assistance
- Please take note that priority will be given to applicants who are either aged or have special needs (e.g. disabled persons), you qualify for a housing subsidy, plus a set disability variance amount to pay for the cost of any extra features your house may need, for example, a ramp for wheelchair access.
- There is a limited budget, therefore assistance is provided on a first come first serve basis. Applications can be submitted from 1 April and will be accepted until the funding is depleted.

C. How To Apply

Applications and enquiries can be made directly at the Western Cape Department of Infrastructure, Human Settlements Branch

- Visit 27 Wale Street, Cape Town

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- Call the helpdesk on 027 483 6488
- Email: human.settlements@westerncape.gov.za
- Visit the departmental website: www.westerncape.gov.za/dept/human-settlements

Or

- Visit your nearest Human Settlements office in your municipality for support.

2. Subsidy Housing Opportunity: If you earn R3 501-R7 500 pm

If your household income falls between R3 501-R7 500 per month, you may qualify for one of the following government housing subsidies and programmes- Integrated Residential Development Programme (IRDP)

To access one of these subsidies, you must be registered on the housing demand database at the municipality where you live.

With this subsidy, you will be able to get land, service a site and build a home. It is provided to Local Municipalities.

3. Subsidy Housing Opportunity: If you earn R7 501-R22 000 pm

If your household income falls between R7 501 and R22 000.00 per month, you may qualify for the Finance Linked Individual Subsidy Programme (FLISP).

This program has changed and is now called *Help Me Buy Me a Home*.

The implementation of the revised policy will be done on a phased approach with the first phase focusing on applications where a beneficiary is-As Implemented as of 1 April 2022

- Accessing a mortgage loan
- Is not required to contribute since the subsidy FLISP is supported with a Pension-backed loan (partial through a bank or directly correlated to pension)
- Is not required to contribute since the subsidy covers the selling price; no loan is needed
- "Rent to Buy" Agreement: Delayed Outcome (same as standard FLISP Application-when ready to buy, with clarification on the source of co-funding)

This subsidy can be used by first-time home buyers to purchase a property. It can also be used to purchase a serviced residential stand or build a new house on a residential stand that you already own.

Subsidies are provided depending on your income bracket and can be used to reduce your monthly loan repayments.

This will make your home loan more affordable. The subsidy amount is based on your household income and ranges between R30 001- R130 505. Once your home loan is approved. You can apply directly to the Western Cape Department of Infrastructure for a FLISP.

Individual Subsidy Opportunities

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Given the strategic decision to focus on FULL subsidy and FLISP housing, the needs can be summarized as follows:

Description	Number
Full Subsidy	4517
FLISP	1910

Table 73: Housing Needs

3.7.2. Highlights: Housing

The table below specifies the highlights for the year:

Highlights	Description
Register all residents in the Informal Settlement as per new structure number per informal Settlement	65% South African residents registered per informal settlement in Cederberg
Updating and register applicants on the WCHDDb	Outreach programmes in All Towns in Cederberg.
Handling outstanding Title deeds in Elands Bay and Citrusdal	Verification to outstanding Municipal houses to determine the Beneficiary for transfers opportunity

Table 74: Housing Highlights

3.7.3. Challenges: Housing

The table below specifies the challenges for the year:

Description	Actions to address
Growth of Informal Settlements	<ul style="list-style-type: none">Strengthen monitoring and controls through support from Law Enforcement UnitEncourage residents to register and after screening process provision of allocation letter to residentsRegular spot checks by law enforcement
Lack of bulk infrastructure	<ul style="list-style-type: none">Report to Technical Department on the need for bulk infrastructure to activate the housing projectsSubmission of housing pipeline to province and indicates bulk infrastructure support

Table 75: Housing Challenges

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3.7.4. Service Delivery Levels

Applicants on the Western Cape Housing Demand Database (waiting list) as per income category

Category	R per month	Number
Full Subsidy	R0 - R3 500	4517
Service Site	R3 501- R7 000	1115
FLISP	R7 001- R22 000	796
Other	Above R22 000	72

Table 76: Applicants on the Western Cape Housing Demand Database

Financial year	Number of housing units on waiting list	% Housing waiting list increase/(decrease)
2022/23	5 835	(0.46%)
2023/24	6 113	4%
2024/25	6514	6.6%

Table 77: Housing Waiting List

A summary of houses built, includes:

Financial year	Allocation	Amount spent	% spent	Number of houses built	Number of sites serviced
	R'000	R'000			
2022/23	15 340	9 669	63%	62	0
2023/24	0	0	0	0	0
2024/25	0	0	0	0	0

Table 78: Houses Built and Sites Service

3.7.5. Employees: Housing

The following table indicates the staff composition for this division:

Employees: Housing					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	0	0	0	0	0
10 - 12	3	3	2	1	33.3

Employees: Housing					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
13 - 15	1	1	1	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	4	4	3	1	25

Table 79: Employees: Housing

3.7.6. Capital: Housing

Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
ISUPG: CLANWILLIAM KHAYELITSHA WATER SERVICES	3 200 000,00	1 200 155,00	1 200 971,00	-816,00
ISUPG: CITRUSDAL RIVERVIEW	2 736 000,00	2 154 845,00	2 154 845,00	0,00

Table 80: Capital Expenditure 2024/25: Housing

3.8. FREE BASIC SERVICES AND INDIGENT SUPPORT

3.8.1. Introduction

The table shows the percentage of indigent households with access to free basic municipal services. According to the Municipality's approved Indigent Policy, all households earning less than R6 930 per month are entitled to receive these services as prescribed by national policy. Additionally, the table details the total number of indigent households and other households that received free basic services over the past two financial years. The table below indicates the total number of households received free basic services in 2024/25 financial year:

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Financial year	Number of indigent households								
	Total no of HH	Free Basic Electricity		Free Basic Water		Free Basic Sanitation		Free Basic Refuse Removal	
		No. Access	%	No. Access	%	No. Access	%	No. Access	%
2022/23	2 397	2 250	94%	2 397	100%	2 330	97%	2 395	99.9%
2023/24	2 172	1 787	82%	2 172	100%	2 127	98%	2 171	100%
2024/25	1 975	2 294	116%	1 663	84%	1 846	93%	1 918	97%

Table 81: Free Basic Services to Indigent Households

Electricity									
Financial year	Indigent Households			Non-indigent households			Households in Eskom areas		
	No. of HH	Unit per HH (kwh)	Value	No. of HH	Unit per HH (kwh)	Value	No. of HH	Unit per HH (kwh)	Value
			R			R			R
2022/23	2 250	50	187 875	8 440	200	4 506 960	0	0	0
2023/24	1 787	50	171 364	6 826	200	4 193 621	0	0	0
2024/25	2 294	50	235 453	4 877	200	3 376 737	0	0	0

Table 82: Free Basic Electricity Services to Indigent Households

Water						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	R value per HH	Value	No. of HH	R value per HH	Value
			R			R
2022/23	2 397	6	139 218	6 059	20	1 173 022
2023/24	2 172	6	132 666	3 875	20	788 950
2024/25	1 663	6	123 240	4 354	20	840 736

Table 83: Free Basic Water Services to Indigent Households

Sanitation						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	R value per HH	Value	No. of HH	R value per HH	Value
			R			R
2022/23	2 330	0	454 140	5 167	234	1 209 078
2023/24	2 127	0	453 540	3 044	256	779 264
2024/25	1 846	0	377 360	3 304	272	898 688

Table 84: Free Basic Sanitation Services to Indigent Households

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Refuse Removal						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	Service per HH per week	Value	No. of HH	R value per HH	Value
			R			R
2022/23	2 395	30	72 281	5 999	156	935 844
2023/24	2 171	136	295 256	3 826	169	646 594
2024/25	1 918	153	293 454	4 065	189	768 285

Table 85: Free Basic Refuse Removal Services to Indigent Households

Financial Performance 2024/25: Cost to Municipality of Free Basic Services Delivered				
Services Delivered	2023/24	2024/25		
	Actual	Budget	Adjustment Budget	Actual
	R			
Water	3 127 077.88	3 502 000.00	4 090 000.00	3 987 382.57
Sanitation	4 979 734.94	5 237 000.00	6 184 000.00	6 025 036.40
Electricity	2 318 500.45	2 595 000.00	2 935 000.00	2 879 768.66
Refuse	3 241 660.77	3 629 000.00	4 244 000.00	4 136 381.64

Table 86: Cost to Municipality of Free Basic Services Delivered

COMPONENT B: ROAD TRANSPORT

3.9. ROADS AND STORMWATER

3.9.1. Introduction to Roads and Stormwater

The Cederberg Municipality has a Pavement Management System (PMS) compiled in 2013, with the latest PMS 2024 currently approved in the 2024/25 financial year. This document includes network-level proposals for the maintenance of paved and unpaved roads based on methodical visual assessments of each road section. There is a significant backlog in the network, requiring upgrading or rehabilitation due to historically limited funding for infrastructure operations and maintenance.

The total length of the paved network is 114.4 km, with the average condition rated as poor to very poor, and over 50% of the surfacing falling into the poor to very poor category.

The total unpaved network is 18km. The average condition of the unpaved network can be rated as fair to poor. It is a challenge to secure sufficient funding for the maintenance of our roads. The Municipality therefore utilises the Expanded Public Works Programme (EPWP) for most of the yearly maintenance programmes. Approximately R 764 486.38 was spent from own funds on the maintenance and rehabilitation of roads and stormwater in the 2024/25 financial year.

The Municipality's stormwater drainage network consists of 31km of a piped system and open drainage channels. The drainage system of Citrusdal is the poorest and this is being addressed with the MIG project currently being implemented for the upgrade of roads and stormwater infrastructure. Maintenance and cleaning of the existing stormwater system is conducted on an annual basis to alleviate blockages that cause flooding.

3.9.2. Highlights: Roads and Stormwater

The table below specifies the highlights for the year:

Highlights	Description
Roads infrastructure	Repair 4850no potholes in municipal area all towns
Roads infrastructure	Slurry seal (2303 m2) in Citrusdal and Lamberts Bay
Roads infrastructure	Pave 500m road in Hoop Street, Citrusdal

Table 87: Roads and Stormwater Highlights

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3.9.3. Challenges: Roads and Stormwater

The table below specify the challenge for the year:

Description	Actions to address
Roads identify during IDP sessions in all towns	Cederberg Municipality have commenced with a rehabilitation program from own funding sources. The upgrading of gravel roads will be addressed via MIG programs in the future.
Roads infrastructure	Aging infrastructure

Table 88: Roads and Stormwater Challenge

3.9.4. Service Delivery Levels and Statistics: Roads

The table below specifies the service delivery levels for the year:

Gravel Road Infrastructure: Kilometres				
Year	Total gravel roads (km)	New gravel roads constructed (km)	Gravel roads upgraded to tar (km)	Gravel roads graded/maintained (km)
2022/23	18	0	0	4
2023/24	18	0	0	5
2024/25	18	0	0	4.5

Table 89: Gravel Road Infrastructure

Tarred Road Infrastructure: Kilometres					
Year	Total tarred roads (km)	New tar roads (km)	Existing tar roads re-tarred (km)	Existing tar roads re-sheeted (km)	Tar roads maintained (km)
2022/23	114.4	0	0	0.3	10
2023/24	114.4	0	0	2.1	25
2024/25	114.4	0	0	0.5	50

Table 90: Tarred Road Infrastructure

The table below shows the costs involved for the maintenance and construction of roads within the municipal area:

Financial year	Gravel			Tar		
	New	Gravel – Tar	Maintained	New	Re-worked	Maintained
	R'000	R'000	R'000	R'000	R'000	R'000
2022/23	0	0	0	0	0	0,597
2023/24	0	0	0	0	0	764,486

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Financial year	Gravel			Tar		
	New	Gravel – Tar	Maintained	New	Re-worked	Maintained
	R'000	R'000	R'000	R'000	R'000	R'000
2024/25	0	0	0	0	0	2 000

Table 91: Cost of Construction/Maintenance of Roads

3.9.5. Services Delivery Levels and Statistics: Stormwater

The table below shows the total kilometers of stormwater system maintained and upgraded, as well as the kilometers of new stormwater pipes installed:

Stormwater Infrastructure: Kilometres				
Year	Total stormwater measures (km)	New stormwater measures (km)	Stormwater measures upgraded (km)	Stormwater measures maintained (km)
2022/23	31	0	0	20
2023/24	31	0	0	31
2024/25	31	0	0	31

Table 92: Stormwater Services Delivery Statistics

The table below indicates the amount of money spend on stormwater projects:

Stormwater Measures			
Year	New	Upgraded	Maintained
	R'000	R'000	R'000
2022/23	0	0	338,998
2023/24	0	0	322,948
2024/25	0	0	298,000

Table 93: Stormwater Services Delivery Statistics - Financials

3.9.6. Employees: Roads and Stormwater

The following table indicates the staff composition for this division:

Employees: Roads and Stormwater					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	25	35	28	7	20
4 - 6	0	6	0	6	100
7 - 9	8	13	8	5	38.4
10 - 12	3	3	3	0	0
13 - 15	1	1	1	0	0
16 - 18	1	1	1	0	0
19 - 20	0	0	0	0	0
Total	38	59	41	18	30.5

Table 94: Employees: Roads and Stormwater

3.9.7. Capital: Roads and Stormwater

Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
UPGRADE ROADS: CEDERBERG	2 000 000,00	2 000 000,00	1 720 320,64	279 679,36
MDRG: UPGRADE ROADS	0,00	956 523,00	721 280,01	235 242,99
MDRG UPGRADE STORMWATER CHANNELS LAMBERTS BAY	0,00	695 652,00	40 292,00	655 360,00

Table 95: Capital Expenditure 2024/25: Roads and Stormwater

COMPONENT C: PLANNING AND LOCAL ECONOMIC DEVELOPMENT (LED)

3.10. PLANNING

3.10.1. Introduction to Planning

Land use planning for Cederberg Municipality is managed by the Department of Town Planning, Building Control, and Environmental Management. Despite facing challenges from previous financial years due to budget constraints and the post-pandemic economy, the department has continued to deliver necessary services. This has been possible with the help of additional personnel secured for the 2024/25 financial year.

3.10.2. Highlights: Planning

The table below specifies the highlights for the year:

Highlights	Description
Stability of office space	The department has a dedicated office space to serve the public at the main offices in Clanwilliam which have remained consistent.
Implementation and facilitating spatial data for the Cederberg Municipality	The department successfully provided spatial information the municipality for its internal departments. This is through the acquired license of a Geographical Information System.
Continuous mentoring of the two building inspectors	Two building inspectors were appointed and retained at the department to facilitate the legislative requirements of the

Highlights	Description
	municipality. They are continuously being mentored by the Building Control Officer.
Acquired a key position for the department: admin clerk	The department managed to obtain an admin clerk which has enhanced the department's customers services and service delivery.
The department achieved its service delivery targets	The department achieved its service delivery targets and timeframes despite the lack of resources.
Stable top management	Stability of top management has improved service delivery for the department, i.e. reducing delays of important decision-making on applications.

Table 96: Planning Highlights

3.10.3. Challenges: Planning

The table below specifies the challenges for the year:

Description	Actions to address
Lack of human resources	Provision must be made to appoint a Town Planner Intern and/or professional Town Planner. Currently, the manager of the department is fulfilling the duties of his post, town planning, and GIS.
Department personnel challenges in 2024/2025	Address organisational structure changes and challenges for alignment.
Addressing law enforcement procedures in the absence of dedicated qualified law enforcement officials regarding environmental-, land development- and building control. The COVID-19 pandemic caused an increase in unauthorised building activities since March 2020	Employ dedicated law enforcement officials and develop clear and concise standard operating procedures (SOP). Also, implement an amnesty period for unauthorised building activities.

Table 97: Planning Challenges

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3.10.4. Service Delivery Levels: Planning

The table below specifies the service delivery levels for the year:

Applications for Land Use Development				
Detail	Formalisation of Townships		Land Use Applications	
	2023/24	2024/25	2023/24	2024/25
Planning application received	1	0	40	67
Applications not approved	0	0	0	1
Applications closed	1	0	1	0
Applications outstanding at year end	0	0	2	10
Awaiting DEA&DP decision	0	0	0	0

Table 98: Applications for Land Use Development

Type of service	2023/24	2024/25
Building plans application processed	181	181
Total surface (m²)	31721	43542
Approximate value	R206 186 500	R283 023 000
Residential extensions (m²)	16 312	9861
Land use applications completed	48	57

Table 99: Additional Performance Town Planning and Building Control

3.10.5. Employees: Planning

The following table indicates the staff composition for this division:

Employees: Planning					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	
4 - 6	0	0	0	0	0
7 - 9	0	1	1	0	0
10 - 12	4	4	2	2	50
13 - 15	0	1	1	0	0
16 - 18	1	1	1	0	0
19 - 20	0	0	0	0	0
Total	5	7	5	2	28.5

Table 100: Employees: Planning

3.10.6. Capital: Project Management and Town Planning

Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
MIG: PH2 UPGRADE ROADS AND STORMWATER INFRASTRUCTURE - GRAAFW	0,00	260 870,00	260 869,56	0,44
UPGRADE ROADS AND STORMWATER INFRASTRUCTURE-GRAAFWATER OWN	500 000,00	0,00	0,00	0,00
OFFICE FURNITURE & EQUIPMENT	0,00	5 000,00	3 519,60	1 480,40

Table 101: Capital Expenditure 2024/25: Project Management and Town Planning

3.11. LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

3.11.1. Introduction to LED

Local Economic Development (LED) is a cross-cutting discipline that relies on the collaboration of all municipal departments to be successful. The Municipality recognizes the importance of LED as a key driver of growth and poverty alleviation and is committed to creating an enabling environment for economic growth and development.

The Cederberg Municipality's LED Unit is diligently working to build institutional capacity and establish the necessary policies and procedures to ensure that LED becomes an integral part of the Municipality's operations.

3.11.2. Highlights: LED

The table below includes the highlights with the implementation of the LED Strategy:

Highlights	Description
Events Economy	The Municipality engaged with various stakeholders to establish an events committee to ensure sustainability of events in the area.
Contractor Development	Panel of small contractors established- still ongoing

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Highlights	Description
Emerging farmer Development	Various training sessions held to capacitate emerging farmers
Bulk Infrastructure	Ongoing infrastructure upgrades
National Project Participation	Local contractors and other smme's, awarded contracts on South African National Roads Agency SOC Ltd (SANRAL) project as well as the Upgrading of the Clanwilliam Dam project and the IPP's (Eskom Battery storage project and Paleisheuwel Solar plant project)
Review of LED strategy	A PACA process was successfully done to ensure inputs from the business community for the review of the LED strategy as well as the investment strategy. LED Strategy and Investment Profile adopted by council during May 2025.
Footprint of institutions	Coordinated sessions to have regular visits from institutions such as SEDFA, NDA, EDP and DEDAT to assist with development of smme's.
Smart City initiatives	Coordinated sessions with DPLG, MISA and EDP to start with smart city initiatives such as digitization, smart meters and planned various 4 th industrial initiatives such as coding and robotics training for the Youth.

Table 102: LED Highlights

3.11.3. Challenges: LED

The table below includes the challenges with the implementation of the LED Strategy:

Description	Actions to address
Budget Constraints	Budget provision must be made for LED projects
Lack of Communication between the Municipality and Business sector.	Sessions must be held to better communication between big business and the Municipality
Lack of bulk infrastructure to support and attract investment and economic opportunities.	Upgrade infrastructure to unlock investment opportunities.

Table 103: Challenges LED

3.11.4. Employees: LED

The following table indicates the staff composition for this division:

Employees: LED					
Job Level (T-grade)	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	0	0	0	0	0
7 – 9	0	0	0	0	0
10 - 12	5	2	2	0	0
13 - 15	0	0	0	0	0
16 - 18	1	1	1	0	0
19 - 20	0	0	0	0	0
Total	6	3	3	0	0

Table 104: Employees: LED

3.12. TOURISM

3.12.1. Introduction to Tourism

The Cederberg Integrated Tourism Development and Marketing Strategy, developed in 2013, continues to guide all activities of the department. Tourism remains a key sector for growth and job creation in the local economy. The strategy will focus on enhancing existing tourism products and developing new, sustainable tourism offerings to create an optimal mix that attracts targeted economic interest.

Five Tourism strategic objectives were identified:

Strategic Objective	Sub-Objective
Tourism Development: <ul style="list-style-type: none">Unlock the full tourism potential of the Cederberg by developing a diverse range of new and existing tourism products, experiences, and events that meet visitor needs and maximize income. This will contribute to Local Economic Development (LED) and overall growth.Expand tourism activities throughout the Cederberg region to increase tourism traffic over time.	Community-Based Tourism: Mainstream community-based tourism initiatives by implementing a portfolio of marketable tourism products and services in hitherto marginalized, rural communities of the Cederberg e.g. Elands Bay and Wupperthal and newly developed rural areas over time Catalytic Tourism Development Projects: Identify and develop new and existing portfolios of high-profile catalytic tourism products, designed and built by the locals, that will

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Strategic Objective	Sub-Objective
	<p>enhance the profile of the Cederberg as a national tourism destination of note</p> <p>Extreme Sports Tourism: Develop Cederberg's extreme and adventure sports potential as a vibrant tourism sub-sector in the region. Utilize current unique selling points, in particular resorts, to promote water sports</p> <p>Niche Tourism: Develop viable niche tourism sectors specifically birding, mountain biking routes, cultural and heritage routes, botanical/herb tourism and agro-tourism</p> <p>Events Tourism: Develop an exciting, well-planned portfolio of major and community events that stimulates inclusive economic growth, job creation and promote social cohesion and community development. The main aim is to focus on certain events becoming an annual occurrence, thus contributing to guaranteed LED growth</p>
<p>Tourism Transformation:</p> <p>Create conditions conducive to genuine, bottom-up tourism transformation and specifically the inclusion of previously disadvantaged areas and individuals in the Cederberg Tourism Association industry</p> <p>Utilize the Tourism Transformation Platform to ensure the empowerment of upcoming entrepreneurs, within the sector</p>	<p>Institutional Arrangements: Review and improve the current local tourism institutional arrangements in line with national policy guidelines</p> <p>Representativeness: Develop and implement a realistic blueprint for participation and inclusion of all sectors of the community with a stake in tourism</p> <p>Compliance with relevant legislation: Establish a mechanism that will facilitate and enforce applicable laws and regulations in the local tourism industry i.e. Tourism BEE Codes, BBBEE prescripts and others</p>
<p>Tourism Marketing:</p> <p>Market and promote the Cederberg area as a world-class, year-round, outdoor-adventure and cultural tourism destination</p>	<p>Digital destination marketing strategy: Develop and implement a cutting-edge digital marketing strategy based on a cost-effective and efficient electronic marketing portal and website</p> <p>Media exposure: Exploit the region's media exposure to increase tourist numbers</p> <p>Information Portal: Develop a comprehensive information portal where users can access current and accurate regional tourism and related information</p> <p>Communication Strategy: Develop an internal and external communication plan to improve lines of communication to fast-track tourism development</p>

Strategic Objective	Sub-Objective
Tourism Funding and Resource Mobilization: Develop and implement a sustainable tourism funding and resource model in support of Cederberg’s development, growth and marketing objectives	Funding of Local Tourism Office (LTO): Review and strengthen the current Municipal-LTO funding model in order to maximize marketing and development return on investment Resource Mobilization: Lobby national and provincial government, public entities, international funders and private companies to become partners in tourism development and marketing
Tourism Monitoring and Evaluation: Develop and implement a practical monitoring and evaluation system to monitor, review and assess the progress in tourism development and marketing	Tourism Research Intelligence: Set up a reliable tourism research and intelligence unit linked to a monitoring and evaluation component Source reliable tourism marketing statistics and development data that will assist in evaluating current initiatives and provide options for future developments

Table 105: Tourism Strategic Objectives

3.12.2. Highlights: Tourism

The table below includes the highlights with the implementation of the Tourism Strategy:

Highlights	Description
Elands Bay Museum	<p>Elands Bay Museum undertakes to interpret, present and promote the prospective World Heritage Site of “The Emergence of Modern Humans: The Pleistocene Occupation Sites of South Africa” with specific focus on Diepkloof Rock Shelter; and to promote the conservation of local heritage by creating awareness, and interpreting it to the local community and visitors. To achieve this, it will work closely with the Department of Cultural Affairs and Sport and local heritage organisations. The Museum will function as interpretation centre for the World Heritage Site.</p> <p>The museum also aims to serve as a public space for use by the local community, as well as South African and overseas visitors. Its permanent exhibition contains elements of local history, including oral histories. The museum present curriculum-based education programmes linked to various traveling exhibitions to the learners of Engelbrecht NGK Primary School.</p>

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Highlights	Description
Elands Bay Cave	San and Khoe rock art found in an elands Bay Cave +-5 km form the Elands Bay town. More than 80 000 years ago this site was first occupied during the Middle Stone Age. Rock paintings such as Eland, smaller antelope and other animals can be seen.
Diepkloof Rock Shelter archaeological site on Portion 3 of the Farm Groote Drift No. 5, Elands Bay	Diepkloof Rock Shelter is situated between Elands Bay and Redelinghuys and overlooks the Verlorenvlei wetland. The shelter is now one of the UNESCO World Heritage sites in South Africa. The site contains rock art, and an exceptional collection of over 400 intentionally engraved ostrich eggshells dated around 60 000 years ago. A tourism route was developed by Wesgro and DCASS to ensure visitors to the site.
Veldblomme Vereniging	Ramskop Nature Reserve is open to the public for viewing several plant species from the start of festive season. Veldblomme Vereeniging amassed funding for infrastructure upgrade (Buildings) at the Ramskop Nature reserve, which were completed during 2024/2025. Wildflower Church in Clanwilliam open to pubic during festive season Ramskop Tea Garden is operational in conjunction with the flower season.
Cederberg Local Tourism Organisation	A LTO was established during 2024/2025 to assist the municipality in rolling out projects such as marketing of the Cederberg tourism sector, development of new products and capacity building in the area, that has a positive impact on the local tourism organisations. Funding for this structure has been secured, and a Service Level agreement has been signed between the municipality and the structure. LTO will also represent the municipality on regional level.

Table 106: Highlights: Tourism

3.12.3. Challenges: Tourism

The table below includes the challenges with the implementation of the Tourism Strategy:

Description	Actions to address
Tourism awareness around economic opportunities	Start awareness campaigns amongst local communities
Shortage of structures	More tourism structures should be established in the local communities
Training	Initiate local training on tourism development
Capacity	Internal capacity needed as Tourism officer post became redundant and combined with LED officer position. Tourism clerk post not funded/budgeted.

Table 107: Challenges: Tourism

3.12.4. Employees: Tourism

The following table indicates the staff composition for this division:

Employees: Tourism					
Job Level (T-grade)	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	0	0	0	0	0
7 – 9	0	0	0	0	0
10 - 12	1	1	1	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	1	1	1	0	0

Table 108: Employees: Tourism

COMPONENT D: COMMUNITY AND SOCIAL SERVICES

3.13. LIBRARIES

3.13.1. Introduction to Libraries

The purpose of a library is multifaceted and includes:

Access to Information: Libraries provide access to a wide range of information resources, including books, journals, databases, and digital media, supporting research, learning, and knowledge acquisition.

Educational Support: They support educational development by offering resources for students of all ages, from early childhood through higher education, and by providing tutoring, literacy programs, and educational workshops.

Community Hub: Libraries serve as community centers where people can gather, participate in events, and engage in cultural, recreational, and social activities. They often host programs, lectures, and activities that benefit the community.

Preservation of Knowledge: Libraries preserve and protect valuable collections of books, documents, and other materials, ensuring that historical and cultural knowledge is maintained for future generations.

Equity of Access: They offer free or low-cost access to information and resources, ensuring that all members of the community, regardless of their socioeconomic status, have the opportunity to learn and grow.

Fostering Literacy and Learning: Libraries promote literacy and lifelong learning by offering reading programs, educational resources, and tools for self-directed learning.

Digital Access: Many modern libraries provide access to digital resources and technology, including computers, the internet, and electronic books, bridging the digital divide for those who may not have these resources at home.

Overall, libraries play a crucial role in supporting education, fostering community engagement, and providing equitable access to information and resources.

Cederberg Municipality have 6 libraries and 1 wheelie wagon. The libraries are in the following areas:

Town	Number of libraries
Citrusdal	1
Clanwilliam	1
Graafwater	1
Lamberts Bay	1
Elands Bay	1
Wupperthal	1
Algeria	1 Wheelie Wagon

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Town	Number of libraries
Elandskloof	1 Satellite Library

Table 109: Libraries in the Municipal Area

3.13.2. Highlights: Libraries

The table below specify the highlight for the year:

Highlight	Description
Upgrade at Citrusdal Library	During the winter season, the area in front of the Citrusdal Library was very wet. To address this, a canopy was installed to provide coverage and protection

Table 110: Libraries Highlights

3.13.3. Challenges: Libraries

The table below specifies the challenges for the year:

Description	Actions to address
Budget constraints	The Municipality needs to provide additional funding
Maintenance of library buildings	A report was submitted to administration on maintenance requirements

Table 111: Libraries Challenges

3.13.4. Service Statistics for Libraries

The table below specifies the service statistics for the year:

Service statistic	2023/24	2024/25
Library members	4 331	5 874
Books circulated	63 408	104 895
Exhibitions held	216	365
Internet users	720	2581
New library service points or wheelie wagons	0	0
Children programs	11	43
Visits by school groups	275	315
Book group meetings for adults	1	0
Primary and Secondary Book Education Sessions	8	35

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Table 112: Service Statistics for Libraries

3.13.5. Employees: Library Services

The following table indicates the staff composition for this division:

Employees: Libraries					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	10	13	9	4	30.7
7 - 9	0	0	0	0	0
10 - 12	5	7	6	1	14.2
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	15	20	15	5	25

Table 113: Employees: Libraries

3.13.6. Capital: Library Services

Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
No Capital Projects	-	-	-	

Table 114: Capital Expenditure 2024/25: Libraries

3.14. CEMETERIES

3.14.1. Introduction to Cemeteries

Cemeteries are vital to our communities, serving as spaces that preserve heritage and honor the memory of those who have passed. They hold deep significance for families, offering a place of reflection and comfort as they remember their loved ones. Recognizing this, Cederberg Municipality is committed to maintaining cemeteries as sacred spaces where the community can cherish and honor the departed.

3.14.2. Highlights: Cemeteries

The table below specify the highlight for the year:

Highlight	Description
Clean cemeteries	Cemetery cleaning programs were conducted

Table 115: Cemeteries Highlights

3.14.3. Challenges: Cemeteries

The table below specify the challenge for the year:

Description	Actions to address
Shortage of workers to keep cemeteries in a clean and good state	More EPWP workers are required to assist in the cleaning of cemeteries

Table 116: Cemeteries Challenges

3.14.4. Service Statistics for Cemeteries

The table below specifies the service delivery levels for the year:

Type of service	2023/24	2024/25
Burials	312	269

Table 117: Service Statistics for Cemeteries

3.14.5. Capital: Community and Social Services

Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
CONSTRUCTION OF MULTI-PURPOSE CENTRE (PHASE 1) GRAAFWATER	2 602 689,00	2 602 689,00	0,00	2 602 689,00
MIG: CONSTRUCTION OF MULTI-PURPOSE CENTRE (PHASE 1) GRAAFWATER	7 550 749,00	4 883 380,00	4 883 380,00	0,00

Table 118: Capital Expenditure 2024/25: Community and Social Services

COMPONENT E: SECURITY AND SAFETY

This component includes: traffic; law enforcement; fire and disaster management

3.15. LAW ENFORCEMENT

The Law Enforcement Section in a municipality is tasked with enforcing local by-laws and regulations within its area of jurisdiction.

3.15.1. Highlights: Law Enforcement

The table below specify the highlight for the year:

Highlight	Description
Pro-active Traffic and Law Enforcement	<p>The Department engaged in more K78 Roadblocks and vehicle check points (VCP's) in Cederberg area on the N7. Integrated assistance was received from Provincial Traffic as they now have established a satellite traffic office in Clanwilliam resulting in an increase traffic visibility. Law Enforcement Officers are also part and assist with these operations.</p> <p>Integrated operations with SAPS and Department of Home Affairs to assist with Spaza shops compliance and illegal foreign immigrants</p>

Table 119: Law Enforcement Highlights

3.15.2. Challenges: Law Enforcement

The table below specifies the challenges for the year:

Description	Actions to address
Lack of skills and professional training	Law Enforcement Officers to be sent to accredited traffic training college to be equipped with a Traffic Officers Diploma. Most of our officers are inexperienced and needs to undergo skills development training
Limited patrol vehicles and safety equipment	Budgetary provision must be made to procure additional vehicles and safety equipment

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Description	Actions to address
After hours services/ Overtime working hours	Budgetary provision must be made for overtime as we experience challenges because of officers that must take off overtime hours during the week

Table 120: Law Enforcement Challenges

3.15.3. Service Statistics for Law Enforcement

The table below specifies the service delivery levels for the year:

Details	2023/24	2024/25
Number of by-law infringements attended	305	371
Number of officers in the field on an average day	8	8
Number of officers on duty on an average day	8	8

Table 121: Service Statistics for Law Enforcement

3.15.4. Employees: Law Enforcement

The following table indicates the staff composition for this division:

Employees: Law Enforcement					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	8	14	7	7	50
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	8	14	7	7	50

Table 122: Employees: Law Enforcement

3.16. TRAFFIC SERVICES

The core function of the Traffic Services is to ensure a safe road environment, for all road users. This can only be achieved through the promotion of effective and efficient traffic law enforcement. Furthermore, the following services are rendered;

- Learner licenses
- Driving licenses
- Registration and licensing of vehicles
- Roadworthiness of vehicles

3.16.1. Highlights: Traffic Services

The table below specifies the highlights for the year:

Highlights	Description
Pro-active Traffic Enforcement	<p>We embarked on a pro-active responds to traffic enforcement by setting and doing more roadblocks in all towns in the Cederberg jurisdiction as well as the N7 highway.</p> <p>The support and cooperation of our local SAPS and Provincial Traffic in assisting us in our efforts has brought many successes.</p> <p>Almost 135 illegal taxis were impounded during the financial year.</p> <p>The assistants of the Citrusdal Community Policing Forum (CPF) financial contributions added to these successes.</p> <p>Visibility was increased by having more patrols in the CBD areas.</p> <p>Cross-boarder operations were done with relevant stakeholders.</p>
Road Safety Education	<p>A Daantjie Kat Day was hosted in Lamberts Bay, Citrusdal and Clanwilliam as part of our Road Safety Programme at various schools. This was very successful. This was done in conjunction with assistants of SAPS, Fire and Disaster and other stakeholders</p>
Patrol vehicles	<p>3 new vehicles were procured. Vehicles were fitted with blue lights, markings and sirens for effective traffic enforcement.</p>
Engagement with CPF's	<p>Frequent engagements with CPF's and other stakeholders.</p> <p>In the financial year a more integrated and workable relationship between the CPF stakeholders and protection service department has led to a better co-operation to give feedback on different challenges pertaining to community safety.</p> <p>Numerous Community Safety Forums (CSF) was held within the financial year.</p>

Table 123: Traffic Services Highlights

3.16.2. Challenges: Traffic Services

The table below specifies the challenges for the year:

Challenges	Actions to address
Vacant positions	Vacant positions must be advertised and filled

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Challenges	Actions to address
Shortage of vehicles/defective vehicles and equipment	Some of the current vehicles are in running condition but needs mechanical attention. Budget constraints and delays in SCM processes cause the vehicles to be parked for long periods of time before repairs to vehicles can be done
Inadequate tools of trade for Public Safety	Hand cuffs, bulletproof vests and pepper spray
Fencing of Citrusdal Traffic Centre	Budgetary provision must be made to fence the perimeter to secure the building
Traffic Fines Section	<p>The new service provider was appointed. The following small wins. The income grew from the first year to second year.</p> <p>The roadblock operations done from November 2024 to May 2025 income was R699 700. (No roadblocks before November 2024)</p> <p>Better systems in place to keep track of operational compliance, moving to the digital platforms to keep track of fines and run the back office. January 2025, we received 5 new i-Tickets handheld devices and training from the service provider. Another 5 is on order.</p>

Table 124: Traffic Services Challenges

3.16.3. Additional Performance Service statistics for Traffic Services

The table below specifies the service delivery levels for the year:

Details	2023/24	2024/25
Motor vehicle licenses processed	41 711	31 411
Learner driver licenses processed	937	1 462
Driver licenses processed	771	1 299
Driver licenses issued	3 020	3 857
Fines issued for traffic offenses	698	2 054
Speed offences	4 564	113 772
R-value of fines collected	3 245 200	R10, 383, 630
Roadblocks held	47	55
Complaints attended to by Traffic Officers	298	305
Awareness initiatives on public safety	18	26
Number of road traffic accidents during the year	266	167
Number of officers in the field on an average day	5	8
Number of officers on duty on an average day	5	8

Table 125: Service Statistics for Traffic Services

The traffic services performance reflects an increase in traffic fines issued due to management of staff and operational planning leading to an increase in revenue collection on traffic fines for the 2024/25 financial year. One of the main operational contributors in the increase were the speed enforcement service providers enforcement bus as well as the increase in the number of roadblocks held during the year.

3.16.4. Employees: Traffic Services

The following table indicates the staff composition for this division:

Employees: Traffic Services					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	2	2	0	0
4 - 6	4	4	4	0	0
7 - 9	2	14	6	8	57.1
10 - 12	4	9	7	2	22.2
13 - 15	1	0	0	0	0
16 - 18	0	1	1	0	0
19 - 20	0	0	0	0	0
Total	13	30	20	10	33.3

Table 126: Employees: Traffic Services

3.17. FIRE SERVICES AND DISASTER MANAGEMENT

3.17.1. Introduction to Fire Services and Disaster Management

A memorandum of understanding between the West Coast District Municipality (WCDM) and Cederberg Municipality delegates the responsibilities of the Municipality, particularly concerning the structural phase and related fire and rescue services, to WCDM. The Fire and Disaster Department of Cederberg Municipality is composed of a single Disaster and Fire Officer, with additional support provided by the district municipality.

3.17.2. Highlights: Fire Services and Disaster Management

The table below specifies the highlights for the year:

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Highlights	Description
Awareness campaigns at Roadblocks/VCP's	During joint operations with SAPS and Provincial Traffic awareness campaigns were held at roadblocks and VCPs regarding Fire and Disaster Management
Random visits at Spaza Shops, Supermarkets	During operations with Law Enforcement, sporadic visits were conducted to see if Spaza Shops comply with the DMA
Fire Fighter Training	On the 6 th of September an official successfully completed a 6 month training at Cape Winelands Training Academy. This training includes Fire Fighter 1& 2, Hazmat Awareness and Hazmat Operations
Fire Services (WCDM and Clanwilliam) battled the March fires in the Cederberg Mountains	During the March fires 20834 hectares of land burned down over an area of 97 kilometres. The fires lasted for 2 weeks.

Table 127: Fire Services and Disaster Management Highlights

3.17.3. Challenges: Fire Services and Disaster Management Services

The table below specifies the challenges for the year:

Challenges	Actions to overcome
Limited staff, vehicles and equipment	Provision to be made to point additional staff and to procure additional vehicles and equipment. We must appoint more additional staff to complement the existing staff on a permanent basis
Accessibility to roads in informal settlements for inspections (Riverview - Citrusdal, Khayelitsha- Clanwilliam)	Control and monitor the growth of the informal settlements. Shacks are built too close to each other, and greater risks arise when one shack catches fire. Shacks are also not easily reachable with fire trucks in case of emergency
Fees charged by WCDM	Cederberg Municipality need support build capacity to do they own services.

Table 128: Fire Services and Disaster Management Challenges

3.17.4. Service Statistics for Fire Services and Disaster Management

The table below specifies the service delivery levels for the year:

Details	2022/23	2023/24	2024/25
Total fires attended in the year	190	200	215

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Details	2022/23	2023/24	2024/25
Average turnout time - urban areas	2 hours	2hours	2hours
Average turnout time - rural areas	3 hours	3hours	3hours

Table 129: Service Statistics for Fire Services

3.17.5. Employees: Fire Services and Disaster Management

The following table indicates the staff composition for this division:

Employees: Fire Services and Disaster Management					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	0	1	0	1	100
7 - 9	1	3	1	2	66.6
10 - 12	1	1	1	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	2	5	2	3	60

Table 130: Employees: Fire Services and Disaster Management

3.17.6. Capital: Public Safety

The following table indicates the capital expenditure for this division:

Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
VEHICLES	0,00	1 052 000,00	1 014 735,63	37 264,37
VEHICLES	460 000,00	1 449 100,00	1 391 185,42	57 914,57
UPGRADE TRAFFIC OFFICES LAMBERTS BAY	0,00	702 000,00	0,00	702 000,00
OFFICE FURNITURE & EQUIPMENT	0,00	126 900,00	117 786,12	9 113,89

Table 131: Capital Expenditure 2024/25: Public Safety

COMPONENT F: SPORT AND RECREATION

3.18. SPORT AND RECREATION

3.18.1. Introduction to Sport and Recreation

Sport and recreation continue to be important components of social and community well-being. The 2024/25 financial year was characterized by significant events that took place in the municipal area and a number of previously peripheral codes have become popular.

3.18.2. Highlights: Sport and Recreation

The table below specifies the highlights for the year:

Highlights	Description
Cederberg Sport and Recreation Council	The Sport and Recreation Council was established to promote community participation and encourage active citizenship
Boland Rugby Top 12	The Boland Rugby Top 12 Tournament was hosted to promote social cohesion and boost sports tourism

Table 132: Sport and Recreation Highlights

3.18.3. Challenges: Sport and Recreation

The table below specifies the challenges for the year:

Description	Actions to address
Soccer fields and netball fields for Clanwilliam	Funding applications submitted to MIG
Fencing of Citrusdal sports field and upgrade of soccer/cricket field	Funding applications submitted to MIG
Upgrade of Graafwater sport field	Funding applications submitted to MIG
Fencing and pavilion of Elands Bay	Funding applications submitted to MIG
Pavilion for Lamberts Bay and upgrade of sports hall	Funding applications submitted to MIG
Vandalism of sport facilities	A Sports Council has been established to oversee the management of sports facilities, and a by-law is being drafted to support and regulate this initiative

Table 133: Sport and Recreation Challenges

3.18.4. Service Statistics for Sport and Recreation

The table below specifies the service delivery levels for the year:

Type of service	2023/24	2024/25
Community parks		
Number of parks with play park equipment	5	5
Number of wards with community parks	4	4
Sport fields		
Number of wards with sport fields	6	6
Number of sport associations utilizing sport fields	53	53
R-value collected from utilization of sport fields	R71 688.15	R64 180.93
Sport halls		
Number of wards with sport halls	3	3
Number of sport associations utilizing sport halls	13	13
R-value collected from rental of sport halls	R 201.13	R639.66

Table 134: Service Statistics for Sport and Recreation

3.18.5. Employees: Resorts and Caravan Parks

The following table indicates the staff composition for this division:

Employees: Resorts and Caravan Parks					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	8	9	8	1	11.1
4 - 6	3	6	3	3	50
7 - 9	0	0	0	0	0
10 - 12	0	0	0	0	0
13 - 15	0	1	1	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	11	16	12	4	25

Table 135: Employees: Resorts and Caravan Parks

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3.18.6. Service Statistics for Resorts and Caravan Parks

The table below specifies the service delivery levels for the year:

Type of service	2023/24	2024/25
Caravan Parks		
Number of Caravan Parks	3	3
Number of wards with Caravan Parks	3	3
Number of visitors	8 500	8 529
R-value collected from utilization of Caravan Parks	R2 958 990.98	R3 105 950.98

3.18.7. Employees: Parks and Gardens

The following table indicates the staff composition for this division:

Employees: Parks and Gardens					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	29	19	12	7	36.8
4 - 6	0	3	1	2	66.6
7 - 9	6	5	3	2	40
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	35	27	16	11	40.74

Table 136: Employees: Parks and Gardens

3.18.8. Capital: Sport and Recreation

The following table indicates the capital expenditure for this division:

Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
Office Furniture/Equipment Resorts Lamberts Bay	0.00	49 600.00	32 438.96	17 161.04

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Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
Office Furniture/Equipment Resorts Clanwilliam	0.00	50 000.00	39 165.11	8 513.15

Table 137: Capital Expenditure 2024/25: Sport and Recreation

COMPONENT G: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: executive and council; financial services; human resource services; ICT services; legal services; and procurement services.

3.19. EXECUTIVE AND COUNCIL

This component includes Executive Office (Mayor, Councillors and Municipal Manager).

3.19.1. Highlights: Executive and Council

The table below specifies the highlights for the year:

Highlights	Description
Stable council	Effective oversight structures
Effective inter-governmental relations	Attendance of Inter-governmental structure ie.DCF,DCF Tech,MinMay tech,MinMay,PCF,Salga, JDMA, TIME and SIME engagements etc
Ward committees functional	Majority of ward committees functional
Improved circular 88 outcome	Progress for dysfunctional to stable awaiting latest outcome
Financial stability	Funded budget, Eskom /NT debt relief success story, improved financial ratios and cash reserves.
Stable senior management unit	Three senior management posts are filled and busy filling of 1 post
Functional organisational structure	Organisational structure approved and funded and filling of vacancies in process
Functional municipal fleet	Replaced old ,expensive to maintain high risk fleet with new service delivery fleet
Creating job opportunities	Disposal of municipal land and creating job opportunities in collaboration with other stakeholders
Effective combined assurance structure	Effective external audit and performance audit committee, Internal audit function, risk committee, MPAC etc
Stable governance	Exiting WCPG Section 154 support plan
Legal compliant organisation	Adoption of Budget,IDP,Annual Report, Oversight report, Adjustment budget, SDBIP,Section 72, EE reports etc.

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Highlights	Description
Implemented performance management system	Performance management system implemented across all levels.

Table 138: Executive and Council Highlights

3.19.2. Employees: Administrative Services

The following table indicates the staff composition for this division:

Employees: Administrative Services					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	5	7	5	2	28.5
4 - 6	5	6	6	0	0
7 - 9	1	1	0	1	100
10 - 12	2	3	3	0	0
13 - 15	1	1	1	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	14	18	15	3	16.6

Table 139: Employees: Administrative Services

3.19.3. Employees: Thusong Centres

The following table indicates the staff composition for this division:

Employees: Thusong Centres					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	0	0	0	0
4 - 6	1	1	1	0	0
7 - 9	0	0	0	0	0
10 - 12	0	1	1	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	2	2	2	0	0

Table 140: Employees: Thusong Centres

3.20. FINANCIAL SERVICES

The Finance Department oversees the Municipality's financial strategy and overall financial management, ensuring fiscal stability. It is also responsible for maintaining compliance with relevant legislation, regulations, governance practices, and the Municipal Finance Management Act (MFMA).

3.20.1. Highlights: Financial Services

The table below specify the highlight for the year:

Highlight	Description
Debt Relief	The Municipality has applied to be part of the debt relief program and has been approved. The debt relief program is for 3 years; the Municipality complied with the conditions and received the 1 st year's write-off. Based on current performance it will qualify for the 2 nd years write-off as well.
Funded Budget 2024/25	After multiple years of tabling an unfunded budget, the Municipality was able to table a funded budget in 2024/25. The

Highlight	Description
	funded budget position has been maintained for the 2025/26 financial year.
Implementation of Smart Meters	<p>As part of the debt relief, the municipality was approved by National Treasury for the rollout of smart meters within the Municipal area. The electricity meter project will see the replacement of over 8 000 meters.</p> <p>The Municipality will use the grants funding from Provincial Treasury to install smart water meters, starting with all indigent households.</p>

Table 141: Financial Services Highlights

3.20.2. Challenges: Financial Services

The table below specifies the challenges for the year:

Description	Actions to address
Implementing Municipal Standard Chart of Accounts (mSCOA)	An mSCOA roadmap /project plan has been compiled and closely adhered to. Remaining differences are addressed. The mSCOA steering committee has been re-established.
Increase in bad debt	Council approved a new Credit Control Policy. Credit Control procedures are applied diligently every month, however, due to the high levels of poverty in the area more households are able to maintain a healthy payment for Municipal services.
Credit Control	The Municipality struggled to find a suitable candidate to fill the vacancy of Snr Accountant Credit Control, after advertising twice already. This is a critical resource to drive a positive collection rate and avoid an increase in bad debt.

Table 142: Financial Services Challenges

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3.20.3. Debt Recovery

The following table represents the debt recovery for the financial years 2023/24 and 2024/25:

Details of the types of account raised and recovered	Debt Recovery					
	2023/24			2024/25		
	Billed in Year	Actual for accounts collected in year	Pro-portion of accounts value billed that were collected %	Billed in Year	Actual for accounts collected in year	Pro-portion of accounts value billed that were collected %
Property Rates	72 893 172.00	65 964 042.00	90.49%	74 996 748.56	71 201 989.51	94.94%
Electricity	74 398 248.00	73 029 531.00	98.16%	152 838 247.91	149 750 390.00	97.98%
Water	32 781 125.00	31 081 489.00	94.81%	32 696 025.79	29 809 026.39	91.17%
Sanitation	14 201 697.00	11 381 997.00	80.15%	15 823 494.32	11 918 585.89	75.32%
Refuse	12 437 756.00	10 607 962.00	85.29%	14 604 231.07	11 389 375.27	77.99
Interest	9 841 347.00	3 801 118.00	38.62%	11 861 522.16	2 511 022.99	21.17%

Table 143: Debt Recovery

3.20.4. Employees: Financial Services

The following table indicates the staff composition for this division:

Employees: Finance					
Job Level	2023/24	2024/25			
	Employees	Posts (approved)	Employees (posts filled)	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	9	10	10	0	0
7 - 9	11	11	11	0	0
10 - 12	11	11	11	0	0
13 - 15	5	6	5	1	16.6
16 - 18	2	3	2	1	33.3
19 - 20	0	0	0	0	0
Total	38	41	39	2	4.8

Table 144: Employees: Financial Services

3.20.5. Capital: Finance and Administration

The following table indicates the capital expenditure for this division:

Capital Projects	2024/25			
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget
OFFICE FURNITURE/EQUIPMENT	0,00	343 300,00	214 093,80	129 206,22
COMPUTER EQUIPMENT	0,00	75 000,00	61 914,00	13 086,00
UPGRADE SCM BUILDING	0,00	100 000,00	98 000,00	2 000,00
OFFICE FURNITURE & EQUIPMENT: FLEET	0,00	34 000,00	10 000,00	24 000,00
VEHICLES	400 000,00	56 700,00	53 607,50	3 092,50
OFFICE FURNITURE/EQUIPMENT	0,00	16 000,00	14 948,00	1 052,00
UPGRADE OF MUNICIPAL BUILDINGS	0,00	370 000,00	0,00	370 000,00
IT EQUIPMENT & SOFTWARE	1 071 020,00	951 020,00	935 442,25	15 577,75

Table 145: Capital Expenditure 2024/25: Finance and Administration

3.21. HUMAN RESOURCE SERVICES

3.21.1. Introduction to Human Resources

The Human Resource Department has a staff component comprising of the following positions:

- Manager: Human Resources
- 3 Human Resources Practitioners responsible for:
 - Training and Individual Performance Management
 - Health & Safety and Employee Wellbeing
 - Recruitment Selection and Labour Relations
 - Labour Relations
- A Human Resource Administrator responsible for all administrative functions pertaining to leave, medical aid, pension, UIF, etc

(i) Filling of vacant posts

The Cederberg Municipality, a low to medium capacity Municipality, is rated as a Category 3 Municipality and it must still compete with higher graded, higher income municipalities for the available skills in the region, the province and ultimately the country. With that challenge in mind, the Municipality must still endeavour to appoint the right people with the right skills and competencies at the right time to achieve the organisation’s strategic plan. Filling vacant, critical positions is a challenge for a municipality sized and categorised as the

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Cederberg Municipality, because skilled people can earn much more at a higher graded municipality or in the private sector.

In the 2024/25 financial year, the Cederberg Municipality has filled 43 vacancies, of which 31 were external and 2 were internal appointments. 33 of the appointees were permanent appointments and 10 were appointed on contract, whilst 15 staff members left the employment of the Municipality during the same financial year.

(ii) Recruitment and selection

The Cederberg Municipality adopted a revised Recruitment and Selection Policy, and such policy was reviewed in May 2024 for the 2024/25 financial year. The aim of the policy is to streamline the appointment of personnel whilst keeping within the legal framework as enshrined in the various pieces of labour related legislation.

(iii) Labour relations

It is imperative that good industrial relations are fostered between the employer and employees. Employees are engaged on certain structures created by the Local Government Bargaining Council to address issues of mutual interest to the employer and the employees. These structures are:

- Health and Safety

Occupational Health & Safety 2024/25			
Injuries	Compensation for Occupational Injuries and Diseases (COID) Applications	Disabling Injuries	Schedule 8 Investigations (Ill Health)
Temp	0	0	0
Perm	19	0	2

Table 146: Occupational Health and Safety 2024/25

The safety and health of our employees and their families are of the utmost importance to the Council. Therefore, all possible steps are taken to ensure a healthy and safe working environment.

The Health and Safety Policy have been submitted to Council for review, as well as the Employee Wellness Policy.

The number of injuries on duty decrease from 20 employees injured in the 2023/24 financial year compared to 19 employees in the 2024/25 financial year and were reported to the Compensation for Occupational Injuries and Diseases (COID).

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3.21.2. Highlights: Human Resource Services

The table below specifies the highlights for the year:

Highlights	Description
Individual Performance Management	The successful implementation of individual performance management to the lowest level in the organisation
Standard Operating Procedures	Standard Operating Procedures (SOP's) developed for critical HR functions
Recruitment and selection	Appointment of 31 new permanent employees
Employee wellness	Mental health awareness, Burnout in the Workplace, Conflict in the workplace and Harassment in the Workplace information sessions was presented to employees as well as an employee wellness day was held.
Local Labour Forum (LLF)	Local Labour Forum (LLF) is active and meet regular as per the Main Collective Agreement
Submission of Workplace Skills Plan (WSP)	Successful submission of the annual WSP to the LGSETA

Table 147: Human Resources Highlights

3.21.3. Challenges: Human Resources

The table below specifies the challenges for the year:

Challenges	Actions to address
The appointment of black males and females in senior and middle management positions	To advertise all vacancies for positions at this level provincially or nationally and to encourage these target groups to apply for these positions when advertised
Limited financial resources for the successful implementation of the Workplace Skills Plan	To make more funding available for the implementation of the Workplace Skills Plan.
Low morale of employees	Do a survey to determine reasons ` Acknowledge employees' contributions and efforts to boost morale and reduce stress. Develop and implement a Reward & Recognition Policy
High vacancy rate	To reduce the vacancy rate to below 10% by comply to the Municipal Staff Regulation (MSR) and removed unfunded posts from the organogram

Challenges	Actions to address
Increase in disciplinary cases	Conduct information sessions regarding the Code of Conduct to employees
Successful implementation of the Municipal Staff Regulations (MSR) remains a challenge	Review the HR Strategy and all applicable HR policies Relevant training for all relevant stakeholders
Increase in mental health issues amongst employees	Foster a supportive culture, promote open communication, train managers to recognize signs of distress and offer support. Conducting regular wellness information sessions and check-ups for employees. Promote the Employee Assistance Programme

Table 148: Human Resources Challenges

3.21.4. Employees: Human Resources

The following table indicates the staff composition for this division:

Employees: Human Resource Services					
Job Level	2023/24	2024/25			
	Employees	Posts (approved)	Employees (posts filled)	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	0	0	0	0	0
10 - 12	4	5	4	1	20
13 - 15	0	0	0	0	0
16 - 18	0	1	1	0	0
19 - 20	0	0	0	0	0
Total	4	6	5	1	16.6

Table 149: Employees: Human Resources

3.22. INFORMATION AND COMMUNICATION TECHNOLOGY SERVICES

3.22.1. Introduction to Information and Communication Technology (ICT) Services

The ICT department is responsible for ensuring that all technical systems within the Municipality function smoothly and efficiently. Daily backups are performed and securely stored for safekeeping. Support for municipal and financial systems is outsourced, while the ICT department maintains the network and computer hardware.

3.22.2. Highlights: ICT Services

The table below specifies the highlights for the year:

Highlights	Description
Microsoft Enterprise License Agreement concluded	Microsoft365 suite procured through Enterprise agreement with Microsoft. Productivity software upgraded to latest versions mitigating a range of security vulnerabilities
Data protection measures implemented	Municipal data protection has been extended beyond the Fileserver to include end user devices and cloud-based applications.
Disaster Recovery measures implemented	Disaster Recovery as a Service solution implemented with RPO and RTO of 4 hours
Appointment of IT helpdesk & Compliance Officer	Administrative post within the IT department has been filled to help alleviate some pressure.

Table 150: ICT Highlights

3.22.3. Challenges: ICT Services

The table below specifies the challenges for the year:

Description	Actions to address
Electricity supply to data centres and municipal offices	We are considering solar options to support our unreliable power grid.
Human Resources	The development of future plans for the IT department is largely contingent upon having an IT Manager appointed.
Cyber security Awareness	Following the completion of controlled phishing simulation tests among our employees, it has become evident that cyber security awareness training is necessary.
Lack of fire suppression systems in the server room	The absence of fire suppression in the server room poses major risks to business continuity.

Table 151: ICT Challenges

3.22.4. Employees: ICT Services

The following table indicates the staff composition for this division:

Employees: ICT Services					
Job Level	2023/24	2024/25			
	Employees	Posts (approved)	Employees (posts filled)	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	0	3	0	3	100
10 - 12	1	1	1	0	0
13 - 15	1	1	1	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	2	5	2	3	60

Table 152: Employees: ICT Services

3.23. LEGAL SERVICES

Legal Services plays a crucial role in the Municipality by finalizing agreements and providing legal input on various matters such as policies, contracts, legislation, and by-laws. The section also offers legal advice to different departments, ensuring compliance with the Constitution and relevant legislation. Furthermore, Legal Services is responsible for distributing new legislation and case law to keep the Municipality informed and compliant.

3.23.1. Highlights: Legal Services

The table below specifies the highlights for the year:

Highlights	Description
Communicate relevant contemporary court cases and legal commentaries to officials pertaining to topical issues in local government	Legal-related commentaries pertaining to relevant case law, current legal topics, workshops, training sessions etc
Legal support to officials in all directorates and assistance to private legal practitioners-local / national government officials	Legal documentation pertaining to lease agreements, MOU's, legal case law, constitutional and High Court judgements, by-laws, (BICL) agreements etc

Highlights	Description
Skills transfer to officials in their respective sections with relevant topical issues in their fields	Dissemination of legal information in relation to general contractual issues, interpretation of statutes, legal contractual issues, legal writing etc

Table 153: Legal Services Highlights

3.23.2. Challenges: Legal Services

The table below specifies the challenges for the year:

Description	Actions to address
No dedicated person to assist with contract management and general legal research of current topical municipal issues in the local government sector	Sufficient budget should be made available for such vacancies
Budget and capacity constraints remain a serious challenge in the organisation	Sufficient budget allocation to strengthen the division by filling posts for a legal officer and legal assistants for the optimal functioning of the division

Table 154: Legal Services Challenges

3.23.3. Employees: Legal Services

The following table indicates the staff composition for this division:

Employees: Legal Services					
Job Level	2023/24	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	0	0	0	0	0
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	1	1	0	0	0
19 - 20	0	0	0	0	0
Total	1	1	0	0	0

Table 155: Employees: Legal Services

3.24. PROCUREMENT SERVICES

Procurement Services typically involves the following key functions:

Sourcing and Acquisitions: Identifying and selecting suppliers or vendors to provide goods or services that meet the organization’s needs.

Tendering and Contracts: Managing the process of issuing tenders, evaluating bids, and negotiating contracts to ensure fair and competitive procurement.

Vendor Management: Maintaining relationships with suppliers, ensuring compliance with contract terms, and addressing any issues related to vendor performance.

Inventory Management: Overseeing inventory levels, ensuring that stock is replenished in a timely manner, and managing the storage of goods.

Cost Management: Identifying opportunities for cost savings, negotiating prices, and managing budgets to ensure cost-effective procurement.

Compliance: Ensuring that procurement practices adhere to legal and regulatory requirements, as well as internal policies and procedures.

Quality Assurance: Ensuring that the goods and services procured meet the required quality standards and specifications.

Reporting and Analysis: Monitoring and reporting on procurement activities, analyzing data to improve processes, and providing insights for strategic decision-making.

Ethics and Transparency: Upholding ethical standards in procurement processes, ensuring transparency, and preventing conflicts of interest.

These functions collectively help organizations manage their procurement processes efficiently and effectively, ensuring that they obtain the necessary goods and services in a timely and cost-effective manner.

3.24.1. Highlights: Procurement Services

The table below specifies the highlights for the year:

Highlights	Description
Compliance	SCM Policy and Preferential Procurement Policy was reviewed by PT to comply with all legislative requirements.
Open and effective competition	All procurement laws, policies, practices, and procedures are readily accessible to all parties involved in the procurement

Highlights	Description
	process. The procurement process is open and transparent, and reasons are provided for decisions in terms of current legislation.
Equity	Cederberg Municipality strive to enhance the development of SMME's and B-BBEE enterprises to allow them to contribute meaningfully to the economy of the Cederberg Municipal Area.

Table 156: Procurement Services Highlights

3.24.2. Challenges: Procurement Services

The table below specifies the challenges for the year:

Description	Actions to address
Adherence to due dates in the Procurement Plan	Commence with a SCM communication campaign to inform the SCM requirements and to encourage end users to work with SCM. Delegation of powers: Determine clear process ownership and accountability.
Local businesses are not adequately accessing procurement opportunities provided by the Municipality due to a lack of Construction Industry Development Board (CIDB) grading	Training day for non-registered/registered service providers

Table 157: Procurement Services Challenges

3.24.3. Service Statistics for Procurement Services

The table below specifies the service delivery levels for the year:

Description	Total No	Monthly Average	Daily Average
Orders processed	2152	179	6
Requests cancelled or referred back	0	0	0

Table 158: Service Statistics for Procurement Division

3.24.4. Details of Deviations for Procurement Services

Type of deviation	Number of deviations	Value of deviations R	Percentage of total deviations value
Section 35.1.2.1- Emergency	14	1 409 640	21.82%
Section 35.1.2.2-Sole Supplier	8	2 104 727	32.58%
Section 35.1.2.5 (a) - Impractical & Impossible	1	2 873 209	44.47%
Section 35.1.2.5 (b) - Impractical & Impossible	4	73 172	1.13%
Total	27	6 460 748	100%

Table 159: Statistics of Deviations from the SCM Policy

COMPONENT H: SERVICE DELIVERY PRIORITIES FOR 2025/26

3.25. SERVICE DELIVERY PRIORITIES FOR 2025/26

The main development and service delivery priorities for 2025/26 forms part of the Municipality's Top Layer SDBIP for 2025/26 and are indicated in the table below as per strategic objective:

3.25.1. Improve and sustain basic service delivery and infrastructure development

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL 8	The percentage of the municipal capital budget actually spent on capital projects as at 30 June 2026 (Actual amount spent on capital projects/Total amount budgeted for capital projects)X100	% of the municipal capital budget actually spent on capital projects as at 30 June 2026	All	90%
TL 15	Number of residential account holders that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2026	Number of residential account holders which are billed for water	All	6 047
TL 16	Number of residential account holders with electricity which are connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June 2026	Number of residential account holders billed credit meter and pre paid meters connected to the network.	All	7 017
TL 17	Number of residential account holders with sanitation services which are connected to the municipal wastewater (sanitation/sewerage) network and are billed for sewerage service, irrespective of the number of water closets (toilets) as at 30 June 2026	Number of residential account holders which are billed for sewerage	All	5 172

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TL 18	Number of residential account holders for which refuse is removed once per week and billed for the service as at 30 June 2026	Number of residential account holders which are billed for refuse removal	All	6 001
TL 19	Provide free basic water to indigent households as per the requirements in the indigent policy as at 30 June 2026	Number of households receiving free basic water	All	2 244
TL 20	Provide free basic electricity to indigent households as per the requirements in the indigent policy as at 30 June 2026	Number of households receiving free basic electricity	All	2 289
TL 21	Provide free basic sanitation to indigent households as per the requirements in the indigent policy as at 30 June 2026	Number of households receiving free basic sanitation services	All	2 292
TL 22	Provide free basic refuse removal to indigent households as per the requirements in the indigent policy as at 30 June 2026	Number of households receiving free basic refuse removal	All	2 355
TL 23	Spend 90% of the approved capital budget for the procurement of Fleet by 30 June 2026 (Actual amount spent /Total amount budgeted)X100	% of budget spent by 30 June 2026	All	90%
TL 45	Spend 90% of the approved maintenance budget for Technical Services (Water, Waste Water, Electricity, Roads and Stormwater) by 30 June 2026 [(Actual expenditure on maintenance/total approved maintenance budget)x100]	% of budget spent by 30 June 2026	All	90%
TL 46	Spend 100% of the MIG grant by 30 June 2026 [(Actual expenditure on MIG funding received/total MIG funding received)x100]	% of budget spent by 30 June 2026	All	100%
TL 47	95% of the water samples comply with SANS 241 micro biological parameters {(Number of water samples that comply with SANS 241 indicators/Number of water samples tested)x100}	% of water samples complying with SANS 241 micro biological parameters	All	95%

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TL 48	Limit unaccounted for water to less than 25% by 30 June 2026 {(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold (incl free basic water) / Number of Kilolitres Water Purchased or Purified x 100}	% unaccounted water	All	25%
TL 49	Limit unaccounted for electricity losses to less than 15% by 30 June 2026 (Number of Electricity Units Purchased and / or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and / or Generated) x 100	% unaccounted electricity	All	15%
TL 52	Spend 90% of the approved budget for the refurbishing of desalination plant in Lamberts Bay by 30 June 2026 [(Total actual expenditure on the project/ Approved budget for the project)x100]	% of budget spent by 30 June 2026	5	90%
TL 53	Spend 90% of the approved budget for the bulk electricity upgrade in Clanwilliam: Construction of Substation by 30 June 2026 [(Total actual expenditure on the project/ Approved operational budget for the project)x100]	% of budget spent by 30 June 2026	3	90%
TL 54	Spend 90% of the approved budget for the upgrade of roads and stormwater infrastructure in Graafwater by 30 June 2026 [(Total actual expenditure on the project/ Approved capital budget for the project)x 100]	% of budget spent by 30 June 2026	4	90%
TL 55	Spend 90% of the approved budget for the new borehole scheme in Lamberts Bay by 30 June 2026 [(Total actual expenditure on the project/Approved capital budget for the project)x 100]	% of budget spent by 30 June 2026	5	90%
TL 58	Submit bi-annual report to Council on the Blue, Green and NO Drop Status	Number of reports submitted	All	2

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TL 59	Conduct an investigation to test the market for renewable energy and submit findings with recommendations to Council by 30 June 2026	Findings and recommendations submitted to Council by 30 June 2026	All	1
TL 60	Submit a report on the implementation of the GIS to Council by 30 June 2026	GIS implementation report submitted to Council by 30 June 2026	All	1
TL 61	Submit a report on the implementation of the Smart Meters Project to Council by 31 December 2025	Smart Meters implementation report submitted to Council by 31 December 2025	All	1
TL 62	Submit a report on the progress made on the Clanwilliam By-Pass to Council by 30 June 2026	Clanwilliam By-Pass Progress report submitted to Council by 30 June 2026	3	1
TL 63	Spend 90% of the approved budget for the MDRG by 30 June 2026 [(Total Actual expenditure on the project/Approved capital budget for the project) x 100]	% of budget spent by 30 June 2026	All	90%
TL 64	Spend 90 % of the project budget for the upgrade of roads in Cederberg by 30 June 2026 [(Total actual expenditure on the project/ Approved capital budget for the project)x 100]	% of budget spent by 30 June 2026	All	90%
TL 67	Submit a report to the MM on the construction of the 3ML reservoir for Citrusdal by 31 December 2025	Report submitted by 31 December 2025	2	1
TL 68	Spend 90% of the approved budget of the stormwater infrastructure by 30 June 2026 [(Total actual expenditure on the project/ Approved capital budget for the project)x 100]	% of budget spent by 30 June 2026	All	90%
TL 69	Spend 90% of the approved budget for the fencing of the Lamberts bay cemetery by 30 June 2026 [(Total actual expenditure on the project/ Approved capital budget for the project)x 100]	% of budget spent by 30 June 2026	5	90%
TL 70	Spend 90% of the approved budget of the Mark Street 11KV Cable in Clanwilliam by 30 June 2026 [(Total actual expenditure on the project/ Approved capital budget for the project)x 100]	% of budget spent by 30 June 2026	3	90%

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TL 71	Spend 90% of the approved budget of the 11KV Cable Lamberts bay by 30 June 2026 [(Total actual expenditure on the project/ Approved capital budget for the project)x 100]	% of budget spent by 30 June 2026	5	90%
TL 72	Spend 90% of the approved budget for the Refurbishment of the Overheadline East of town in Graafwater by 30 June 2026 [(Total actual expenditure on the project/ Approved capital budget for the project)x 100]	% of budget spent by 30 June 2026	4	90%

Table 160: Improve and sustain basic service delivery and infrastructure development

3.25.2. Strive for financial viability and economically sustainability

Ref	KPI Name	Description of Unit of Measurement	Area	Annual Target
TL 7	Achieve an unqualified audit opinion for the 2024/25 financial year	Unqualified Audit opinion received for the 2024/25 financial year	All	1
TL 9	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations as at 30 June 2026 [(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue - Operating Conditional Grant) x 100]	% of debt coverage by 30 June 2026	All	45%
TL 10	Financial viability measured in terms of the outstanding service debtors as at 30 June 2026 [(Total outstanding service debtors/annual revenue received for services)x 100]	% of outstanding service debtors by 30 June 2026	All	10%

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TL 11	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2026 [(Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)]	Number of months it takes to cover fix operating expenditure with available cash	All	1
TL 12	100% of the Financial Management Grant spent by 30 June 2026 [(Total actual grant expenditure/Total grant allocation received)x100]	% of Financial Management Grant spent by 30 June 2026	All	100%
TL 13	Submit the annual financial statements to the Auditor-General by 31 August 2025	Approved financial statements submitted to the Auditor-General by 31 August 2025	All	1
TL 14	Achievement of a payment percentage of 92.5% by 30 June 2026 ((Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue) x 100	Payment % achieved by 30 June 2026	All	92%
TL 24	Comply with the Government Debt Relief Plan by 30 June 2026	% of compliance with the Government Debt Relief Plan	All	95%
TL 25	Address mSCOA issues by 30 June 2026	% of issues addressed by 30 June 2026	All	90%
TL 26	Submit the annual financial statements to the Auditor-General by 31 August 2025	Annual financial statements submitted to the Auditor-General by 31 August 2025	All	1
TL 27	Submit the draft main budget to Council by 31 March 2026	Draft main budget submitted to Council by 31 March 2026	All	1
TL 28	Submit the adjustments budget to Council by 28 February 2026	Adjustment budget submitted to Council by 28 February 2026	All	1
TL 29	Complete the implementation of the Smart Meter Project by 31 December 2025	Smart Meter Project completed by 31 December 2025	All	1

Table 161: Strive for financial viability and economically sustainability

3.25.3. Promote Good Governance, Community Development & Public Participation

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Ref	KPI Name	Description of Unit of Measurement	Area	Annual Target
TL 1	Develop and submit the Risk Based Audit Plan for 2026/27 to the Audit Committee by 30 June 2026	Risk Based Audit Plan submitted to the Audit Committee by 30 June 2026	All	1
TL 2	Review and submit the final IDP to Council by 31 May 2026	Final IDP submitted to Council by 31 May 2026	All	1
TL 3	Compile and submit the Strategic and Operational Risk Register to the Risk Committee by 30 June 2026	Strategic and operational risk register submitted to the Risk Committee by 30 June 2026	All	1
TL 4	Draft a Business Plan for Revenue Growth Project funding on the rezoning of small business and submit to Council by 30 June 2026	Business Plan for Revenue Growth Project funding submitted by 30 June 2026	All	1
TL 5	Report quarterly to Council on the implementation status of the Government Debt Relief Plan	Number of quarterly reports submitted	All	4
TL 6	Conduct market testing for alternative bulk water supply service delivery mechanisms and submit findings with recommendations to Council by 30 June 2026	Findings and recommendations submitted to Council by 30 June 2026	All	1
TL 36	Review the System of Delegations and submit to Council by 30 June 2026	System of delegations reviewed	All	1
TL 37	Review the property register and submit to Council 31 May	Property Register submitted	All	1
TL 38	Submit the Workplace Skills Plan to LGSETA by 30 April	Workplace Skills Plan submitted to LGSETA	All	1
TL 39	Spent 90% of the approved training budget by 30 June [(Actual expenditure /total approved budget)x100]	% of budget spent	All	90%
TL 40	Submit the Employment Equity Report to the Department of Labour by 15 January	Employment Equity Report submitted	All	1
TL 41	Develop the Employment Equity Plan and submit to the MM by 31 August 2025	Employment Equity Plan submitted	All	1

Table 162: Promote Good Governance, Community Development & Public Participation

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3.25.4. Facilitate, expand and nurture sustainable economic growth and eradicate poverty

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL 33	Review the LED Strategy and submit to Council by 30 June	Number of reports submitted to Council	All	1
TL 44	Develop a Tourism Strategy and submit to the Portfolio Committee by 30 June 2026	Tourism Strategy submitted to the Portfolio Committee	All	1
TL 50	Facilitate 160 jobs opportunities in terms of the Expanded Public Works Programme (EPWP) by 30 June 2026	Number of job opportunities facilitated in terms of EPWP by 30 June 2026	All	160

Table 163: Facilitate, expand and nurture sustainable economic growth and eradicate poverty

3.25.5. Enable a resilient, sustainable, quality and inclusive living environment and human settlements i.e. Housing development and informal settlement upgrade

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL 51	Spend 90% of the budget approved for the construction of a Multi Purpose Centre in Graafwater by 30 June 2026 [(Total actual expenditure on the project/ Approved capital budget for the project)x100]	% of budget spent by 30 June 2026	4	90%
TL 56	Spend 90% of the approved ISUPG budget of Citrusdal Riverview Project by 30 June 2026 [(Total actual expenditure on the project/ Approved budget for the project)x100]	% of budget spent by 30 June 2026	2	90%

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TL 57	Spend 90% of the approved ISUPG budget Clanwilliam Khayelitsha Project by 30 June 2026 [(Total actual expenditure on the project/ Approved budget for the project)x100]	% of budget spent by 30 June 2026	3	90%
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Table 164: Enable a resilient, sustainable, quality and inclusive living environment and human settlements i.e. Housing development and informal settlement upgrade

3.25.6. Facilitate social cohesion, safe and healthy communities

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL 34	Review the Disaster Management Plan and submit to Council by 31 March	Disaster Management Plan submitted	All	1
TL 35	Spent 90% of the approved NMTIG: vehicle impound facility budget by 30 June [(Actual expenditure /total approved budget)x100]	% of budget spent	5	90%
TL 42	Procurement of Fire Truck by 31 March 2026	Fire truck procured	All	1
TL 43	Review the performance of the in-house fire services performance and report to the Mayco bi-annually	In-house fire services performance reviewed and reported to Mayco	All	1
TL 65	Spend 90 % of project budget (own contribution) for the Waste Transfer Station in Clanwilliam by 30 June 2026 [(Total actual expenditure on the project/ Approved capital budget for the project)x 100]	% of budget spent by 30 June 2026	3	90%
TL 66	Complete the construction of the Lamberts Bay drop-off centres by 30 June 2026	% Drop-off centres completed by 30 June 2026	5	100%

Table 165: Facilitate social cohesion, safe and healthy communities

3.25.7. Development and transformation of the institution to provide a people-centred human resources and administrative service to citizens, staff and Council

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL 30	The number of people from employment equity target groups employed in the three highest levels of management in compliance with the equity plan as at 30 June 2026	Number of people employed as at 30 June	All	1
TL 31	The percentage of the municipality's personnel budget actually spent on implementing its workplace skills plan by 30 June 2026 [(Actual amount spent on training/total operational budget)x100]	% of the municipality's personnel budget on training by 30 June 2026 (Actual amount spent on training/total personnel budget)x100	All	0.15%
TL 32	Spend 90% of the approved capital budget for IT by 30 June 2026 [(Total actual expenditure on the project/ Approved capital budget for the project)x100]	% of budget spent by 30 June 2026	All	90%

Table 166: Development and transformation of the institution to provide a people-centred human resources and administrative service to citizens, staff and Council

CHAPTER 4

4.1 NATIONAL KEY PERFORMANCE INDICATORS – MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

The following table indicates the Municipality’s performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area – Municipal Transformation and Organisational Development.

Indicators	2023/24	2024/25
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a Municipality’s approved employment equity plan	6	3
The percentage of a Municipality’s budget actually spent on implementing its workplace skills plan	0.29%	38%

Table 167: National KPIs- Municipal Transformation and Organisational Development

4.2 INTRODUCTION TO THE MUNICIPAL WORKFORCE

The Municipality currently employs 316 officials, who collectively contribute to achieving its objectives. The primary goal of Human Resource Management is to provide innovative HR services that focus on both skills’ development and administrative functions.

4.2.1. Employment Equity

The Employment Equity Act (1998), Chapter 3, Section 15(1), mandates affirmative action measures to ensure that suitably qualified individuals from designated groups have equal employment opportunities and are equitably represented across all occupational categories and levels within the workforce of a designated employer. National performance indicators also reference the “number of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality’s approved Employment Equity Plan.”

a) Employment Equity Targets/Actual

African	Coloured	Indian	White
Actual June	Actual June	Actual June	Actual June
14%	82%	0.3%	3.7%

Table 168: 2024/25 EE Actual by Racial Classification

Male	Female	Disability
Actual June	Actual June	Actual June
64%	36%	7%

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Table 169: 2024/25 EE Actual by Gender Classification

b) Employment Equity vs. Population

Description	African	Coloured	Indian	White	Total
Economically Active Population Demographics (Percentage) Western Cape	35%	45%	1%	17%	100%
Economically Active Population West Coast Region % Population	17%	66%	1%	16%	100%
Number for positions filled	58	251	1	8	318

Table 170: EE Population 2024/25 (including non-permanent officials)

c) Specific Occupational Categories - Race

The table below indicates the number of employees by race within the specific occupational categories:

Occupational Categories	Female				Male				Total
	A	C	I	W	A	C	I	W	
Top Management	0	0	0	0	0	3	0	1	4
Senior management	0	2	0	1	0	7	0	2	12
Professionally qualified and experienced specialists and mid- management	0	2	0	0	2	6	0	0	10
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	2	28	0	1	8	42	0	1	82
Semi-skilled and discretionary decision making	5	31	0	1	9	50	1	0	97
Unskilled and defined decision making	14	20	0	0	18	60	0	1	113
Temporary employees	0	0	0	0	0	0	0	0	0
Total	21	83	0	3	37	168	1	5	318

Table 171: Occupational Categories

d) Departments - Race

The table below shows the number of employees per department as well as the profile by race. The Technical Services Department, being the service delivery arm of the Municipality, is the largest component.

Employee Distribution per Directorate					
Directorate	African	Coloured	Indian	White	Total
Municipal Manager	1	16	0	0	17
Financial Services	3	35	0	2	40
Support Services	11	74	1	1	87
Technical Services	43	126	0	5	174
Total	58	251	1	8	318

Table 172: Departments: Race

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4.2.2. Vacancy Rate

The approved organogram for the Municipality had 408 posts for the financial year. Posts vacant at the end of 2023/24 resulted in a funded vacancy rate of 22.5% compared to 2024/25 resulting in a funded vacancy rate of 22%. Below is a table that indicates the vacancies within the Municipality:

Per Functional Level		
Functional area	Filled	Vacant
Municipal Manager	17	2
Financial Services	40	5
Support Services	87	48
Technical Services	174	35
Total	318	90

Table 173: Vacancies per Department

The table below indicates the number of staff per level expressed as total positions and current vacancies express as full-time staff equivalent:

Salary Level	Number of current critical vacancies	Total posts as per organogram
Municipal Manager	0	1
Chief Financial Officer	0	1
Other Section 57 Managers	0	2
Senior management (T14-T19)	2	13
Total	2	17

Table 174: Full Time Staff Equivalents

4.2.3. Employee Movement

A higher turnover may be costly to a Municipality and might negatively affect productivity, service delivery and institutional memory/organisational knowledge. Below is a table that shows the employee movement in 2024/25.

Employee Movement					
Movement Type	African	Coloured	Indian	White	Total
Termination	2	12	0	1	15
Recruited Internal	0	2	0	0	2
Recruited External	2	27	0	2	31
Transferred / Placement	0	0	0	0	0
Total	4	41	0	3	48

Table 175: Employee Movement

4.3 MANAGING THE MUNICIPAL WORKFORCE

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Managing the municipal workforce refers to analysing and coordinating employee behaviour.

4.3.1 Injuries

An occupational injury refers to a personal injury, disease, or death resulting from an occupational accident. Compensation claims for such injuries are calculated based on the severity of the injury or disease and can be costly for a municipality. Occupational injuries impact productivity and financial performance by resulting in a loss of man hours.

The injury rate has decreased from 20 employees injured in the 2023/24 financial year to 19 employees in the 2024/25 financial year. The table below shows the total number of injuries across different directorates

Directorates	2023/24	2024/25
Municipal Manager	0	0
Support Services	1	0
Financial Services	0	2
Technical Services	19	17
Total	20	19

Table 176: Injuries

4.3.2 Human Resource Policies and Plans

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the managing of staff.

The table below shows the Human Resource policies and plans that are approved and that still needs to be developed:

Policies	
Name of policy	Policy approved Yes/No
Sexual Harassment	Yes
Subsistence and Travelling	Yes
Training and Development	Yes
Language	Yes
Cell Phone	Yes
Study	Yes
IT	Yes
HIV/AIDS	Yes
Induction Programme	Yes
Recruitment and Selection	Yes
Acting	Yes

Policies	
Leave	Yes
Employment Equity	Yes
Substance Abuse	Yes
Smoking	Yes
Overtime	Yes
Unauthorized Absence	Yes

Table 177: Human Resource Policies and Plans

4.4 CAPACITATING THE MUNICIPAL WORKFORCE

Section 68(1) of the MSA states that municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose, the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

The Skills Development Act (1998) and the Municipal Systems Act, (2000), require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1)(f) states that as head of administration the Municipal Manager is responsible for the management, utilization and training of staff. Furthermore, after the promulgation of the Staff Regulations, Reg. 890 ad Guidelines 890, Chapter 4 has placed emphasis on the development of skills, as performance and skills development now goes hand-in-hand.

4.4.1 Skills Matrix

The table below indicates the number of beneficiaries per occupational category who underwent training in the financial year. The total training budget for the 2024/25 financial year was R752 500.00 The actual spent on training for the same financial year was R763 114.44 which amounts to 101.4% spent. The tables below show the number of individuals (headcount) trained:

Occupational Category	Female				Male				Total
	A	C	I	W	A	C	I	W	
Legislators	0	0	0	0	0	1	0	1	2
Managers	0	2	0	0	0	3	0	1	6
Professionals	0	9	0	0	1	9	0	0	19
Technicians and Trade Workers	0	0	0	0	1	6	0	1	8
Community and Personal Service Workers	0	0	0	0	0	2	0	0	2
Clerical and Administrative Workers	2	14	0	0	2	7	0	0	25
Sales Workers	0	0	0	0	0	0	0	0	0
Machine Operators and Drivers	0	0	0	0	0	1	0	0	1

Occupational Category	Female				Male				Total
	A	C	I	W	A	C	I	W	
Elementary Workers	2	5	0	0	6	16	0	0	29
Total	4	30	0	0	10	45	0	2	92

Table 178: Skills Matrix

4.4.2 Skills Development – Budget Allocation

Year	Total Allocated	Total Spend	% Spent
2023/24	R469 988	R412 533	113%
2024/25	R752 500	R763 114.44	101.4%

Table 179: Budget Allocated for Skills Development

4.4.3 MFMA Competencies

In terms of Section 83(1) of the MFMA, the accounting officer, senior managers, the chief financial officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to successful implementation of the MFMA. National Treasury has prescribed such financial management competencies in Government Notice 493 dated 15 June 2007.

To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role-players in the local government sphere, develop an outcomes-based NQF level 6 qualifications in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, “(1) No municipality or municipal entity may, with effect 1 January 2013 (exempted until 30 September 2015 as per Government Notice No. 179 of 14 March 2014), employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations.”

The table below provides details of the financial competency development progress as required by the regulation:

Description	Total number of officials employed by the municipality (Regulation 14(4)(a) and (c))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials			
Accounting officer	1	1	1
Chief financial officer	1	1	0
Senior managers	3	3	2
Any other financial officials	1	1	1
Supply Chain Management Officials			
Heads of supply chain management units	1	1	1

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Table 180: MFMA Competencies

4.5 MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE

Section 66 of the MSA states that the accounting officer of a municipality must report to the Council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations, (2002), as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

4.5.1 Personnel Expenditure

Below is a summary of Councillor and staff benefits for the year under review:

Financial year	2023/24	2024/25		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R	R	R	R
Councillors (Political Office Bearers plus Other)				
Salary	5 305 810.33	5 660 550.00	5 733 000.00	5 621 360.72
Pension Contributions	65 755.20	79 800.00	33 000.00	32 892.98
Medical Aid Contributions	84 157.68	89 250.00	105 000.00	104 300.08
Motor vehicle allowance	240 000.00	252 000.00	240 000.00	190 000.00
Cell phone allowance	385 581.00	420 000.00	395 000.00	406 494.11
Housing allowance	0.00	0.00	0.00	0.00
Other benefits or allowances	0.00	0.00	0.00	0.00
In-kind benefits	0.00	0.00	0.00	0.00
Sub Total	6 081 304.21	6 501 600.00	6 506 000.00	6 355 047.89
Senior Managers of the Municipality				
Basic Salary and Wages	3 849 453.28	4 511 174.00	4 180 147.00	4 300 664.58
Pension Contributions	139 303.87	166 911.00	44 909.00	201 557.81
Medical Aid Contributions	46 312.80	54 823.00	22 951.00	77 643.00
Performance Bonus	0.00	0.00	0.00	183 325.34
Motor vehicle allowance	220 043.48	367 308.00	288 060.00	321 500.00
Cell phone allowance	102 500.00	216 000.00	148 500.00	193 500.00
Housing allowance	0.00	0.00	0.00	0.00
Other benefits or allowances	147.94	7 078.00	252.00	370.45
Leave Pay Out	0.00	0.00	0.00	0.00
Long Service Awards	0.00	0.00	0.00	0.00
Sub Total	4 357 761.37	5 323 294.00	4 684 819.00	5 278 561.18
Other Municipal Staff				
Basic Salaries and Wages	86 375 326.30	98 422 823.00	94 137 973.00	90 906 075.39

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Financial year	2023/24	2024/25		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R	R	R	R
Pension Contributions	13 563 304.72	16 170 771.00	15 032 662.00	14 411 323.91
Medical Aid Contributions	4 960 708.96	5 754 808.00	5 866 851.00	4 938 037.66
Motor vehicle allowance	6 715 448.62	6 939 627.00	6 732 173.00	6 748 207.61
Cell phone allowance	402 789.55	354 912.00	344 736.00	329 147.00
Housing allowance	302 860.44	384 501.00	592 257.00	598 303.09
Overtime	4 797 966.51	5 778 718.00	5 492 586.00	5 034 962.68
Other benefits or allowances	5 367 438.14	6 578 572.00	6 744 237.00	6 038 648.55
Leave Pay Out	1 268 000.00	1 388 000.00	1 208 000.00	1 738 099.07
Long Service Awards	493 000.00	551 000.00	504 000.00	504 000.00
Post-retirement benefit obligations	1 300 000.00	1 463 000.00	1 343 000.00	1 343 000.00
Scarcity	453 542.94	-	-	481 035.08
Sub Total	126 000 386.18	143 786 732.00	137 998 475.00	133 070 840.04
Total Municipality	136 439 451.76	155 611 626.00	149 189 294.00	144 704 449.11

Table 181: Personnel Expenditure

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CHAPTER 5

This chapter provides details regarding the financial performance of the Municipality for the 2024/25 financial year.

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

The Statement of Financial Performance provides an overview of the financial performance of the Municipality and focuses on the financial health of the Municipality.

5.1. FINANCIAL SUMMARY

The table below indicates the summary of the financial performance for the 2024/25 financial year:

Description	2023/24	2024/25			2024/25 Variance	
	<i>Actual (Audited Outcome)</i>	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
	Financial Performance					
Property rates	73 693	75 998	74 729	74 997	-1,34	0,36
Service charges	190 639	199 058	210 785	215 962	7,83	2,40
Investment revenue	5 191	1 150	9 490	9 619	88,04	1,34
Transfers recognised operational	111 120	94 462	116 218	105 686	10,62	-9,97
Other own revenue	69 155	80 821	101 634	97 411	17,03	-4,34
Total Revenue (excluding capital transfers and contributions)	449 797	451 489	512 856	503 674	10,36	-1,82
Employee Related Costs	130 819	149 110	142 683	138 386	-7,75	-3,11
Remuneration of Councillors	6 081	6 502	6 506	6 355	-2,31	-2,38
Bulk Purchases - Electricity	105 503	113 900	126 850	124 217	8,31	-2,12
Inventory Consumed	10 927	11 172	14 305	13 314	16,09	-7,44
Debt Impairment	50 384	54 088	79 357	66 019	18,07	-20,20
Depreciation and Amortisation	42 207	31 438	32 968	33 693	6,69	2,15
Interest	16 030	11 926	12 792	15 150	21,28	15,56

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Contracted Services	55 518	27 732	51 455	40 502	31,53	-27,04
Transfers and Subsidies	198	220	220	164	-33,77	-33,77
Operational Costs	27 296	37 712	42 816	35 399	-6,53	-20,95
Losses on Disposal of Assets	651	0	400	0	0	0
Other Losses	0	7 360	2 060	2 989	-146,24	31,08
Total Expenditure	445 615	451 159	512 413	476 189	5,26	-7,61
Surplus/(Deficit)	4 182	330	443	27 485	98,80	98,39
Transfers recognised - capital	26 280	60 734	48 119	37 781	-60,75	-27,36
Contributions recognised - capital & contributed assets	5 550	0	0	0	0	0
Surplus/(Deficit) after capital transfers & contributions	36 011	61 064	48 562	65 266	6,44	25,59
<u>Capital expenditure & funds sources</u>						
Capital expenditure						
Transfers recognised - capital	26 280	60 734	48 119	37 781	-60,75	-27,36
Public contributions & donations	0	0	0	0	0	0
Borrowing	0	0	0	0	0	0
Internally generated funds	15 383	19 834	23 805	15 970	-24,19	-49,05
Total sources of capital funds	41 662	80 568	71 924	53 751	-49,89	-33,81
<u>Financial position</u>						
Total current assets	122 322	54 183	111 205	169 102	67,96	34,24
Total non-current assets	682 727	862 005	721 267	704 732	-22,32	-2,35
Total current liabilities	114 962	40 370	85 397	114 916	64,87	25,69
Total non-current liabilities	123 166	135 968	119 944	126 729	-7,29	5,35
Community wealth/Equity	566 922	739 850	627 131	632 188	-17,03	0,80
<u>Cash flows</u>						
Net cash from (used) operating	80 491	90 941	59 832	99 208	8,33	39,69

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Net cash from (used) investing	(46 273)	(80 568)	(71 524)	(54 127)	-48,85	-32,14
Net cash from (used) financing	(1 738)	(1 747)	(1 799)	(1 741)	-0,39	-3,34
Cash/cash equivalents at the year end	32 481	8 625	(13 490)	43 340	80,10	131,13
Cash backing/surplus reconciliation						
Cash and investments available	28 778	0	0	0	0	0
Application of cash and investments	61 565	0	0	0	0	0
Balance - surplus (shortfall)	(32 788)	(72 823)	8 326		0	0
-						
Asset register summary (WDV)	681 128	861 933	719 668	703 396	-22,54	-2,31
Depreciation & asset impairment	42 207	31 439	32 968	33 693	6,69	2,15
Renewal of Existing Assets	253	4 143	8 552	5 116	19,01	-67,16
Repairs and Maintenance	29 682	33 767	34 053	31 078	-8,66	-9,58
Free services						
Cost of Free Basic Services provided	8 131	14 963	17 453	14 084	-6,24	-23,92
Revenue cost of free services provided	8 522	8 827	9 048	8 811	0,00	0,00
Households below minimum service level						
Water:	0	0	0	0	0	0
Sanitation/sewerage:	0	0	0	0	0	0
Energy:	0	0	0	0	0	0
Refuse:	0	0	0	0	0	0
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A1.</i>						

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Table 182: Financial Performance 2024/25

Financial Year	Revenue				Operating expenditure			
	Budget	Actual	Diff.	%	Budget	Actual	Diff.	%
	(R'000)				(R'000)			
2023/24	461 326	449 797	(11 529)	-2	479 693	445 615	34 078	7
2024/25	512 856	503 674	(9 181)	-2	512 413	476 189	36 224	7

Table 183: Performance Against Budgets

REVENUE COLLECTION BY VOTE

The table below indicates the revenue collection performance by vote:

Vote Description	2023/24	2024/25			2024/25 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Vote 1 - Executive and Council	53 391	56 582	54 092	57 461	1,53	5,86
Vote 2 - Office of Municipal Manager	300	0	0	0	0	0
Vote 3 - Financial Administrative Services	107 076	97 847	96 785	96 265	-1,64	-0,54
Vote 4 - Community Development Services	8 034	17 237	12 890	13 558	-27,13	4,93
Vote 5 - Corporate and Strategic Services	784	489	1 610	1 921	74,57	16,21
Vote 6 - Planning and Development Services	2 655	2 095	2 168	2 721	23,02	20,34
Vote 7 - Public Safety	39 136	39 373	65 226	59 822	34,18	-9,03
Vote 8 - Electricity	161 898	166 652	190 233	187 369	11,06	-1,53
Vote 9 - Waste Management	26 393	18 611	21 915	22 630	17,76	3,16
Vote 10 - Waste Water Management	30 274	21 174	43 292	38 734	45,33	-11,77
Vote 11 - Water	40 835	78 784	54 108	49 926	-57,80	-8,38
Vote 12 - Housing	4 819	9 780	11 587	6 714	-45,66	-72,57
Vote 13 - Road Transport	3 000	0	4 000	1 163	100,00	-244,06
Vote 14 - Sports and Recreation	3 031	3 600	3 070	3 171	-13,52	3,18
Total Revenue by Vote	481 627	512 223	560 975	541 455	5,40	-3,60
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3						

Table 184: Revenue by Vote

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REVENUE COLLECTION BY SOURCE

The table below indicates the revenue collection performance by source for the 2024/25 financial year:

Description	2023/24	2024/25			2024/25 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Exchange Revenue						
Service charges - Electricity	127 401	135 874	149 631	152 838	11,10	2,10
Service charges - Water	32 781	33 443	32 777	32 696	-2,28	-0,25
Service charges - Waste Water Management	16 351	15 305	14 664	15 823	3,28	7,33
Service charges - Waste Management	14 106	14 436	13 713	14 604	1,15	6,10
Sale of Goods and Rendering of Services	4 560	4 926	4 611	5 318	7,39	13,30
Agency services	4 300	4 465	3 995	4 012	-11,27	0,43
Interest Earned from Receivables (Exchange)	8 117	6 698	7 486	7 362	9,02	-1,69
Interest Earned from Current and Non Current Assets	5 191	1 150	9 490	9 619	88,04	1,34
Rental from Fixed Assets	970	784	748	1 070	26,75	30,08
Licences and Permits	11	12	2	2	-412,58	15,62
Operational Revenue (Exchange)	846	527	336	595	11,56	43,57
Non-Exchange Revenue						
Property Rates	73 693	75 998	74 729	74 997	-1,34	0,36
Surcharges and Taxes	0	1	1	0	0	0
Fines, Penalties and Forfeits	32 934	34 907	61 339	56 370	38,07	-8,82
Transfers and Subsidies - Operational	111 120	94 462	116 218	105 686	10,62	-9,97
Interest Earned from Receivables (Non-Exchange)	4 208	4 353	4 509	4 500	3,26	-0,21
Operational Revenue (Non-Exchange)	3 629	4 601	3 957	3 863	-19,09	-2,42
Gains on Disposal of Assets	0	0	400	1 428	100,00	71,99
Other Gains	9 580	19 548	14 249	12 889	-51,66	-10,55
Total Revenue (excluding capital transfers and contributions)	449 797	451 489	512 856	503 674	10,36	-1,82
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.						

Table 185: Revenue by Source

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OPERATIONAL SERVICES PERFORMANCE

The table below indicates the operational services performance for the 2024/25 financial year:

Description	2023/24	2024/25			2024/25 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust-ments Budget
	R'000				%	
Operating Cost						
Water	39 390	33 757	32 119	33 545	-0,63	4,25
Waste Water (Sanitation)	19 598	20 452	24 117	21 407	4,46	-12,66
Electricity	152 780	136 679	164 910	154 920	11,77	-6,45
Waste Management	17 841	26 193	30 470	26 075	-0,45	-16,85
Housing	4 174	6 457	9 958	5 506	-17,26	-80,85
Component A: sub-total	233 783	223 537	261 574	241 454	7,42	-8,33
Roads and Stormwater	14 917	17 265	16 561	15 955	-8,21	-3,80
Transport	0	0	0	0	0,00	0,00
Component B: sub-total	14 917	17 265	16 561	15 955	-8,21	-3,80
Planning	11 090	11 221	11 342	11 223	0,02	-1,06
Local Economic Development	4 258	4 625	3 599	3 608	-28,18	0,26
Component C: sub-total	15 348	15 846	14 942	14 832	-6,84	-0,74
Libraries	6 104	6 648	6 438	6 189	-7,42	-4,02
Social services & community development	3 643	3 402	2 741	3 378	0,00	0,00
Component D: sub-total	9 747	10 050	9 178	9 567	-5,05	4,07
Environmental Protection (POLLUTION CONTROL, BIO-DIVERSITY, LANDSCAPE, OPEN SPACES, PARKS, AND COASTAL PROTECTION)	0	0	0	0	0	0
Component E: sub-total	0	0	0	0	0	0
Traffic & Licensing	40 928	46 554	69 448	63 318	26,48	-9,68
Fire Serices and Disaster Management	2 470	4 914	4 257	2 598	-89,16	-63,85
Component F: sub-total	43 398	51 468	73 705	65 916	21,92	-11,82
Holiday Resorts and Campsites	4 293	5 088	4 756	4 506	-12,90	-5,54
Stadiums and Sport Ground	1 707	1 840	1 622	1 568	-17,36	-3,43
Communitiy Facilities	836	1 196	1 077	774	-54,61	-39,16
Parks and Gardens	6 695	7 557	6 939	6 634	-13,91	-4,59
Component G: sub-total	13 531	15 682	14 393	13 482	-16,31	-6,76
Financial Services	73 792	73 914	76 435	72 460	-2,01	-5,49
Office of the MM	13 903	14 276	14 366	14 152	-0,88	-1,51
Administration	24 118	24 438	26 646	23 857	-2,44	-11,69
Human Resources	3 077	4 684	4 612	4 514	-3,76	-2,18
Component H: sub-total	114 890	117 312	122 060	114 983	-2,03	-6,16
Total Expenditure	445 615	451 160	512 413	476 189	5,26	-7,61

In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service.
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

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Table 186: Operational Services Performance

5.2. FINANCIAL PERFORMANCE PER MUNICIPAL FUNCTION

The tables below indicate the financial performance per municipal function:

5.2.1. WATER SERVICES

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjust-ment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	40 835	81 278	54 108	49 926	-62,80
Expenditure:					
Bulk Purchases	622	800	800	857	6,68
Debt Impairment	(300)	3 802	1 110	3 333	-14,08
Depreciation and Amortisation	5 011	7 273	5 307	4 843	-50,16
Contracted Services	1 089	900	1 340	1 085	17,06
Employee Related Costs	12 535	15 120	13 455	12 969	-16,59
Other Expenditure	5 714	5 862	7 107	6 289	6,79
Impairment	14 718	0	3 000	4 169	100,00
Total Operational Expenditure	39 390	33 757	32 119	33 545	-0,63
Net Operational (Service)	1 445	47 521	21 990	16 381	-190,09
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 187: Financial Performance: Water Services

5.2.2. WASTE WATER (SANITATION)

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjust-ment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	30 274	22 604	43 292	38 734	41,64
Expenditure:					
Contracted Services	1 584	1 050	1 332	1 190	11,76
Debt Impairment	2 571	2 348	4 690	3 090	24,00

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Depreciation and Amortisation	6 488	6 965	6 958	6 500	-7,15
Employee Related Costs	5 483	6 500	6 852	6 640	2,10
Other Expenditure	3 471	3 588	4 286	3 987	10,01
–	19 598	20 452	24 117	21 407	4,46
Net Operational (Service)	10 676	2 152	19 175	17 326	87,58
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 188: Financial Performance: Waste Water (Sanitation) Services

5.2.3. ELECTRICITY

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjust-ment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	161 898	167 411	190 233	187 369	10,65
Expenditure:					
Bulk Purchases	105 503	113 900	126 850	124 217	8,31
Contracted Services	30 625	1 680	15 873	13 785	87,81
Debt Impairment	942	1 010	4 680	(303)	433,63
Depreciation and Amortisation	4 188	6 470	4 499	4 412	-46,65
Employee Related Costs	9 340	10 673	10 576	10 458	-2,06
Other Expenditure	2 182	2 945	2 432	2 351	-25,30
Total Operational Expenditure	152 780	136 679	164 910	154 920	11,77
Net Operational (Service)	9 118	30 733	25 323	32 449	5,29
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 189: Financial Performance: Electricity

5.2.4. WASTE MANAGEMENT

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjust-ment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	26 393	19 591	21 915	22 630	13,43
Expenditure:					

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Contracted Services	1 676	1 220	1 077	1 116	-9,30
Debt Impairment	1 593	2 014	3 090	2 607	22,74
Depreciation and Amortisation	2 171	1 712	2 298	2 989	42,72
Employee Related Costs	9 557	11 005	10 953	10 706	-2,80
Other Expenditure	922	0	2 000	2 032	100,00
Impairment	1 922	10 241	11 051	6 625	-54,59
Total Operational Expenditure	17 841	26 193	30 470	26 075	-0,45
Net Operational (Service)	8 552	(6 602)	(8 555)	(3 445)	-91,62
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 190: Financial Performance: Waste Management

5.2.5. HOUSING

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	4 819	9 780	11 587	6 714	-45,66
Expenditure:					
Contracted Services	1 756	3 844	7 642	3 358	-14,46
Depreciation and Amortisation	1	4	3	0	-1155,34
Employee Related Costs	2 340	2 530	2 237	2 099	-20,51
Other Expenditure	76	78	75	48	-62,75
Total Operational Expenditure	4 174	6 457	9 958	5 506	-17,26
Net Operational (Service)	645	3 323	1 628	1 208	-175,16
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 191: Financial Performance: Housing

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5.2.6. ROADS AND STORMWATER

Description	2023/24	2024/25			
	<i>Actual (Audited Outcome)</i>	Original Budget	Adjust-ment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	3 000	0	4 000	1 163	100,00
Expenditure:					
Contracted Services	887	525	1 054	597	12,08
Depreciation and Amortisation	6 046	6 204	6 229	6 149	-0,89
Employee Related Costs	6 150	7 912	6 479	6 580	-20,25
Other Expenditure	1 835	2 624	2 799	2 629	0,20
Total Operational Expenditure	14 917	17 265	16 561	15 955	-8,21
Net Operational (Service)	(11 918)	(17 265)	(12 561)	(14 792)	-16,71
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 192:

Financial Performance: Roads and Stormwater

5.2.7. PLANNING (DEVELOPMENT MANAGEMENT SPATIAL PLANNING AND ENVIRONMENTAL MANAGEMENT, BUILDING CONTROL AND PROPERTY MANAGEMENT)

Description	2023/24	2024/25			
	<i>Actual (Audited Outcome)</i>	Original Budget	Adjust-ment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	2 655	2 095	2 168	2 721	23,02
Expenditure:					
Contracted Services	1 093	659	840	790	16,60
Depreciation and Amortisation	136	143	52	54	-166,74
Employee Related Costs	9 436	9 862	10 007	10 083	2,20
Other Expenditure	424	557	443	296	-88,18
Total Operational Expenditure	11 090	11 221	11 342	11 223	0,02
Net Operational (Service)	(8 434)	(9 126)	(9 174)	(8 502)	-7,34
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 193:

Financial Performance: Planning

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5.2.8. LED

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjust-ment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	0	0	0	0	0
Expenditure:					
Contracted Services	5	0	0	0	0
Employee Related Costs	4 193	4 484	3 457	3 463	-29,50
Other Expenditure	60	41	42	46	10,17
Transfers and grants	0	100	100	100	0,00
Total Operational Expenditure	4 258	4 625	3 599	3 608	-28,18
Net Operational (Service)	(4 258)	(4 625)	(3 599)	(3 608)	-28,18
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 194: Financial Performance: LED

5.2.9. LIBRARIES

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjust-ment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	4 928	6 302	6 304	5 324	-18,39
Expenditure:					
Contracted Services	80	0	230	0	0
Depreciation and Amortisation	117	114	112	108	-5,23
Employee Related Costs	5 757	6 445	5 874	5 924	-8,81
Other Expenditure	150	89	221	157	43,51
Total Operational Expenditure	6 104	6 648	6 438	6 189	-7,42
Net Operational (Service)	(1 176)	(345)	(134)	(865)	60,07
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 195: Financial Performance: Libraries

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5.2.10. PARKS AND GARDENS

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	0	0	0	0	0
Expenditure:					
Contracted Services	536	340	440	420	18,99
Depreciation and Amortisation	30	29	22	20	-42,79
Employee Related Costs	5 525	6 508	5 881	5 713	-13,92
Other Expenditure	604	680	596	481	-41,28
Total Operational Expenditure	6 695	7 557	6 939	6 634	-13,91
Net Operational (Service)	(6 695)	(7 557)	(6 939)	(6 634)	-13,91
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 196: Financial Performance: Parks and Gardens

5.2.11. TRAFFIC AND LICENCING

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	36 837	39 312	65 192	59 744	34,20
Expenditure:					
Contracted Services	1 611	1 535	5 395	5 600	72,59
Debt Impairment	27 486	32 010	51 107	45 470	29,60
Depreciation and Amortisation	99	133	122	97	-37,75
Employee Related Costs	10 487	11 851	11 681	11 069	-7,07
Other Expenditure	1 058	1 025	1 143	1 083	5,35
Transfers and Grants	188	0	0	0	0
Total Operational Expenditure	40 928	46 554	69 448	63 318	26,48
Net Operational (Service)	(4 091)	(7 242)	(4 256)	(3 574)	-102,66
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 197: Financial Performance: Traffic and Licensing

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5.2.12. FIRE SERVICES AND DISASTER MANAGEMENT

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjust-ment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	2 299	61	34	77	20,46
Expenditure:					
Contracted Services	946	3 343	2 206	611	-447,62
Depreciation and Amortisation	1	1	1	0	-170,55
Employee Related Costs	1 370	1 385	1 525	1 523	9,06
Other Expenditure	153	185	525	464	60,13
Total Operational Expenditure	2 470	4 914	4 257	2 598	-89,16
Net Operational (Service)	(170)	(4 853)	(4 223)	(2 521)	-92,52
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 198: Financial Performance: Fire Services and Disaster Management

5.2.13. HOLIDAY RESORTS AND CAMPSITES

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjust-ment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	2 959	3 537	3 025	3 106	-13,87
Expenditure:					
Contracted Services	39	80	221	243	67,13
Depreciation and Amortisation	164	169	166	168	-0,58
Employee Related Costs	3 831	4 563	3 881	3 666	-24,47
Other Expenditure	260	276	488	429	35,68
Total Operational Expenditure	4 293	5 088	4 756	4 506	-12,90
Net Operational (Service)	(1 334)	(1 551)	(1 731)	(1 400)	-10,75
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 199: Financial Performance: Holiday Resorts and Campsites

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5.2.14. STADIUMS AND SPORT GROUND

Description	2023/24	2024/25			
	<i>Actual (Audited Outcome)</i>	Original Budget	Adjust-ment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	72	63	45	65	3,10
Expenditure:					
Contracted Services	1	25	7	6	-326,26
Depreciation and Amortisation	613	613	585	606	-1,12
Employee Related Costs	983	1 116	949	899	-24,16
Other Expenditure	109	86	81	57	-50,60
Total Operational Expenditure	1 707	1 840	1 622	1 568	-17,36
Net Operational (Service)	(1 635)	(1 778)	(1 577)	(1 503)	-18,24
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 200: Financial Performance: Stadiums and Sport Grounds

5.2.15. COMMUNITY FACILITIES AND THUSONG CENTRES

Description	2023/24	2024/25			
	<i>Actual (Audited Outcome)</i>	Original Budget	Adjust-ment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	693	8 785	4 437	5 853	-50,11
Expenditure:					
Contracted Services	1	30	149	120	74,91
Depreciation and Amortisation	24	126	75	21	-503,17
Employee Related Costs	764	990	803	587	-68,68
Other Expenditure	46	51	50	47	-8,93
Total Operational Expenditure	836	1 196	1 077	774	-54,61
Net Operational (Service)	(143)	7 589	3 360	5 079	-49,42
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 201: Financial Performance: Community Facilities and Thusong Centres

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5.2.16. FINANCIAL SERVICES

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjust-ment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	107 076	92 185	96 785	96 265	4,24
Expenditure:					
Contracted Services	4 369	5 025	5 591	4 699	-6,94
Debt Impairment	18 090	12 904	14 680	11 823	-9,15
Depreciation and Amortisation	735	703	722	715	1,68
Employee Related Costs	22 167	25 922	25 779	23 734	-9,22
Fair Value Adjustment Losses	0	7 360	2 060	2 989	-146,24
Finance Charges	16 030	11 926	12 792	15 150	21,28
Loss on disposal of Non-Monetary Assets	651	0	400	0	0
Other Expenditure	11 751	10 074	14 411	13 351	24,55
Total Operational Expenditure	73 792	73 914	76 435	72 460	-2,01
Net Operational (Service)	33 284	18 271	20 350	23 806	23,25
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 202: Financial Performance: Financial Services

5.2.17. OFFICE OF THE MUNICIPAL MANAGER

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjust-ment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	53 691	56 582	54 092	57 461	1,53
Expenditure:					
Contracted Services	74	368	167	116	-218,30
Depreciation and Amortisation	4	5	4	2	-146,78
Employee Related Costs	6 773	6 567	6 585	6 662	1,42
Other Expenditure	971	835	1 104	1 017	17,96
Transfers and Grants	0	0	0	0	0
Remuneration of Councillors	6 081	6 502	6 506	6 355	-2,31

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Total Operational Expenditure	13 903	14 276	14 366	14 152	-0,88
Net Operational (Service)	39 789	42 306	39 726	43 309	2,32
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 203: Financial Performance: Office of the Municipal Manager

5.2.18. ADMINISTRATION

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjust-ment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	564	291	1 412	1 693	82,83
Expenditure:					
Contracted Services	8 980	6 875	7 664	6 514	-5,55
Depreciation and Amortisation	675	712	780	760	6,32
Employee Related Costs	9 204	9 589	10 566	9 968	3,80
Other Expenditure	5 250	7 156	7 532	6 565	-9,01
Transfers and grants	8	105	105	50	-110,16
Total Operational Expenditure	24 118	24 438	26 646	23 857	-2,44
Net Operational (Service)	(23 554)	(24 147)	(25 235)	(22 164)	-8,95
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 204: Financial Performance: Administration

5.2.19 HUMAN RESOURCES

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjust-ment Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	219	198	198	228	13,32
Expenditure:					
Contracted Services	156	212	208	252	16,03
Depreciation and Amortisation	12	12	12	12	0,00
Employee Related Costs	2 205	3 644	3 365	3 221	-13,12
Other Expenditure	704	816	1 028	1 029	20,68
Transfers and grants	0	0	0	0	0

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Total Operational Expenditure	3 077	4 684	4 612	4 514	-3,76
Net Operational (Service)	(2 858)	(4 486)	(4 414)	(4 286)	-4,67

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 205: Financial Performance: Human Resources

5.3 GRANTS

5.3.1. GRANT PERFORMANCE

Description	2023/24	2024/25			2024/25 Variance	
	Actual (Audited Outcome)	2024/25	Adjust- ments Budget	Actual	Original Budget	Adjust- ments Budget
	R'000				%	
Transfers and Grants						
National Government:	102 180	83 135	96 504	92 468	10,09	-4,36
Local Government Equitable Share	67 058	71 545	71 545	71 545	0,00	0,00
Finance Management	2 132	2 000	1 925	1 938	-3,19	0,68
EPWP Incentive	1 658	1 534	1 534	1 534	0,00	0,00
Municipal Infrastructure Grant (PMU)	894	880	880	880	0,00	0,00
Municipal Infrastructure Grant (VAT)	2 017	2 181	2 176	2 097	-4,00	-3,77
Regional Bulk Infrastructure Grant (VAT)	0	1 934	0	0	0	0
Water Services Infrastructure Grant (VAT)	551	1 304	1 304	826	-57,86	-57,86
Integrated National Electrification Grant (VAT)	27 829	1 757	0	0	0	0
Municipal Disaster Response Grant (VAT)	41	0	2 925	1 190	100,00	-145,83
Integrated National Electrification Programme (INEP)	0	0	13 469	11 712	100,00	-15,00
National Treasury - Audit Fees	0	0	746	746	100,00	0,00
Provincial Government:	8 940	11 326	19 714	13 218	14,31	-49,15
Transport Infrastructure Grant	0	0	0	0	0	0
Library Services: MRFG	4 903	6 288	6 288	5 308	-18,47	-18,47
Thusong Service Centre (Sustainability Operational Support)	1	0	119	118	100,00	-0,57
CDW Support	10	151	302	74	-103,80	-307,60
Human Settlement Development Grant	1 756	3 844	3 715	3 358	0,00	0,00
Financial Management Capability Grant	499	0	1 550	1 550	100,00	0,00
Municipal Interventions Grant (VAT)	253	0	600	500	100,00	-20,00
Municipal Water Resilience Grant (VAT)	520	1 043	1 556	1 243	16,07	-25,18
Loadshedding Relief Grant (Vat)	198	0	0	0	0	0
Municipal Energy Resilience Grant	500	0	0	0	0	0
Municipal Service Delivery and Capacity Building Grant	300	0	0	0	0	0
Municipal Financial Recovery Services	0	0	1 000	999	100,00	-0,09
Waste Management Compliance Grant (VAT)	0	0	67	67	100,00	0,05
Acceleration Of Housing (VAT)	0	0	4 517	0	0	0

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	0	0	0	0	0	0
Other grant providers:	0	0	0	0	0,00	0,00
West Coast District Municipality (COVID-19)					0,00	0,00
ASLA					0,00	0,00
					0,00	0,00
Total Operating Transfers and Grants	111 120	94 462	116 218	105 686	10,62	-9,97
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</i>						

Table 206: Grant Performance for 2024/25

5.3.2. CONDITIONAL GRANT

Details	2023/24	2024/25			2024/25 Variance	
	Actual	2024/25	Adjust-ments Budget	Actual	Variance	
	Actual (Audited Outcome)				Budget	Adjust-ments Budget
	R'000				%	
<u>Operating expenditure of Transfers and Grants</u>						
National Government:						
Finance Management	2 132	2 000	1 925	1 938	-3,19	0,68
EPWP Incentive	1 658	1 534	1 534	1 534	0,00	0,00
Municipal Infrastructure Grant (PMU)	894	880	880	880	0,00	0,00
Municipal Infrastructure Grant (VAT)	2 017	2 181	2 176	2 097	-4,00	-3,77
Regional Bulk Infrastructure Grant (VAT)	0	1 934	0	0	0	0
Water Services Infrastructure Grant (VAT)	551	1 304	1 304	826	-57,86	-57,86
Integrated National Electrification Grant (VAT)	27 829	1 757	0	0	0	0
Municipal Disaster Response Grant (VAT)	41	0	2 925	1 190	100,00	-145,83
Integrated National Electrification Programme (INEP)	0	0	13 469	11 712	100,00	-15,00
National Treasury - Audit Fees	0	0	746	746	100,00	0,00
Provincial Government:						
Transport Infrastructure Grant	0	0	0	0	0	0
Library Services: MRFG	4 903	6 288	6 288	5 308	-18,47	-18,47
Thusong Service Centre (Sustainability Operational Support)	1	0	119	118	100,00	-0,57
CDW Support	10	151	302	74	-103,80	-307,60
Human Settlement Development Grant	1 756	3 844	3 715	3 358	-14,46	-10,61
Financial Management Capability Grant	499	0	1 550	1 550	100,00	0,00
Municipal Interventions Grant (VAT)	253	0	600	500	100,00	-20,00
Municipal Water Resilience Grant (VAT)	520	1 043	1 556	1 243	16,07	-25,18
Loadshedding Relief Grant (Vat)	198	0	0	0	0	0
Municipal Energy Resilience Grant	300	0	0	0	0	0
Municipal Service Delivery and Capacity Building Grant	500	0	0	0	0	0
Municipal Financial Recovery Services	0	0	1 000	999	100,00	-0,09
Waste Management Compliance Grant (VAT)	0	0	67	67	100,00	0,05
Acceleration Of Housing (VAT)	0	0	4 517	–	0	0

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Capital expenditure of Transfers and Grants						
National Government:						
Municipal Infrastructure Grant (MIG)	13 413	14 537	14 506	14 506	-0,22	0,00
Regional Bulk Infrastructure Grant (RBIG)	0	12 897	0	0	0	0
Water Services Infrastructure Grant	3 913	8 696	8 696	5 654	0,00	0,00
Integrated National Eelctrification Grant (INEG)	0	11 712	0	0	0	0
Municipal Disaster Response Grant	275	0	10 664	4 918	100,00	-116,83
Finance Management (Capital)	0	0	75	62	100,00	-21,14
Provincial Government:						
Human Settlement Development Grant (Capital)	3 063	5 936	3 355	3 356	-76,89	0,02
Municipal Interventions Grant	739	0	0	0	0	0
Municipal Water Resilience Grant	3 548	6 957	10 375	8 837	21,28	-17,41
Loadshedding Relief Grant	1 319	0	0	0	0	0
Library Services MRF Capital	10	0	0	0	0	0
Waste Management Compliance Grant	0	0	448	448	100,00	-0,01
Acceleration Of Housing (Capital)	0	0	0	0	0	0
Fire Services Capacity Building Grant	0	0	0	0	0	0
Non Motorised Transport Infrastructure Grant	0	0	0	0	0	0
	0	0	0	0		
Total	70 341	83 651	92 792	71 922	-16,31	-29,02
<i>* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in par 5.9.2. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</i>						

Table 207: Conditional Grant

5.3.3. LEVEL OF RELIANCE ON GRANTS AND SUBSIDIES

Financial year	Total grants and subsidies received	Total 2024/25	Percentage
	R'000		%
2023/24	111 120	449 797	24,70
2024/25	105 686	503 674	20,98

Table 208: Reliance on Grant

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5.4. ASSET MANAGEMENT

5.4.1. REPAIRS AND MAINTENANCE

Description	2023/24	2024/25			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Budget variance
		R' 000			%
Repairs and Maintenance Expenditure	29 682	33 767	34 053	31 078	-8,74

Table 209: Repairs & Maintenance

5.5. FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

5.5.1. LIQUIDITY RATIO

Description	Basis of calculation	2023/24	2024/25
		Audited outcome	Audited outcome
Current Ratio	Current assets/current liabilities	1.5 : 1	1.7 : 1
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	N/A	N/A
Liquidity Ratio	Monetary Assets/Current Liabilities	0,91	1,08

Table 210: Liquidity Financial Ratio

5.5.2. IDP REGULATION FINANCIAL VIABILITY INDICATORS

Description	Basis of calculation	2023/24	2024/25
		Audited outcome	Audited outcome
Cost Coverage	(Available cash + Investments)/monthly fixed operational expenditure	1,50	2,93
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0,16	0,16
Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	27,69	33,94

Table 211: Financial Viability National KPAs

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5.5.3. BORROWING MANAGEMENT

Description	Basis of calculation	2023/24	2024/25
		<i>Audited outcome</i>	<i>Audited outcome</i>
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0,53%	0,45%

Table 212: Borrowing Management

5.5.4. EMPLOYEE COSTS

Description	Basis of calculation	2023/24	2024/25
		<i>Audited outcome</i>	<i>Audited outcome</i>
Employee costs	Employee costs/(Total Revenue - capital revenue)	29,08%	27,48%

Table 213: Employee Costs

5.5.5. REPAIRS & MAINTENANCE

Description	Basis of calculation	2024/25	2024/25
		<i>Audited outcome</i>	<i>Audited outcome</i>
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	6,60%	6,17%

Table 214: Repairs & Maintenance

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COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.6. SOURCES OF FINANCE

5.6.1. CAPITAL EXPENDITURE BY NEW ASSETS PROGRAM

Description	2023/24	2024/25			Planned Capital expenditure		
	Audited outcome	2024/25	Adjustment Budget	Actual Expenditure	2025/26	2025/26	2025/26
R'000							
Capital expenditure by Asset Class							
Infrastructure - Total	13 576	56 065	31 025	24 332	37 369	48 040	70 597
Infrastructure: Road transport - Total	0	0	0	0	1 200	0	0
Roads, Pavements & Bridges	0	0	0	0	0	0	0
Storm water	0	0	0	0	1 200	0	0
Infrastructure: Electricity - Total	0	11 712	0	0	2 000	0	0
Generation	0	0	0	0	0	0	0
Transmission & Reticulation	0	0	0	0	0	0	0
Street Lighting	0	0	0	0	0	0	0
LV Networks	0	11 712	0	0	2 000	0	0
Infrastructure: Water - Total	6 366	22 746	11 135	8 769	20 183	19 948	23 896
Dams & Reservoirs	0	0	0	0	0	0	0
Water purification	0	0	0	0	0	0	0
Reticulation	0	0	0	0	0	0	0
Boreholes	3 303	3 913	7 780	5 413	1 739	0	0
Distribution	3 063	18 833	3 355	3 356	18 444	19 948	23 896
Infrastructure: Sanitation - Total	7 209	19 107	19 890	15 563	0	24 079	41 087
Reticulation	0	0	0	0	0	0	0
Sewerage purification	0	0	0	0	0	0	0
Waste Water Treatment Works	7 209	19 107	19 890	15 563	0	24 079	41 087
Infrastructure: Other - Total	0	2 500	0	0	13 986	4 013	5 614
Waste Management	0	2 500	0	0	13 986	4 013	5 614
Transportation	0	0	0	0	0	0	0
Gas	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Community - Total	530	10 153	6 269	4 883	13 786	7 412	7 412
Parks & gardens	0	0	0	0	0	0	0
Sports fields& stadia	0	0	0	0	0	0	0
Swimming pools							

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Community halls	530	10 153	6 269	4 883	13 786	7 412	7 412
Libraries	0	0	0	0	0	0	0
Recreational facilities	0	0	0	0	0	0	0
Fire, safety & emergency	0	0	0	0	0	0	0
Security and policing	0	0	0	0	0	0	0
Buses	0	0	0	0	0	0	0
Clinics	0	0	0	0	0	0	0
Museums & Art Galleries	0	0	0	0	0	0	0
Cemeteries	0	0	0	0	0	0	0
Social rental housing	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
<u>Capital expenditure by Asset Class</u>	23 348	2 986	14 774	11 223	4 975	0	0
<u>Heritage assets - Total</u>	0	0	0	0	0	0	0
Buildings	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
<u>Investment properties - Total</u>	0	0	0	0	0	0	0
Housing development	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
<u>Other assets</u>	23 348	2 986	14 774	11 223	4 975	0	0
General vehicles	18 745	1 210	9 560	7 623	1 970	0	0
Plant & equipment	3 256	705	3 663	2 243	1 875	0	0
Computers - hardware/equipment	1 262	1 071	1 026	997	950	0	0
Furniture and other office equipment	85	0	525	360	180	0	0
Abattoirs	0	0	0	0	0	0	0
Markets	0	0	0	0	0	0	0
Civic Land and Buildings	0	0	0	0	0	0	0
Other Buildings	0	0	0	0	0	0	0
Other Land	0	0	0	0	0	0	0
Surplus Assets - (Investment or Inventory)	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
<u>Agricultural assets</u>	0	0	0	0	0	0	0
List sub-class	–	–	–	–	–	–	–
<u>Biological assets</u>	0	0	0	0	0	0	0
List sub-class	–	–	–	–	–	–	–
<u>Intangibles</u>	0	0	0	0	0	0	0
Computers - software & programming	0	0	0	0	0	0	0
Other (list sub-class)	0	0	0	0	0	0	0
Total Capital Expenditure on new assets	37 453	69 205	52 068	40 439	56 130	55 452	78 009
<u>Specialised vehicles</u>	0	0	0	0	0	0	0

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Refuse	0	0	0	0	0	0	0
Fire	0	0	0	0	0	0	0
Conservancy	0	0	0	0	0	0	0
Ambulances	0	0	0	0	0	0	0

Table 215: Capital Expenditure by New Assets Program

5.6.2. CAPITAL EXPENDITURE: FUNDING SOURCE

The table below indicates the capital expenditure by funding source for the 2024/25 financial year:

Details	2023/24	2024/25				
	Audited outcome	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance	Actual to OB Variance
Source of finance						
Description	R'000				%	
External loans	0	0	0	0	0,00	0,00
Public contributions and donations	0	0	0	0	0,00	0,00
Grants and subsidies	26 280	60 734	48 119	37 781	-20,77	-17,02
Own funding	15 383	19 834	23 805	15 970	20,02	-39,50
Total	41 662	80 568	71 924	53 751	-10,73	-22,56
Percentage of finance						
External loans	0	0	0	0	0,00	0,00
Public contributions and donations	0	0	0	0	0,00	0,00
Grants and subsidies	63	75	67	70	-11,25	4,49
Own funding	37	25	33	30	34,45	-13,75
Capital expenditure						
Description	R'000				%	
Water and sanitation	7 209	19 107	19 890	15 563	4,10	-22,64
Electricity	0	11 712	0	0	-100,00	0,00
Housing	0	0	0	0	0,00	0,00
Roads and storm water	0	0	0	0	0	0
Other	30 244	38 385	32 178	24 876	-16,17	-19,02
Total	37 453	69 205	52 068	40 439	-24,76	-16,80
Percentage of expenditure						
Water and sanitation	19	28	38	38	38,36	1,03
Electricity	0	17	0	0	-100,00	0,00
Housing	0	0	0	0	0,00	0,00
Roads and storm water	0	0	0	0	0	0
Other	81	55	62	62	11,42	-0,51

Table 216: Capital Expenditure by Funding Source

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COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

Cash flow management is critical to the municipality as it enables the organisation to assess whether enough cash is available at any point in time to cover the council's commitments. Cash flow is rigorously managed and monitored on a regular basis.

5.7. CASH FLOW

Description	2023/24	2024/25		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
	R'000			
Cash flow from operating activities				
Receipts				
Ratepayers and other	265 586	277 193	285 002	302 047
Government - operating	117 607	94 462	109 144	101 344
Government - capital	26 280	60 734	38 069	37 781
Interest	8 494	5 003	13 113	12 537
Dividends	0	0	0	0
Payments				
Suppliers and employees	(336 781)	(345 942)	(384 985)	(354 109)
Finance charges	(497)	(290)	(290)	(228)
Transfers and Grants	(198)	(220)	(220)	(164)
Net cash from/(used) operating activities	80 491	90 941	59 832	99 208
Cash flows from investing activities				
Receipts				
Proceeds on disposal of PPE	697	0	400	3 348
Decrease (Increase) in non-current debtors	0	0	0	0
Decrease (increase) other non-current receivables	0	0	0	0
Decrease (increase) in non-current investments	0	0	0	0
Payments				
Capital assets	(46 970)	(80 568)	(71 924)	(57 475)
Net cash from/(used) investing activities	(46 273)	(80 568)	(71 524)	(54 127)
Cash flows from financing activities				
Receipts				
Consumer Deposits	203	221	170	228
Borrowing long term/refinancing	0	0	0	0
Payments				
Repayment of borrowing	(1 941)	(1 969)	(1 969)	(1 969)
Net cash from/(used) financing activities	(1 738)	(1 747)	(1 799)	(1 741)
Net increase/ (decrease) in cash held	32 481	8 625	(13 490)	43 340

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Cash/cash equivalents at the year begin:	28 778	1 530	61 258	61 258
Cash/cash equivalents at the year-end:	61 258	10 155	47 768	104 598

Source: MBRR SA7

Table 217: Cash Flow

5.8. GROSS OUTSTANDING DEBTORS PER SERVICE

Financial year	Rates	Trading services	Economic services	Housing rentals	Other	Total
		2024/25	(Sanitation and Refuse)			
	(R'000)					
2023/24	44 923	109 626	0	0	0	154 550
2024/25	48 057	117 300	0	0	0	165 356
Difference	3 133	7 674	0	0	0	10 807
% growth year on year	7	7	0	0	0	7

Table 218: Gross Outstanding Debtors per Service

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5.9. TOTAL DEBTORS AGE ANALYSIS

Financial year	0 - 30 Days (Current)	1 to 3 months	4 months to 1 year	Over 1 year	Total
	(R'000)				
2023/24	27 268	20 500	34 651	72 130	154 550
2024/25	32 345	19 245	34 026	79 740	165 356
Difference	5 077	(1 255)	(625)	7 610	10 807
% growth year on year	19	-6	-2	11	7

Table 219: Service Debtor Age Analysis

5.10. BORROWING AND INVESTMENTS

Infrastructure needs to be replaced and therefore borrowings for periods of 15 years are taken up to lessen the impact on consumers.

5.10.1. ACTUAL BORROWINGS

Instrument	2023/24	2024/25
	R'000	
Long-Term Loans (annuity/reducing balance)	2 263	476
Long-Term Loans (non-annuity)	0	0
Local registered stock	0	0
Instalment Credit	0	0
Financial Leases	181	0
PPP liabilities	0	0
Finance Granted By Cap Equipment Supplier	0	0
Marketable Bonds	0	0
Non-Marketable Bonds	0	0
Bankers Acceptances	0	0
Financial derivatives	0	0
Other Securities	0	0
Total	2 445	476

Table 220: Actual Borrowings

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5.10.2. MUNICIPAL INVESTMENTS

Investment type	2023/24	2024/25
	Actual	2024/25
	R'000	R'000
Securities - National Government	0	0
Listed Corporate Bonds	0	0
Deposits - Bank	51 234	93 295
Deposits - Public Investment Commissioners	0	0
Deposits - Corporation for Public Deposits	0	0
Bankers Acceptance Certificates	0	0
Negotiable Certificates of Deposit - Banks	0	0
Guaranteed Endowment Policies (sinking)	0	0
Repurchase Agreements - Banks	0	0
Municipal Bonds	0	0
Other	0	0
Total	51 234	93 295

Table 221: Municipal Investments

5.10.3. GRANTS MADE BY THE MUNICIPALITY

All Organisation or Person in receipt of Grants provided by the municipality	Nature of project	2023/24	Value 2024/25 R'000	Total Amount committed over previous and future years
Bursaries	0	0	0	0
Severance Package	0	188	0	0
Sport Councils	0	3	15	0
Tourism	0	0	100	0
Social Relief	0	8	50	0

Table 222: Grants Made by the Municipality

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CHAPTER 6

COMPONENT A: AUDITOR-GENERAL OPINION 2023/24

6.1. AUDITOR-GENERAL REPORT 2023/24

2023/24	
Unqualified with findings	
Main Issues under emphasis of matter	Corrective steps implemented/to be implemented
Material Impairments	
As disclosed in note 3 to the financial statements, the municipality provided for the impairment of receivables from exchange transactions of R68 460 242 (2022-23: R69 626 763).	This is due to non-payment of debtors for service charges. This amount is cumulative from the 2022/23 financial year. Credit control measures are enforced. Impairment is based on the average collection rate of the Municipality.
As disclosed in note 4 to the financial statements, the municipality provided for the impairment of receivables from non-exchange transactions of R69 930 648 (2022-23: R54 567 760).	This is due to non-payment of debtors for property rates and availability charges, as well as non-payment of traffic fines. This amount is cumulative from the 2022/23 financial year. Majority of the allowance for impairment is due to Property Rates and Traffic Fines. All unpaid traffic fines older than 1 year are impaired in full.
As disclosed in note 11 to the financial statements, the municipality provided for an accumulated impairment of infrastructure assets of R52 472 844 (2022-2023: R36 832 937). This relates to the Lamberts' bay desalination plant needing to be refurbished as it is taking longer to complete due to geotechnical challenges experienced in completing the marine outfall phase of the project.	Due to the delay in the completion of the desalination plant the incomplete assets underwent wear and tear. The asset was also vandalised. When an asset verification was done it was determined that the asset must be impaired. Impairment was done based on the technical review/assessment by the desalination plant expert service providers. The asset will be refurbished and completed pending funding.
As disclosed in note 51.2 to the financial statements, the municipality incurred irregular expenditure of R16 603 924, as a result of non-compliance with procurement laws and regulations	This was as result of interpretation differences between the AG and the Municipality. Corrective measures have been put in place to address irregular expenditure.
Underspending of conditional grants	
The municipality received grants totalling R107 814 206 to fund its programmes and projects in the current year. We audited compliance with the Division of Revenue Act and the use of the following grants: <ul style="list-style-type: none"> - Municipal Infrastructure Grant (MIG) - Water Services Infrastructure Grant (WSIG) Integrated National Electrification Programme (Eskom) Grant	Management will ensure all grant funding is completely spent within the financial year.

Table 223: AG Report on Financial Performance 2023/24

COMPONENT B: AUDITOR-GENERAL OPINION 2024/25

6.2. AUDITOR-GENERAL REPORT 2024/25

Information pending the Audit Report for 2024/25

2024/25	
Unqualified without findings	
Main Issues under emphasis of matter	Corrective steps implemented/to be implemented
Material Impairments	
As disclosed in note 48 to the financial statements, the corresponding figures for 30 June 2024 were restated as result of errors in the financial statements of the municipality at, and for the year ended 30 June 2025.	The restatement relates to the long contested VAT interpretation conclusion, this is an isolated matter. It is considered to be resolved.
As disclosed in note 3 to the financial statements, the municipality provided for the impairment of receivables from exchange transactions of R70 847 084 (2023-24: R68 460 242)	This is due to non-payment of debtors for service charges. This amount is cumulative from the 2024/25 financial year. Credit control measures are enforced. Impairment is based on the average collection rate of the Municipality.
As disclosed in note 4 to the financial statements, the municipality provided for the impairment of receivables from non-exchange transactions of R117 408 389 (2023-24: R69 930 648)	This is due to non-payment of debtors for property rates and availability charges, as well as non-payment of traffic fines. This amount is cumulative from the 2024/25 financial year. Majority of the allowance for impairment is due to Property Rates and Traffic Fines. All unpaid traffic fines older than 1 year are impaired in full.
As disclosed in note 11 to the financial statements, the municipality provided for an accumulated impairment of infrastructure assets of R54 994 261 (2023-24: R50 825 162). This relates to the Lamberts' Bay desalination plant needing to be refurbished as it is taking longer to complete due to outstanding environmental impact assessment processes as well as funding approval from the Department of Water and Sanitation.	<p>Due to the delay in the completion of the desalination plant the incomplete assets underwent wear and tear. When an asset verification was done it was determined that the asset must be impaired.</p> <p>Impairment was done based on the technical review/assessment by the desalination plant expert service providers.</p> <p>The asset will be refurbished and completed pending funding.</p>
Underspending of conditional grants	
N/A	N/A

Table 224: AG Report on Financial Performance 2024/25

List of Abbreviations

LIST OF ABBREVIATIONS

AG	Auditor-General	IMFO	Institute for Municipal Finance Officers
AFS	Annual Financial Statements	KPA	Key Performance Area
CAPEX	Capital Expenditure	KPI	Key Performance Indicator
CBP	Community Based Planning	LED	Local Economic Development
CFO	Chief Financial Officer	MAYCOM	Executive Mayoral Committee
CMTP	Council Meets The People	MFMA	Municipal Finance Management Act (Act No. 56 of 2003)
COGHSTA	Department of Cooperative Governance, Human Settlements and Traditional Affairs	MIG	Municipal Infrastructure Grant
DCOG	Department of Cooperative Governance	MISA	Municipal Infrastructure Support Agent
DCAS	Department of Cultural Affairs and Sport	MM	Municipal Manager
DEADP	Department of Environmental Affairs and Development Planning	MMC	Member of Mayoral Committee
DEDAT	Department of Economic Development and Tourism	MSA	Municipal Systems Act No. 32 of 2000
DHS	Department of Human Settlements	MTECH	Medium Term Expenditure Committee
DOH	Department of Health	NCOP	National Council of Provinces
DPLG	Department of Provincial and Local Government	NERSA	National Energy Regulator South Africa
DSD	Department of Social Development	NGO	Non-governmental organisation
DRDLR	Department of Rural Development and Land Reform	NT	National Treasury
DWA	Department of Water Affairs	NYDA	National Youth Development Agency
ECD	Early Childhood Development	OPEX	Operating expenditure
EE	Employment Equity	PMS	Performance Management System
EPWP	Extended Public Works Programme	PT	Provincial Treasury
EXCO	Executive Committee	SALGA	South African Local Government Association
FBS	Free Basic Services	SAMDI	South African Management Development Institute
GAMAP	Generally Accepted Municipal Accounting Practice	SCAC	Stop Crime Against Children
GRAP	Generally Recognised Accounting Practice	SCM	Supply Chain Management
HR	Human Resources	SDBIP	Service Delivery and Budget Implementation Plan
IDP	Integrated Development Plan	SDF	Spatial Development Framework
IFRS	International Financial Reporting Standards	WESGRO	Western Cape Tourism, Trade and Investment Promotion Agency

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Financial Statements

CEDERBERG LOCAL MUNICIPALITY



AUDITED ANNUAL FINANCIAL STATEMENTS

30 JUNE 2025

CEDERBERG LOCAL MUNICIPALITY

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CEDERBERG LOCAL MUNICIPALITY

GENERAL INFORMATION

NATURE OF BUSINESS

Cederberg Local Municipality performs the functions as set out in the Constitution (Act no 108 of 1996).

LEGAL FORM

South African Category B Municipality (Local Municipality) as defined by the Municipal Structures Act (Act no 117 of 1998).

JURISDICTION

The Cederberg Local Municipality includes the following areas:

Algeria	Graafwater
Clanwilliam	Leipoltville
Lamberts Bay	Elands Bay
Citrusdal	

MEMBERS OF THE COUNCIL

Ward 1	Cllr AM Scheepers
Ward 2	Cllr Y Blaauw
Ward 3	Cllr M Heins
Ward 4	Cllr PJ Strauss
Ward 5	Cllr JP Hayes
Ward 6	Cllr AG Mouton
Proportional	Cllr RR Richards
Proportional	Cllr WJ Farmer
Proportional	Cllr J Engelbrecht
Proportional	Cllr JH van Heerden
Proportional	Cllr MG Bergh

MEMBERS OF THE MAYORAL COMMITTEE

Cllr AM Scheepers (Executive Mayor)
Cllr RR Richards (Deputy Executive Mayor)
Cllr M Heins (Speaker)
Cllr AG Mouton
Cllr JH van Heerden

MUNICIPAL MANAGER

Mr GF Matthyse

CHIEF FINANCIAL OFFICER

Mr J Booysen (permanently appointed from 01 October 2024)

AUDIT COMMITTEE

Omar Valley (Chairperson)
Charles Beukes
Omphile Sehunelo

REGISTERED OFFICE

2A Voortrekker Road
Clanwilliam
8135

POSTAL ADDRESS

Private Bag x2
Clanwilliam
8135

CEDERBERG LOCAL MUNICIPALITY

GENERAL INFORMATION

AUDITORS

Office of the Auditor General (WC)

PRINCIPLE BANKERS

Standard Bank of South Africa Limited

ATTORNEYS

Sithole Mokomane Attorneys

Bright Rikhotso

Lizel Venter

Turner Ntshingana Kirsten Ravens

Enderstein Malumbete

Cheadle Thompson and Haysom

Wesley Pretorius and Associates

RELEVANT LEGISLATION

Basic Conditions of Employment Act (Act no 75 of 1997)

Collective Agreements

Division of Revenue Act

Electricity Act (Act no 41 of 1987)

Employment Equity Act (Act no 55 of 1998)

Housing Act (Act no 107 of 1997)

Infrastructure Grants

Municipal Budget and Reporting Regulations

Municipal Cost Containment Regulations 2019

Municipal Finance Management Act (Act no 56 of 2003)

Municipal Planning and Performance Management Regulations

Municipal Property Rates Act (Act no 6 of 2004)

Municipal Regulations on a Standard Chart of Accounts, 2014

Municipal Structures Act (Act no 117 of 1998)

Municipal Systems Act (Act no 32 of 2000)

National Environmental Management Act

Occupational Health and Safety Act

Preferential Procurement Policy Framework Act, 2000

SALBC Leave Regulations

Skills Development Levies Act (Act no 9 of 1999)

Supply Chain Management Regulations, 2005

The Income Tax Act

Unemployment Insurance Act (Act no 30 of 1966)

Value Added Tax Act

Water Services Act (Act no 108 of 1997)

CEDERBERG LOCAL MUNICIPALITY

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

ACCOUNTING OFFICER'S RESPONSIBILITIES AND APPROVAL

I am responsible for the preparation of these annual financial statements year ended 30 June 2025, which are set out on pages 1 to 95 in terms of Section 126 (1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

The annual financial statements have been prepared in accordance with GRAP, including any interpretations, guidelines and directives issued by the Accounting Standards Board (ASB).

I acknowledge that I am ultimately responsible for the system of internal financial control and that the system of internal control provides reasonable assurance that the financial records can be relied on.

I have reviewed the Municipality's cash flow forecast for the year to 30 June 2026 and I am satisfied that the Municipality can continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the Municipality's financial statements.

I certify that the remuneration of Councillors and in-kind benefits are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.



Mr GF Matthyse
Municipal Manager

30 August 2025

Date

CEDERBERG LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2025

	Notes	2025 R (Actual)	2024 R (Restated)
ASSETS			
Current Assets		169 101 743	122 322 323
Cash and Cash Equivalents	2	104 598 019	61 258 215
Receivables from Exchange Transactions	3	37 657 350	32 408 431
Receivables from Non-Exchange Transactions	4	16 526 006	16 011 936
Taxes	5	7 654 157	10 174 506
Operating Lease Assets	6	-	-
Current Portion of Long-term Receivables	7	1 337 330	1 296 291
Inventory	8	1 328 882	1 172 943
Non-Current Assets		704 732 296	682 727 150
Long-term Receivables	7	1 336 522	1 599 532
Investment Property	10	73 790 079	74 264 903
Property, Plant and Equipment	11	629 106 780	606 156 289
Intangible Assets	12	498 915	706 426
Total Assets		873 834 039	805 049 474
LIABILITIES			
Current Liabilities		114 916 298	114 961 870
Current Portion of Long-term Liabilities	13	12 917 693	13 264 684
Consumer Deposits	14	3 225 813	2 997 700
Payables from Exchange Transactions	15	46 165 997	52 541 374
Unspent Conditional Government Grants	16	13 181 503	13 475 191
Taxes	5	22 603 103	18 070 743
Operating Lease Liabilities	6	-	-
Current Employee Benefits	17	16 822 188	14 612 178
Current Provisions	18	-	-
Non-Current Liabilities		126 729 384	123 165 588
Long-term Liabilities	13	13 705 945	26 623 639
Employee Benefits	19	42 282 000	35 509 000
Non-Current Provisions	20	70 741 439	61 032 949
Total Liabilities		241 645 682	238 127 458
NET ASSETS		632 188 357	566 922 016
COMMUNITY WEALTH			
Accumulated Surplus		632 188 357	566 922 016
		632 188 357	566 922 016

CEDERBERG LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDING 30 JUNE 2025

	Notes	2025 R (Actual)	2024 R (Restated)
REVENUE			
REVENUE FROM NON-EXCHANGE TRANSACTIONS		271 384 872	228 399 671
Taxation Revenue		74 996 749	73 692 932
Property Rates	21	74 996 749	73 692 932
Transfer Revenue		123 088 638	102 901 291
Government Grants and Subsidies - Operating	22	85 307 652	76 631 713
Government Grants and Subsidies - Capital	22	37 780 985	26 269 578
Other Revenue		73 299 486	51 805 449
Availability Charges	23	3 863 433	3 629 486
Insurance Refund	24	177 097	112 012
Fines, Penalties and Forfeits	25	56 369 637	32 934 099
Fair Value Adjustment Gains	26	701 198	9 579 622
Debt Forgiveness	27	12 188 121	5 550 229
REVENUE FROM EXCHANGE TRANSACTIONS		255 000 082	223 641 820
Operating Activities		255 000 082	223 641 820
Service Charges	28	215 961 999	190 638 712
Rental of Facilities and Equipment	29	1 070 306	969 797
Interest Earned - External Investments	30	9 619 304	5 190 675
Interest Earned - Outstanding Debtors	31	11 861 522	12 325 085
Agency Services	32	4 012 431	4 299 701
Library Services	33	5 307 663	4 912 914
Other Income	34	5 739 042	5 304 935
Gain on disposal of Non-Monetary Assets	46	1 427 815	-
CONSTRUCTION CONTRACTS	35	15 070 495	29 585 087
TOTAL REVENUE		541 455 450	481 626 578
EXPENDITURE			
Employee Related Costs	36	139 180 684	131 576 928
Remuneration of Councillors	37	6 355 048	6 081 304
Debt Impairment	38	66 019 121	50 383 603
Depreciation and Amortisation	39	27 491 731	26 567 447
Impairment	40	6 201 456	15 639 907
Finance Charges	41	15 149 680	16 029 892
Bulk Purchases	42	125 074 705	106 125 126
Contracted Services	43	40 502 309	55 518 311
Transfers and Grants	44	164 462	198 026
Other Expenditure	45	47 060 987	36 843 775
Loss on disposal of Non-Monetary Assets	46	-	650 890
Fair Value Adjustment Losses	47	2 988 926	-
TOTAL EXPENDITURE		476 189 111	445 615 209
NET SURPLUS FOR THE YEAR		65 266 339	36 011 368

CEDERBERG LOCAL MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDING 30 JUNE 2025

	ACCUMULATED SURPLUS R	TOTAL R
Balance on 30 June 2023	538 136 705	568 694 322
Correction of error restatement - note 48.6	(7 226 058)	(7 226 058)
Balance on 30 June 2023 - Restated	530 910 647	530 910 647
Net Surplus for the year	36 011 369	36 011 369
Balance on 30 June 2024 - Restated	566 922 016	566 922 016
Net Surplus for the year	65 266 341	65 266 341
Balance on 30 June 2025	632 188 357	632 188 357

CEDERBERG LOCAL MUNICIPALITY

CASH FLOW STATEMENT FOR THE YEAR ENDING 30 JUNE 2025

	Notes	2025 R (Actual)	2024 R (Restated)
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts			
Property Rates		71 201 990	66 481 290
Service Charges		207 250 369	177 380 685
Other Revenue and Receipts		40 819 997	58 550 405
Government Grants		122 128 008	107 263 509
Interest		12 536 998	8 494 207
Payments			
Suppliers and employees		(354 108 873)	(336 780 563)
Finance charges		(228 344)	(497 399)
Transfers and Grants		(164 462)	(198 026)
NET CASH FROM OPERATING ACTIVITIES	49	99 435 682	80 694 109
CASH FLOW FROM INVESTING ACTIVITIES			
Receipts			
Proceeds from sale of Property, Plant and Equipment		3 347 752	697 217
Payments			
Purchase of Property, Plant and Equipment		(57 474 924)	(46 970 037)
NET CASH USED INVESTING ACTIVITIES		(54 127 171)	(46 272 819)
CASH FLOW FROM FINANCING ACTIVITIES			
Payments			
Loans repaid		(1 968 707)	(1 940 624)
NET CASH USED FINANCING ACTIVITIES		(1 968 707)	(1 940 624)
NET INCREASE IN CASH HELD		43 339 804	32 480 666
Cash and Cash Equivalents at the beginning of the year		61 258 215	28 777 549
Cash and Cash Equivalents at the end of the year		104 598 019	61 258 215

CEDERBERG LOCAL MUNICIPALITY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2025

	ORIGINAL BUDGET R	ADJUSTMENTS R	FINAL BUDGET R	ACTUAL R	ACTUAL VS FINAL BUDGET R
STATEMENT OF FINANCIAL POSITION					
ASSETS					
Current Assets					
Cash and Cash Equivalents	10 155 041	37 613 081	47 768 122	104 598 019	56 829 897
Trade and Other Receivables from Exchange Transactions	27 243 521	8 097 895	35 341 417	37 657 350	2 315 933
Receivables from Non-Exchange Transactions	8 678 557	8 917 233	17 595 791	16 526 006	(1 069 784)
Current Portion of Non-Current Receivables	363 463	932 828	1 296 291	1 337 330	41 038
Inventory	1 046 596	126 347	1 172 943	1 328 882	155 939
VAT	6 695 701	1 334 280	8 029 981	7 654 157	(375 824)
Other Current Assets	112	(112)	-	-	-
Total Current Assets	54 182 992	57 021 553	111 204 545	169 101 743	57 897 199
Non Current Assets					
Investment Property	74 207 391	4 512	74 211 903	73 790 079	(421 824)
Property, Plant and Equipment	787 280 784	(142 276 470)	645 004 314	629 106 780	(15 897 535)
Intangible Assets	444 707	6 719	451 426	498 915	47 489
Trade and Other Receivables from Exchange Transactions	71 945	1 527 587	1 599 532	1 336 522	(263 010)
Total Non Current Assets	862 004 828	(140 737 651)	721 267 176	704 732 296	(16 534 881)
TOTAL ASSETS	916 187 820	(83 716 099)	832 471 721	873 834 039	41 362 318
LIABILITIES					
Current Liabilities					
Financial Liabilities	474 442	12 443 252	12 917 694	12 917 693	-
Consumer Deposits	3 237 715	(70 015)	3 167 700	3 225 813	58 113
Trade and Other Payables from Exchange Transactions	23 141 404	28 392 022	51 533 427	46 165 997	(5 367 429)
Trade and Other Payables from Non-Exchange Transactions	-	(698 447)	(698 447)	13 181 503	13 879 950
Provisions	13 515 983	4 960 773	18 476 756	16 822 188	(1 654 568)
VAT	-	-	-	22 603 103	22 603 103
Total Current Liabilities	40 369 544	45 027 586	85 397 130	114 916 298	29 519 169
Non Current Liabilities					
Provision	108 120 181	(1 882 232)	106 237 949	113 023 439	6 785 490
Long-term Portion of Trade Payables	27 848 171	(14 142 226)	13 705 945	13 705 946	-
Total Non Current Liabilities	135 968 352	(16 024 458)	119 943 894	126 729 385	6 785 490
TOTAL LIABILITIES	176 337 896	29 003 128	205 341 024	241 645 682	36 304 658
NET ASSETS	739 849 924	(112 719 227)	627 130 697	632 188 357	5 057 659
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus	739 849 924	(112 719 227)	627 130 697	632 188 357	5 057 659
TOTAL COMMUNITY WEALTH/EQUITY	739 849 924	(112 719 227)	627 130 697	632 188 357	5 057 659

Refer to note 51.2 for explanations of material variances.

Material variances are considered to be any variances greater than R 4.5 million.

CEDERBERG LOCAL MUNICIPALITY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2025

	ORIGINAL APPROVED BUDGET R	ADJUSTMENTS R	FINAL APPROVED BUDGET R	VIREMENTS R	FINAL BUDGET R	ACTUAL R	ACTUAL VS FINAL BUDGET R
STATEMENT OF FINANCIAL PERFORMANCE							
REVENUE							
Exchange Revenue							
Service charges - Electricity	135 874 000	13 757 000	149 631 000	-	149 631 000	152 838 248	3 207 248
Service charges - Water	33 443 000	(666 000)	32 777 000	-	32 777 000	32 696 026	(80 974)
Service charges - Waste Water Management	15 305 000	(641 000)	14 664 000	-	14 664 000	15 823 494	1 159 494
Service charges - Waste Management	14 436 000	(723 000)	13 713 000	-	13 713 000	14 604 231	891 231
Sale of Goods and Rendering of Services	4 925 599	(314 575)	4 611 024	-	4 611 024	5 318 382	707 358
Agency services	4 464 524	(469 301)	3 995 223	-	3 995 223	4 012 431	17 208
Interest Earned from Receivables (Exchange)	6 698 000	788 000	7 486 000	-	7 486 000	7 361 932	(124 068)
Interest Earned from Current and Non Current Assets	1 150 000	8 340 280	9 490 280	-	9 490 280	9 619 304	129 024
Rental from Fixed Assets	783 960	(35 556)	748 404	-	748 404	1 070 306	321 902
Licences and Permits	12 150	(10 150)	2 000	-	2 000	2 370	370
Operational Revenue (Exchange)	526 586	(190 634)	335 952	-	335 952	595 387	259 435
Non-Exchange Revenue							
Property Rates	75 998 000	(1 269 000)	74 729 000	-	74 729 000	74 996 749	267 749
Surcharges and Taxes	1 000	-	1 000	-	1 000	-	(1 000)
Fines, Penalties and Forfeits	34 907 068	26 431 880	61 338 948	-	61 338 948	56 369 637	(4 969 311)
Transfers and Subsidies - Operational	94 461 651	21 756 093	116 217 744	-	116 217 744	105 685 811	(10 531 933)
Interest Earned from Receivables (Non-Exchange)	4 353 000	156 000	4 509 000	-	4 509 000	4 499 590	(9 410)
Operational Revenue (Non-Exchange)	4 601 000	(644 000)	3 957 000	-	3 957 000	3 863 433	(93 567)
Gains on Disposal of Assets	-	400 000	400 000	-	400 000	1 427 815	1 027 815
Other Gains	19 548 121	(5 299 000)	14 249 121	-	14 249 121	12 889 319	(1 359 802)
Total Revenue (excluding capital transfers)	451 488 659	61 367 037	512 855 696	-	512 855 696	503 674 464	(9 181 232)
EXPENDITURE							
Employee Related Costs	149 110 026	(6 426 732)	142 683 294	-	142 683 294	138 386 347	(4 296 947)
Remuneration of Councillors	6 501 600	4 400	6 506 000	-	6 506 000	6 355 048	(150 952)
Bulk Purchases - Electricity	113 900 000	12 950 000	126 850 000	-	126 850 000	124 217 401	(2 632 599)
Inventory Consumed	11 172 005	3 210 767	14 382 772	(78 200)	14 304 572	13 313 746	(990 826)
Debt Impairment	54 087 640	25 269 360	79 357 000	-	79 357 000	66 019 121	(13 337 879)
Depreciation and Amortisation	31 438 000	1 530 000	32 968 000	-	32 968 000	33 693 188	725 188
Interest	11 926 000	866 110	12 792 110	-	12 792 110	15 149 680	2 357 570
Contracted Services	27 731 918	23 645 252	51 377 170	78 200	51 455 370	40 502 309	(10 953 061)
Transfers and Subsidies	220 000	-	220 000	-	220 000	164 462	(55 538)
Operational Costs	37 711 966	5 104 304	42 816 270	-	42 816 270	35 398 882	(7 417 388)
Losses on Disposal of Assets	-	400 000	400 000	-	400 000	-	(400 000)
Other Losses	7 360 000	(5 300 000)	2 060 000	-	2 060 000	2 988 926	928 926
Total Expenditure	451 159 155	61 253 461	512 412 616	-	512 412 616	476 189 111	(36 223 505)
Surplus/(Deficit)	329 504	113 576	443 080	-	443 080	27 485 353	27 042 273
Transfers and Subsidies - Capital (monetary allocations)	60 734 349	(12 615 140)	48 119 209	-	48 119 209	37 780 985	(10 338 224)
Surplus/(Deficit) for the year	61 063 853	(12 501 564)	48 562 289	-	48 562 289	65 266 339	16 704 050

Refer to note 51.1 for the reconciliation performed of actuals to be on a comparable basis to the budget.

Refer to note 51.3 for explanations of material variances.

Material variances are considered to be any variances greater than R 4.5 million.

CEDERBERG LOCAL MUNICIPALITY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2025

	ORIGINAL BUDGET R	ADJUSTMENTS R	FINAL BUDGET R	ACTUAL R	ACTUAL VS FINAL BUDGET R
CASH FLOW STATEMENT					
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts					
Property Rates	69 603 284	(2 720 829)	66 882 455	71 201 990	4 319 535
Service Charges	193 978 752	4 215 463	198 194 215	207 250 369	9 056 154
Other Revenue	13 611 247	6 314 304	19 925 551	23 595 100	3 669 549
Transfers and Subsidies	155 196 000	(7 983 985)	147 212 015	139 124 792	(8 087 222)
Interest	5 002 994	8 109 776	13 112 770	12 536 998	(575 772)
Payments					
Suppliers and Employees	(345 941 515)	(39 042 991)	(384 984 506)	(354 108 873)	30 875 633
Finance Charges	(290 000)	-	(290 000)	(228 344)	61 656
Transfers and Subsidies	(220 000)	-	(220 000)	(164 462)	55 538
Net Cash from/(used) Operating Activities	90 940 762	(31 108 263)	59 832 500	99 207 569	39 375 069
CASH FLOW FROM INVESTING ACTIVITIES					
Receipts					
Proceeds on Disposal of PPE	-	400 000	400 000	3 347 752	2 947 752
Payments					
Capital Assets	(80 568 025)	8 644 140	(71 923 885)	(57 474 924)	14 448 961
Net Cash from/(used) Investing Activities	(80 568 025)	9 044 140	(71 523 885)	(54 127 171)	17 396 714
CASH FLOW FROM FINANCING ACTIVITIES					
Receipts					
Increase/(Decrease) in Consumer Deposits	221 372	(51 372)	170 000	228 113	58 113
Payments					
Repayment of Borrowing	(1 968 708)	-	(1 968 708)	(1 968 707)	1
Net Cash from/(used) Financing Activities	(1 747 336)	(51 372)	(1 798 708)	(1 740 594)	58 114
NET INCREASE/(DECREASE) IN CASH HELD	8 625 401	(22 115 495)	(13 490 093)	43 339 804	56 829 897
Cash and Cash Equivalents at the year begin	1 529 640	59 728 575	61 258 215	61 258 215	-
Cash and Cash Equivalents at the year end	10 155 041	37 613 081	47 768 122	104 598 019	56 829 897

Refer to note 51.1 for the reconciliation performed of actuals to be on a comparable basis to the budget.

Refer to note 51.4 for explanations of material variances.

Material variances are considered to be any variances greater than R 4.5 million.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

1 ACCOUNTING POLICIES

1.01 BASIS OF PREPARATION

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention, unless specified otherwise.

The annual financial statements have been prepared in accordance with the Municipal Finance Management Act (MFMA) and effective standards of Generally Recognised Accounting Practices (GRAP), including any interpretations, guidelines and directives issued by the Accounting Standards Board (ASB) in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003).

Accounting policies for material transactions, events or conditions not covered by the GRAP reporting framework, have been developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 and the hierarchy approved in Directive 5 issued by the Accounting Standards Board.

Assets, liabilities, revenue and expenses have not been offset, except when offsetting is permitted or required by a Standard of GRAP.

The accounting policies applied are consistent with those used to present the previous year's financial statements, unless explicitly stated otherwise. The details of any changes in accounting policies are explained in the relevant notes to the financial statements.

A summary of the significant accounting policies, which have been consistently applied except where an exemption has been granted, are disclosed below.

1.02 TRANSITIONAL PROVISIONS

The Municipality resolved to take advantage of the following transitional provisions:

In terms of Directive 7 - "The Application of Deemed Cost on the Adoption of Standards of GRAP", the Municipality applied deemed cost to Investment Property and Property, Plant and Equipment where the acquisition cost of an asset could not be determined.

1.03 PRESENTATION CURRENCY

The financial statements are presented in South African Rand, rounded off to the nearest Rand, which is the Municipality's functional currency.

1.04 GOING CONCERN ASSUMPTION

These financial statements have been prepared on a going concern basis. Refer to note 66 for the going concern assessment performed by the Municipality.

1.05 COMPARATIVE INFORMATION

1.05.1 Prior year comparatives

When the presentation or classification of items in the financial statements are amended, prior period comparative amounts are restated, unless a standard of GRAP does not require the restatements of comparative information. The nature and reason for the reclassification is disclosed.

Where material accounting errors, which relate to prior periods, have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

1.05.2 Amended Accounting Policies

Amendments to accounting policies are reported as and when deemed necessary based on the relevance of any such amendment to the format and presentation of the financial statements.

No significant amendments were made to the accounting policy in the current year.

1.06 MATERIALITY

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decision or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatements judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor. Materiality is determined as 1% of total actual operating expenditure. This materiality is from management's perspective and does not correlate with the auditor's materiality.

Standards of GRAP set out how an item should be recognised, measured and disclosed in the financial statements. In some cases, the Municipality does not recognise, measure, present or disclose information in accordance with the specific requirements outlined in the Standards of GRAP if the effect of applying those requirements are immaterial.

1.07 BUDGET INFORMATION

Budget information is presented on the accrual basis and is based on the same fiscal period as the actual amounts.

The Statement of Comparison of Budget and Actual Amounts includes the comparison between the approved and final budget amounts, as well as a comparison between the actual amounts and final budget amounts.

The disclosure of comparative information in respect of the previous period is not required by the Standards of GRAP.

1.08 NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

1.08.1 Effective dates determined

Where a Standard of GRAP has been issued but is not yet effective, the Municipality may resolve to early adopt such a Standard of GRAP if an effective date has been determined by the Minister of Finance.

The Municipality resolved not to early adopt the following Standards of GRAP which was issued but is not yet effective:

1.08.1.1 GRAP 104 (Revised 2019) - Financial Instruments (effective 1 April 2025)

The objective of this Standard is to establish principles for recognising, measuring, presenting and disclosing financial instruments. This Standard was revised to align it with IFRS 9 on Financial Instruments.

The impact of the revised Standard may be significant on the financial statements, due to the following key changes to the Standard:

- (a) Changes in the classification of instruments for subsequent measurement – financial assets are measured at either amortised cost or fair value based on the reason why they are held and their economic characteristics. Specific liabilities are measured at fair value, and all others are measured at amortised cost.
- (b) The approach to impairing financial assets changed from an incurred loss to an expected loss model. As indicated in the name, expected losses estimate the expected default of financial assets over a period of time rather than only recognising an impairment loss when an event occurs.
- (c) Loan commitments and financial guarantee contracts are recognised and measured differently. They are no longer in the scope of GRAP 19 on Provisions, Contingent Liabilities and Contingent Assets. When entering into these transactions there is an economic consequence that exposes an entity to risk. Accounting for them as financial instruments best captures this risk exposure.
- (d) With the changes in the classification of instruments and impairment approach, there is new information that GRAP 104 requires entities to disclose.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

1.08.1.2 iGRAP 22 - Foreign Currency Transactions and Advance Consideration (effective 1 April 2025)

This Interpretation addresses how to determine the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or revenue (or part of it) on the derecognition of a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration in a foreign currency.

No significant impact is expected as the Municipality is not exposed to any significant foreign currency transactions.

1.08.2 Effective dates not yet determined

Where a Standard of GRAP has been issued but not yet effective and the Minister of Finance has not yet determined an effective date for application, the Municipality may select to apply the principles established in that standard in developing an appropriate accounting policy dealing with a particular section or event.

The following Standards of GRAP have been issued but are not yet effective as the Minister of Finance has not yet determined the effective date for application:

1.08.2.1 GRAP 103 (Revised 2022) - Heritage Assets

The objective of this Standard is to prescribe the accounting treatment for heritage assets and related disclosure requirements.

This revised Standard may have a significant impact with regards to heritage assets which have a dual purpose. Even though some heritage assets can have cultural significance while being used in delivering services, the revised Standard will now require that all heritage assets be accounted for using GRAP 103. A consequence of this amendment is that a heritage asset will no longer be depreciated. Instead, a heritage asset should be tested for impairment when an impairment indicator has been triggered.

1.08.2.2 GRAP 105 (Revised 2023) - Transfer of Functions Between Entities Under Common Control

This Standard of GRAP was revised in order to align to IPSAS 40 on Public Sector Combinations and IFRS 3 on Business Combinations.

The impact of this Standard on the financial statements will not be significant, as the Municipality is not currently party to, or foresee that it will be party to any transfers of functions in the near future.

1.08.2.3 GRAP 106 (Revised 2023) - Transfer of Functions Between Entities Not Under Common Control

This Standard of GRAP was revised in order to align to IPSAS 40 on Public Sector Combinations and IFRS 3 on Business Combinations.

The impact of this Standard on the financial statements will not be significant, as the Municipality is not currently party to, or foresee that it will be party to any transfers of functions in the near future.

1.08.2.4 GRAP 107 (Revised 2023) - Mergers

This Standard of GRAP was revised in order to align to IPSAS 40 on Public Sector Combinations and IFRS 3 on Business Combinations.

The impact of this Standard on the financial statements will not be significant, as the Municipality is not currently party to, or foresee that it will be party to any mergers in the near future.

1.08.2.5 Amendments to GRAP 1 on Presentation of Financial Statements (2022)

The amendments to the Standard clarifies how to apply going concern assumption in the public sector and improve disclosure on related judgements and conclusions.

The impact of these amendments to the Standard on the financial statements will not be significant.

1.08.2.6 Improvements to the Standards of GRAP (2023)

The effect of the improvements to the current pronouncements to the Standard of GRAP is considered insignificant. The improvements mainly relates to the clarification of accounting principles.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

1.09 INVESTMENT PROPERTY

1.09.1 Initial Recognition

Investment property includes property (land or a building, or part of a building, or both land and buildings held under a finance lease) held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, for administration purposes, or the sale of an asset in the ordinary course of operations. Property with a currently undetermined use, is also classified as investment property.

Investment property is recognised as an asset when it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the Municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially measured at cost on its acquisition date. The cost of investment property is the purchase price and other costs attributable to bring the asset to a condition necessary for it to be capable of operating in the manner intended by the Municipality.

Where an investment property is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition and any other costs attributable to bring the asset to a condition necessary for it to be capable of operating in the manner intended by the Municipality. The cost of self-constructed investment property is the cost at date of completion. Transfers are made to or from investment property only when there is a change in use.

Where investment property is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

1.09.2 Subsequent Measurement – Cost Model

Subsequent to initial recognition, items of investment property are measured at cost less accumulated depreciation and any accumulated impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

1.09.3 Depreciation – Cost Model

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Municipality. Depreciation of an asset ceases at the date that the asset is derecognised.

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. The depreciation charge for each period is recognised in Statement of Financial Performance, unless it is included in the carrying amount of another asset.

The depreciation method is reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

At each reporting date the Municipality assesses whether there is any indication that expectations about the residual value and the useful life of an asset may have changed since the preceding reporting date. If any such indication exists, the expected residual value and useful life are revised and the effect of any changes in estimate accounted for on a prospective basis.

The annual depreciation rates are based on the following estimated useful lives:

	YEARS
Buildings	100

1.09.4 Impairment

Investment property is reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The impairment recognised in the Statement of Financial Performance is the excess of the carrying value over the recoverable amount.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of an impairment is recognised in the Statement of Financial Performance.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

1.09.5 Derecognition

An investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Financial Performance in the period of the retirement or disposal.

Compensation from third parties for items of investment property that were impaired, lost or given up is recognised in the Statement of Financial Performance when the compensation becomes receivable.

1.10 PROPERTY, PLANT AND EQUIPMENT

1.10.1 Initial Recognition

Property, plant and equipment are tangible non-current assets that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year.

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits or service potential associated with the item will flow to the Municipality, and the cost or fair value of the item can be measured reliably.

Items of property, plant and equipment are initially recognised at cost on its acquisition date. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

Where an asset is acquired through a non-exchange transaction, the cost is deemed to be equal to the fair value of that asset as at date of acquisition and any other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Municipality.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Spare parts and stand by equipment which are expected to be used for more than one period are included in property, plant and equipment.

1.10.2 Subsequent Measurement - Cost Model

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

Where the Municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component. Subsequent expenditure incurred on an asset is capitalised when it increases the capacity or future economic benefits or service potential associated with the asset.

1.10.3 Depreciation

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Municipality. Depreciation of an asset ceases at the date that the asset is derecognised.

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. The depreciation charge for each period is recognised in Statement of Financial Performance, unless it is included in the carrying amount of another asset.

The depreciation method is reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

At each reporting date the Municipality assesses whether there is any indication that expectations about the residual value and the useful life of an asset may have changed since the preceding reporting date. If any such indication exists, the expected residual value and useful life are revised and the effect of any changes in estimate accounted for on a prospective basis.

The annual depreciation rates are based on the following estimated useful lives:

	YEARS		YEARS
Land and Buildings		Finance lease assets	
Land	Infinite	Furniture and Office Equipment	3 - 11
Buildings	9 - 101		
Work in progress	N/A	Community	
		Community Facilities	16 - 101
Infrastructure		Sport and Recreational Facilities	20 - 101
Electrical	5 - 100	Work in progress	N/A
Roads	7 - 100		
Sanitation	10 - 100	Other	
Storm Water	20 - 100	Computer Equipment	5 - 17
Water Supply	10 - 100	Furniture and Office Equipment	5 - 31
Work in progress	N/A	Machinery and Equipment	5 - 36
		Transport Assets	8 - 26

1.10.4 Impairment

Property, plant and equipment is reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The impairment recognised in the Statement of Financial Performance is the excess of the carrying value over the recoverable amount.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of an impairment is recognised in the Statement of Financial Performance.

1.10.5 Derecognition

Items of property, plant and equipment are derecognised when the asset is disposed or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is recognised in the Statement of Financial Performance when the compensation becomes receivable.

1.11 INTANGIBLE ASSETS

1.11.1 Initial Recognition

An intangible asset is an identifiable non-monetary asset without physical substance.

The Municipality recognises an intangible asset only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the Municipality and the cost or fair value of the asset can be measured reliably.

Intangible assets are initially recognised at cost on its acquisition date. The cost of an intangible asset is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Municipality. Trade discounts and rebates are deducted in arriving at the cost.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost is measured at its fair value at the date of acquisition and any other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Municipality.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

Where an intangible asset is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value is not determinable, its deemed cost is the carrying amount of the asset(s) given up.

Internally generated intangible assets are subject to a strict recognition criteria before they are capitalised. Research expenditure is never capitalised, while development expenditure is only capitalised to the extent that:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) its intention to complete the intangible asset and use or sell it;
- (c) its ability to use or sell the intangible asset;
- (d) how the intangible asset will generate probable future economic benefits or service potential;
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

1.11.2 Subsequent Measurement - Cost Model

Intangible assets are subsequently carried at cost less accumulated amortisation and any accumulated impairments losses.

1.11.3 Amortisation

The cost of an intangible asset is amortised over the useful life where that useful life is finite. Where the useful life is indefinite, the asset is not amortised but is still subject to an annual impairment test.

Amortisation of an intangible with a finite life asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Municipality. Amortisation ceases at the date that the asset is derecognised.

Amortisation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the intangible assets. The amortisation charge for each period is recognised in Statement of Financial Performance, unless it is included in the carrying amount of another asset.

The residual value of an intangible asset with a finite useful life is considered to be zero.

The amortisation period and amortisation method are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

The annual amortisation rates are based on the following estimated useful lives:

	Years
Computer Software	6 - 16

1.11.4 Impairment

Intangible assets are reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The impairment recognised in the Statement of Financial Performance is the excess of the carrying value over the recoverable amount.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of an impairment is recognised in the Statement of Financial Performance.

1.11.5 Derecognition

Intangible assets are derecognised when the asset is disposed or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

1.12 IMPAIRMENT OF NON-MONETARY ASSETS

An impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation.

Cash-generating assets are assets held with the primary objective of generating a commercial return. Non-cash-generating assets are assets other than cash-generating assets.

The Municipality assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Municipality estimates the recoverable amount of the asset.

1.12.1 Recoverable amount of Cash-generating assets

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

The best evidence of fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

1.12.2 Recoverable amount of Non-cash-generating assets

The recoverable service amount is the higher of a non-cash generating asset's fair value less costs to sell and its value in use.

The value in use for a non-cash generating asset is the present value of the asset's remaining service potential. Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

1.12.3 Impairment loss

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in the Statement of Financial Performance.

An impairment loss of assets carried at a revalued amount in accordance with another Standard of GRAP is treated as a revaluation decrease in accordance with that Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.12.4 Reversal of an impairment loss

The Municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in the Statement of Financial Performance.

A reversal of an impairment loss of assets carried at a revalued amount in accordance with another Standard of GRAP is treated as a revaluation increase in accordance with that Standard of GRAP.

After the reversal of an impairment loss, the depreciation (amortisation) charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

1.13 INVENTORIES

1.13.1 Initial Recognition

Inventories are assets:

- (a) in the form of materials or supplies to be consumed in the production process;
- (b) in the form of materials or supplies to be consumed or distributed in the rendering of services;
- (c) held for sale or distribution in the ordinary course of operations; or
- (d) in the process of production for sale or distribution.

Inventories are recognised as an asset if it is probable that future economic benefits or service potential associated with the item will flow to the Municipality, and the cost of the inventories can be measured reliably.

Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus non-recoverable taxes, transport costs and any other costs in bringing the inventories to their current location and condition. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Where inventories are acquired through a non-exchange transaction, the cost is measured at the fair value as at the date of acquisition plus any other costs in bringing the inventories to their current location and condition.

1.13.2 Subsequent Measurement

When inventories are sold, exchanged or distributed the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expense is recognised when the goods are distributed, or related service is rendered.

Inventories are valued at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution. Current replacement cost is the cost the Municipality would incur to acquire the asset on the reporting date.

The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories is recognised as an expense in the period the write-down or loss occurs.

The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The basis of allocating cost to inventory items is the weighted average method.

At reporting date, the water volume is determined by way of dip readings and the calculated volume in the distribution network. Water inventory is then measured by multiplying the cost per kilo litre of purified water by the amount of water in storage.

Cost of land held for sale is assigned by using specific identification of their individual costs.

1.14 EMPLOYEE BENEFITS

Defined-contribution plans are post-employment benefit plans under which the Municipality pays fixed contributions into a separate entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are recognised in the Statement of Financial Performance in the year during which they become payable.

Defined-benefit plans are post-employment benefit plans other than defined-contribution plans.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

1.14.1 Post-Retirement Benefits

The Municipality provides retirement benefits for its employees and councillors. Retirement benefits consist of defined-contribution plans and defined-benefit plans.

1.14.1.1 Defined Contribution Plans

The Municipality contributes to various defined contribution plans on behalf of its qualifying employees. The contributions to fund obligations for the payment of retirement benefits are recognised in the Statement of Financial Performance in the year they become payable.

1.14.1.2 Post Retirement Medical Benefits

The Municipality provides post-retirement medical benefits by subsidizing the medical aid contributions of certain retired staff according to the rules of the medical aid funds. Council pays 60% as contribution and the remaining 40% is paid by the members. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The present value of the defined benefit liability is actuarially determined. The plan is unfunded.

Contributions are recognised in the Statement of Financial Performance when employees have rendered the service entitling them to the contribution. The liability is calculated by means of the projected unit credit actuarial valuation method. The liability in respect of current pensioners is regarded as fully accrued, and is therefore not split between a past (or accrued) and future in-service element. The liability is recognised at the present value of the defined benefit obligation at the reporting date, minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly, plus any liability that may arise as a result of a minimum funding requirements. Payments made by the Municipality are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are recognised in the Statement of Financial Performance as employee benefits upon valuation.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions, are recognised in the Statement of Financial Performance in the period that it occurs. These obligations are valued annually by independent qualified actuaries.

1.14.2 Long-term Benefits

1.14.2.1 Long Service Awards

Long service awards are provided to employees who achieve certain pre-determined milestones of service within the Municipality. The Municipality's obligation under these plans is valued by independent qualified actuaries annually and the corresponding liability is raised. Payments are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are recognised in the Statement of Financial Performance as employee benefits upon valuation.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions, is recognised in the Statement of Financial Performance in the period that it occurs. These obligations are valued annually by independent qualified actuaries.

1.14.3 Short-term Benefits

1.14.3.1 Staff Leave

Liabilities for annual leave are recognised as they accrue to employees. The liability is based on the total amount of leave days due to employees at reporting date and also on the total remuneration package of the employee.

Accumulating leave is carried forward and can be used in future periods if the current period's entitlement is not used in full. All unused leave will be paid out to the specific employee at the end of that employee's employment term. Accumulated leave is vesting.

1.14.3.2 Bonuses

The liability for staff bonuses is based on the accrued bonus for each employee at reporting date.

1.14.3.3 Provision for Performance Bonuses

A provision, in respect of the liability relating to the anticipated costs of performance bonuses payable to Section 57 employees, is recognised as it accrue to Section 57 employees. Provisions are based on the employment contract stipulations as well as previous performance bonus payment trends.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

1.15 PROVISIONS

A provision is a liability of uncertain timing or amount. Provisions are recognised when the Municipality has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resource embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the provision can be made.

Provisions are reviewed at reporting date and adjusted to reflect the current best estimate of future outflows of resources. Where the effect is material, non-current provisions are discounted to their present value using a discount rate that reflects the market's current assessment of the time value of money, adjusted for risks specific to the liability.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when it is virtually certain that reimbursement will be received if the Municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement will not exceed the amount of the provision. In the Statement of Financial Performance, the expense relating to a provision may be presented net of the amount recognised for a reimbursement.

A provision for restructuring costs is recognised only when the following criteria over and above the recognition criteria of a provision have been met:

- (a) The Municipality has a detailed formal plan for the restructuring identifying at least:
 - the business or part of a business concerned;
 - the principal locations affected;
 - the location, function and approximate number of employees who will be compensated for terminating their services;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented.
- (b) The Municipality has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

If it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, the provision is derecognised.

1.16 LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

1.16.1 Municipality as Lessee

1.16.1.1 Finance Leases

At the commencement of the lease term, the Municipality recognises assets acquired under finance leases as assets and the associated lease obligations as liabilities in the Statement of Financial Position.

At the inception of the lease, the assets and liabilities are recognised at the lower of the fair value of the leased property and the present value of the minimum lease payments. The discount rate to be used in calculating the present value of the minimum lease payment is the interest rate implicit in the lease. If the rate implicit to the lease is not available the Municipality's incremental borrowing rate is used. Any initial direct costs of the Municipality are added to the amount recognised as an asset.

Subsequent to initial recognition, the minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge are allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents, if any, are charged as expenses to the Statement of Financial Performance in the periods in which they are incurred. The leased assets are accounted for in accordance with the stated accounting policies applicable to the assets.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

1.16.1.2 Operating leases

Lease payment under an operating lease is recognised as an expense in the Statement of Financial Performance on a straight-line basis over lease term, unless another systematic basis is more representative of the time pattern of the user's benefit. The difference between the straight-lined expenses and actual payments made will give rise to a liability.

1.16.2 Municipality as Lessor

1.16.2.1 Finance Leases

The Municipality recognises lease payments receivable under a finance lease as assets (receivable) in the Statement of Financial Position. The asset (receivable) is calculated as the sum of all the minimum lease payments to be received, plus any unguaranteed residual accruing to the Municipality, discounted at the interest rate implicit in the lease.

The asset (receivable) is reduced by the capital portion of the lease instalments received, with the interest portion being recognised as interest revenue on a time proportionate basis in the Statement of Financial Performance.

1.16.2.2 Operating Leases

Operating lease revenue is recognised in the Statement of Financial Performance on a straight-line basis over the term of the relevant lease, unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished. The difference between the straight-lined revenue and actual payments received will give rise to an asset.

1.17 FINANCIAL INSTRUMENTS

1.17.1 Initial Recognition

Financial instruments (financial assets and financial liabilities) are recognised on the Municipality's Statement of Financial Position when it becomes party to the contractual provisions of the instrument.

Financial instruments are initially recognised at fair value plus, in the case of a financial asset or financial liability not at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. If finance charges in respect of financial assets and financial liabilities are significantly different from similar charges usually obtained in an open market transaction, adjusted for the specific risks of the Municipality, such differences are immediately recognised in the period it occurs, and the unamortised portion adjusted over the period of the loan transactions.

1.17.2 Subsequent Measurement

Financial instruments are categorised as follow:

- (a) **Financial instruments at amortised cost** are non-derivative financial instruments with fixed or determinable payments that are not quoted in an active market. They are included in current assets or current liabilities, except for maturities greater than 12 months, which are classified as non-current. After initial recognition, both financial assets and financial liabilities are measured at amortised cost, using the effective interest rate method. Financial assets are also subject to an impairment review.
- (b) **Financial instruments at cost** are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured. Both financial assets and financial liabilities are subsequently measured at cost. Financial assets are subject to an impairment review.
- (c) **Financial instruments at fair value** comprise of financial assets or financial liabilities that are:
 - (i) derivatives;
 - (ii) combined instruments that are designated at fair value;
 - (iii) instruments held for trading;
 - (iv) non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; or
 - (v) financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Both, financial assets and financial liabilities are subsequently measured at fair value with unrealised gains or losses recognised directly in the Statement of Financial Performance.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

1.17.3 Impairment and uncollectability of financial assets

Financial assets, other than those at fair value, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence of impairment of financial assets.

1.17.3.1 Financial assets measured at amortised cost

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Cash flows relating to short-term financial assets are not discounted where the effect of discounting is immaterial. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the Statement of Financial Performance.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment is reversed by adjusting an allowance account. The amount of the reversal is recognised in Statement of Financial Performance.

1.17.3.2 Financial assets measured at cost

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses is not be reversed.

1.17.4 Derecognition of financial instruments

1.17.4.1 Financial assets

The Municipality derecognises financial assets only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. Financial assets (receivables) are also derecognised when Council approves the write-off of financial assets due to non-recoverability.

If the Municipality neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Municipality recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Municipality retains substantially all the risks and rewards of ownership of a transferred financial asset, the Municipality continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

1.17.4.2 Financial liabilities

The Municipality derecognises financial liabilities when the Municipality's obligations are discharged, cancelled or they expire.

The Municipality recognises the difference between the carrying amount of the financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, in the Statement of Financial Performance.

1.17.5 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.18 STATUTORY RECEIVABLES

Statutory receivables arise from legislation, supporting regulations, or similar means and require settlement by another entity in cash or another financial asset. Statutory receivables can arise from both exchange and non-exchange transactions.

1.18.1 Initial Recognition

Statutory receivables are recognised when the related revenue (exchange or non-exchange revenue) is recognised or when the receivable meets the definition of an asset. The Municipality initially measure statutory receivables at their transaction amount.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

1.18.2 Subsequent Measurement

The Municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is subsequently changed to reflect any interest or other charges that may have accrued on the receivable, less any impairment losses and amounts derecognised.

1.18.3 Impairment and uncollectability of statutory receivables

The Municipality assesses at each reporting date whether there is any indication that a statutory receivable may be impaired.

If there is an indication that a statutory receivable may be impaired, the Municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable is reduced, through the use of an allowance account. The amount of the loss is recognised in the Statement of Financial Performance. In estimating the future cash flows, the Municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the Municipality discounts the estimated future cash flows using a rate that reflects the current risk free rate and any risks specific to the statutory receivable for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows. Any previously recognised impairment loss is adjusted by adjusting the allowance account. The amount of any adjustment is recognised in the Statement of Financial Performance.

1.18.4 Derecognition

The Municipality derecognises a statutory receivable when the rights to the cash flows from the receivable are settled, expire or are waived or the Municipality transfers the receivable and substantially all the risks and rewards of ownership of the receivable to another entity.

When the Municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of receivable to another entity, the Municipality derecognises the receivable and recognises separately any rights and obligations created or retained in the transfer.

1.19 CASH AND CASH EQUIVALENTS

Cash includes cash on hand, cash held with banks, and call deposits. Cash equivalents are short-term highly liquid investments with registered banking institutions with maturities of three months or less from inception, readily convertible to cash without significant change in value.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred in the Statement of Financial Performance.

For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any bank overdrafts.

1.20 RECEIVABLES

Receivables are recognised initially at fair value, which approximates amortised cost less provision for impairment. Amounts receivable within 12 months from the date of reporting are classified as current.

A provision for impairment of receivables is established when there is objective evidence that the Municipality will not be able to collect all amounts due according to the original terms of receivables. An estimate is made for impairment of receivables, based on past default experience of all outstanding amounts at reporting date.

Bad debts are written off in the year during which they are identified as irrecoverable, subject to the approval by the appropriate delegated authority. When a receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the Statement of Financial Performance.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

1.21 TAXES (VALUE ADDED TAX)

Revenue, expenses and assets are recognised net of the amounts of value added tax. The net amount of Value Added Tax recoverable from, or payable to, the taxation authority is included in the Statement of Financial Position. The Municipality accounts for value-added tax (VAT) on the payment basis.

1.22 PAYABLES AND ANNUITY LOANS

Payables and annuity loans are initially recognised at fair value and subsequently measured at amortised cost using an effective interest rate, which is the initial carrying amount, less repayments, plus interest.

1.23 CONSUMER DEPOSITS

Consumer deposits are disclosed as a current liability. Consumer deposits are levied in line with council's policy to consumers when services are initially connected. When services are disconnected or terminated, the outstanding deposit is utilised against any arrear accounts the consumer might be liable for on that date. Any excess deposit after all debt is settled is refunded to the specific consumer.

1.24 CONDITIONAL GOVERNMENT GRANTS AND PUBLIC CONTRIBUTIONS

Grants, transfers and donations received or receivable are recognised as assets when the resources that have been transferred to the Municipality meet the definition and criteria for recognition as assets.

Conditional grants, transfers and donations are recognised as revenue to the extent that the Municipality has complied with the conditions embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the conditions have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

The liability recognised to the extent that the conditions associated with the grant, transfer or donation have not been met, always has to be cash-backed. The cash which backs up the liability is invested as a individual investment or part of the general investments of the Municipality until it is utilised.

Interest earned on investments of grants, transfers and donations are treated in accordance with conditions as stipulated in the agreement. If it is payable to the grantor it is recorded as part of the creditor and if it is the Municipality's interest it is recognised as interest earned in the Statement of Financial Performance.

1.25 REVENUE

At the time of initial recognition, the full amount of revenue is recognised where the Municipality has an enforceable legal obligation to collect, unless the Municipality has no intention of collecting this revenue. Where the Municipality has no intention of collecting the revenue, rebates and discounts are offset against the related revenue. If the Municipality does not successfully enforce its obligation to collect the revenue this would be considered a subsequent event.

1.25.1 Revenue from Non-Exchange Transactions

Revenue from non-exchange transactions refers to transactions where the Municipality received revenue from another entity without directly giving approximately equal value in exchange.

Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

1.25.1.1 *Taxation Revenue*

Taxation revenue comprises of property rates. Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis with reference to the principal amount receivable and effective interest rate applicable. A composite rating system charging different rate tariffs is employed. Rebates are granted to certain categories of ratepayers and are deducted from revenue.

1.25.1.2 *Transfer Revenue*

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred, meet the criteria for recognition as an asset. A corresponding liability is recognised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met.

Grants, transfers and donations without any conditions attached are recognised as revenue when the asset is recognised.

1.25.1.3 *Availability Charges*

Availability charges are based on the approved tariffs of the Municipality. These charges are levied where the Municipality has installed the relevant infrastructure networks (relating to water, electricity, sewerage and solid waste) in the area where the consumer resides, but the consumer has not requested to be and is not connected to the networks.

1.25.1.4 *Fines*

Fine Revenue constitutes both spot fines and summonses. All fines issued during the year less any cancellations or reductions are recognised as revenue.

1.25.1.5 *Insurance Refund*

Revenue from third parties i.e. insurance payments for assets impaired, are recognised when it can be measured reliably and is not being offset against the related expenses of repairs or renewals of the impaired assets.

1.25.1.6 *Unclaimed deposits*

All unclaimed deposits are initially recognised as a liability until 36 months expires, when all unclaimed deposits into the Municipality's bank account will be treated as revenue. This policy is in line with prescribed debt principle as enforced by law.

1.25.1.7 *Revenue from Recovery of Unauthorised, Irregular, Fruitless and Wasteful Expenditure*

Income from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the MFMA (Act 56 of 2003), and is recognised upon the recovery thereof from the responsible party.

1.25.1.8 *Services in-kind*

Services in-kind include services provided by individuals to the Municipality at no charge or where the Municipality has the right to use assets at no charge.

The Municipality's recognises services in-kind that are significant to its operations as assets and recognises the related revenue when it is probable that the future economic benefits or service potential will flow to the Municipality and the fair value of the assets can be measured reliably.

When the criteria for recognition is satisfied, services in-kind are recognised at their fair value as at the date of acquisition.

If the services in-kind are not significant to the Municipality's operations or does not satisfy the criteria for recognition, the Municipality only disclose the nature and type of services in-kind received during the reporting period.

1.25.1.9 *Contributed Assets*

Contributed assets are recognised at fair value when such items of property, plant and equipment qualifies for recognition and become available for use by the Municipality.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

1.25.1.10 Debt Forgiveness

Debt forgiveness are instances when creditors waive their right to collect a debt owed by the Municipality, effectively cancelling the debt.

The Municipality recognises revenue in respect of debt forgiveness when the former debt no longer meets the definition of a liability or satisfies the criteria for recognition as a liability, provided that the debt forgiveness does not satisfy the definition of a contribution from owners.

Revenue arising from debt forgiveness is measured at the carrying amount of the debt forgiven.

1.25.1.11 Off-Market Portion of Municipal Debt Relief

The Municipal Debt Relief are loans received by the Municipality at below market terms. The off-market portion of the loans is calculated as the difference between the proceeds received from the loan, and the present value of the contractual cash flows of the loan, discounted using a market related rate of interest.

1.25.2 Revenue from Exchange Transactions

Revenue from exchange transactions refers to revenue that accrued to the Municipality directly in return for services rendered or goods sold, the value of which approximates the consideration received or receivable.

1.25.2.1 Service Charges

Service Charges are levied in terms of approved tariffs.

Service charges relating to electricity and water are based on consumption and a basic charge as per the approved tariffs. Meters are read on a monthly basis and are recognised as revenue when invoiced. Where the Municipality was unable to take the actual month's reading of certain consumers, a provisional estimate of consumption for that month will be created, based on consumption history. The provisional estimates of consumption are recognised as revenue when invoiced, except at reporting date when estimates of consumption up to the reporting date are recorded as revenue without being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the average monthly consumption of consumers.

Revenue from the sale of electricity prepaid meter cards is recognised at the point of sale. It is estimated that pre-paid electricity is consumed within 5 to 7 days after date of purchase. The pre-paid electricity sold, but not consumed yet at reporting date is recognised as a liability under Payables from Exchange Transactions in the Statement of Financial Position.

Service charges relating to sewerage and sanitation are recognised on a monthly basis in arrears by applying the approved tariff to each property. These service charges are based on the type of service and the number of sewer connections on all developed property, using the tariffs approved and are levied on a monthly basis.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

1.25.2.2 Interest earned

Interest earned on investments is recognised in the Statement of Financial Performance on the time proportionate basis that takes into account the effective yield on the investment.

1.25.2.3 Rental income

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

1.25.2.4 Income from Agency Services

Revenue arising out of situations where the Municipality acts as an agent on behalf of another entity (the principal) is limited to the amount of any fee or commission payable to the Municipality as compensation for executing the agreed services.

Income from agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

1.25.2.5 Other Tariffs

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant tariff. This includes the issuing of licences and permits.

1.25.2.6 Sale of goods

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- (a) The Municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods.
- (b) The Municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- (c) The amount of revenue can be measured reliably.
- (d) It is probable that the economic benefits or service potential associated with the transaction will flow to the Municipality.
- (e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.25.2.7 Deferred payment

In most cases, the consideration is in the form of cash or cash equivalents and the amount of revenue is the amount of cash or cash equivalents received or receivable. However, when the inflow of cash or cash equivalents is deferred, the fair value of the consideration may be less than the nominal amount of cash received or receivable. When the arrangement effectively constitutes a financing transaction, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest.

The difference between the fair value and the nominal amount of the consideration is recognised as interest revenue.

1.25.3 Construction Contracts

Contractor is an entity that performs construction work pursuant to a construction contract to build structures, construct facilities, produce goods, or render services to the specifications of another entity either itself or through the use of sub-contractors. The term "contractor" thus includes a general or prime contractor, a subcontractor to a general contractor, or a construction manager.

The Municipality participates as a non-accredited municipality in the National Housing Programme. The Municipality's roles and responsibilities in the housing development process are set out in the binding arrangements entered into with the provincial Department of Infrastructure. The Municipality assesses the terms and conditions of each contract concluded with the provincial Department of Infrastructure to establish whether the contract is a construction contract or not.

The Accounting Standards Board (ASB) issued a *Guideline on accounting for arrangements undertaken in terms of the National Housing Programme*. The guideline makes a distinction between a project manager and a project developer.

Where the Municipality is appointed as the project manager, it will assist with the process of appointing a contractor to construct houses on behalf of the provincial Department of Infrastructure. The responsibility of appointment and payment of the contractors ultimately vest with the provincial Department of Infrastructure.

Where the Municipality is appointed as the project developer, it will take on the responsibility for the construction of the houses. As project developer the Municipality will appoint contractors and will make payments for work completed on meeting milestones agreed between itself and the contractor.

In general, where the Municipality is appointed as the project manager, it will act as an agent for the provincial Department of Infrastructure. Where the Municipality is appointed as the project developer, it is considered that the Municipality has entered into a construction contract with the provincial Department of Infrastructure.

The binding agreements entered into with the provincial Department of Infrastructure are non-commercial fixed price contracts. The objective of the arrangements is to construct low cost houses for the beneficiaries of the National Housing Programme in return for full reimbursement of costs from the Department through a housing grant or subsidy.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract shall be recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the reporting date, as measured by the proportion that contract costs incurred for the work performed to date bear to the estimate total contract costs.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable and contract costs shall be recognised as an expense in the period in which they are incurred.

1.26 BORROWING COSTS

Borrowing costs that are incurred by the Municipality are expensed in the Statement of Financial Performance in the period during which they are incurred, regardless of how the borrowings are applied.

1.27 UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in a form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No. 56 of 2003). Unauthorised expenditure is accounted for as an expense (measured at actual cost incurred) in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.28 IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No. 56 of 2003), the Municipal Systems Act (Act No. 32 of 2000), the Public Office Bearers Act, and (Act. No. 20 of 1998) or is in contravention of the Municipality's Supply Chain Management Policy. Irregular expenditure is accounted for as expenditure (measured at actual cost incurred) in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.29 FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and could have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure (measured at actual cost incurred) in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.30 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Municipality. A contingent liability could also be a present obligation that arises from past events, but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets represent possible assets that arise from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Municipality.

The Municipality does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the probability of an outflow of resources embodying economic benefits or service potential is remote. A contingent asset is disclosed where the inflow of economic benefits or service potential is probable.

1.31 CAPITAL COMMITMENTS

Capital commitments disclosed in the financial statements represents the contractual balance committed to capital projects on reporting date that will be incurred in the period subsequent to the specific reporting date.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

1.32 EVENTS AFTER REPORTING DATE

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- (a) those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- (b) those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

If non-adjusting events after the reporting date are material, the Municipality discloses the nature and an estimate of the financial effect.

1.33 RELATED PARTIES

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Related party transaction is a transfer of resources, services or obligations between the Municipality and a related party, regardless of whether a price is charged.

Management is considered a related party and comprises those persons responsible for planning, directing and controlling the activities of the Municipality, including those charged with the governance of the Municipality in accordance with legislation, in instances where they are required to perform such functions.

A close family member of management is also considered to be related party. A person is considered to be a close member of the family of another person if they are married or live together in a relationship similar to a marriage or are separated by no more than two degrees of natural or legal consanguinity or affinity.

The Municipality is exempt from the disclosure requirements in relation to related party transactions if that transactions occurs within the normal supplier and/or client/recipient relationship on terms and conditions no more or less favourable than those which it is reasonable to expect the Municipality to have adopted if dealing with that individual entity or person in the same circumstances, and the terms and conditions are within the normal operating parameters established by Municipality's legal mandate.

Where the Municipality is exempt from the disclosures in accordance with the above-mentioned paragraph, the Municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable to users of the financial statements to understand the effect of related party transactions.

Remuneration of management includes remuneration derived for services provided to the Municipality in their capacity as members of the management team or employees. Benefits derived directly or indirectly from the Municipality for services in any capacity other than as an employee or a member of management do not meet the definition of remuneration. Remuneration of management excludes any consideration provided solely as a reimbursement for expenditure incurred by those persons for the benefit of the Municipality.

The Municipality operates in an economic environment currently dominated by entities directly or indirectly owned by the South African government. As a result of the Constitutional independence of all three spheres of government in South Africa, only parties within the same sphere of government will be considered to be related parties. Only transactions with such parties which are not at arm's length and not on normal commercial terms, are disclosed.

1.34 ACCOUNTING BY PRINCIPALS AND AGENTS

An agent is an entity that has been directed another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

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When the Municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement. The assessment of whether the Municipality is a principal or an agent requires the Municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

The Municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement shall re-assess whether they act as a principal or an agent in accordance with this Standard.

When the Municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If an entity concludes that it is not the agent, then it is the principal in the transactions.

The Municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- (a) It does not have the power to determine the significant terms and conditions of the transaction.
- (b) It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- (c) It is not exposed to variability in the results of the transaction.

Where the Municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that it is an agent. The Municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether an entity is an agent.

Where the Municipality acts as a principal, it recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirement of the relevant Standards of GRAP.

Where the Municipality acts as an agent, it recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The Municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of other Standards of GRAP.

1.35 LIVING AND NON-LIVING RESOURCES

Living resources are those resources that undergo biological transformation which comprises the processes of growth, degeneration, production, and procreation that cause qualitative or quantitative changes in a living resource.

Non-living resources are those resources, other than living resources, that occur naturally and have not been extracted. Non-living resources, other than land, is not recognised as assets. The Standard only requires disclosure of the relevant resources.

The Municipality has assessed that it does not control any living resources, but is however responsible for non-living resources as set out in notes to the financial statements.

1.36 SEGMENT REPORTING

A segment is an activity of the Municipality:

- (a) that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same Municipality);
- (b) whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- (c) for which separate financial information is available.

Management comprises of those persons responsible for planning, directing and controlling the activities of the Municipality, including those charged with the governance of the Municipality in accordance with legislation.

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Financial information relating to the reporting segments are aligned to the financial information distributed to management on a regular basis (similar basis of preparation). This information is utilised to measure performance of the relevant services provided by the Municipality and also to ensure that resources are appropriately allocated to various departments/segments to provide high quality services to the community.

Adjustments and eliminations made in preparing the Municipality's financial statements, which includes the allocation basis of revenues and expenses, are prepared on a similar basis as the information distributed to management on a regular basis.

Financial information distributed to management does not include a segment/department analysis of assets and liabilities associated with each segment/department. In line with this principle utilised during the financial year, the segment reporting included in the financial statements are prepared on a similar basis which excludes such an analysis. Assets and liabilities are reported on for the Municipality as a whole.

Management reviews capital expenditure/performance on a regular basis and accordingly the relevant information is reported on per segment.

1.37 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In the process of applying the Municipality's accounting policy, management has made the following significant accounting judgements, estimates and assumptions, which have the most significant effect on the amounts recognised in the financial statements:

1.37.1 Application of Directive 7

For deemed cost applied to Property, Plant and Equipment as per adoption of Directive 7, management used the depreciation cost method which was based on assumptions about the remaining duration of the assets.

For deemed cost applied to land and buildings as per adoption of Directive 7, management made use of an independent valuator. The valuator's valuation was based on assumptions about the market's buying and selling trends and the remaining duration of the assets.

For deemed cost applied to Investment Property as per adoption of Directive 7, management made use of an independent valuator. The valuator's valuation was based on assumptions about the market's buying and selling trends and the remaining duration of the assets.

GRAP implementation date for the Municipality is 1 July 2009 which is also the date applicable when applying Directive 7. The GRAP compliant period is therefore determined to be from 1 July 2009 to the current year's reported date. Where the economic useful life of an item of Property, Plant and Equipment is less than the GRAP compliant period, it is assumed that the item was either incorrectly written off in the past, or that the capital expenditure of the said item was incorrectly included in surplus. In such cases the item shall not be recognised on GRAP implementation date, but shall be taken into account on that date of the opening balances of the comparative amounts.

1.37.2 Impairment of Receivables

The calculation in respect of the impairment of receivables is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. This was performed per service-identifiable categories across all classes of debtors.

1.37.3 Useful lives and residual values

The useful lives of assets are based on management's estimates. Management considers the impact of technology, availability of capital funding, service requirements and required return on assets to determine the optimum useful life expectation, where appropriate.

The estimated residual values of assets are also based on management's judgement on whether the assets will be sold or used to the end of their useful lives, and what their condition will be at that time.



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1.37.4 Impairment of non-monetary assets

Non-monetary assets can include, but is not limited to, Property, Plant and Equipment, Investment Property and Intangible assets.

The Municipality is not a profit-oriented entity, as its primary objective is service delivery. Tariffs and charges are cost-reflective to ensure continued financial sustainability. No profit element is included in the determination of a tariff. As such, management has determined that the Municipality does not control assets that meet the definition of cash-generating assets and that the Standard of GRAP on Impairment of Non-cash-generating Assets will apply to all assets of the Municipality.

The calculation in respect of the impairment of non-monetary assets is based on an assessment of the extent to which the recoverable amount of the asset has declined below the carrying amount. This calculation will only be performed if there is an indication of an impairment.

1.37.5 Post-Retirement and Long-term Benefits

The cost of post retirement medical benefits and long-service awards are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

1.37.6 Provisions and Contingent Liabilities

Management's judgement is required when recognising and measuring provisions, as well as when measuring contingent liabilities. Provisions are discounted where the time value effect is material.

The provision for rehabilitation of the landfill site is recognised as and when the environmental liability arises. The provision is calculated by a qualified environmental engineer. The provision represents the net present value at the reporting date of the expected future cash flows to rehabilitate the landfill site. The discount rate used to calculate the effect of time value of money is linked to the index for earthwork as published by Statistics South Africa.

1.37.7 Financial Instruments and Statutory Receivables

The Municipality analyses the terms and conditions of the transactions that give rise to its receivables in order to understand whether they arise directly from legislation or similar means, or from a separate contract concluded with a party. Judgement is applied in applying the principles as set out in the respective Standards of GRAP on Financial Instruments and Statutory Receivables.

1.37.8 Financial assets and liabilities

The classification of financial assets and liabilities, into categories, is based on judgement by management. In making the judgement, management considered the definition and recognition criteria for the classification of financial instruments as set out in the Standard of GRAP on Financial Instruments.

1.37.9 Revenue Recognition

Accounting Policy on Revenue from Non-Exchange Transactions and Accounting Policy on Revenue from Exchange Transactions describes the conditions under which revenue will be recognised by management of the Municipality.

In making their judgement, management considered the detailed criteria for the recognition of revenue as prescribed in the Standard of GRAP on Revenue from Exchange Transactions and Standard of GRAP on Revenue from Non-Exchange Transactions. Specifically, when goods are sold, whether the significant risks and rewards of ownership of the goods have been transferred to the buyer and when services are rendered, whether the service has been performed.

In considering the revenue to which the Municipality is entitled, the Municipality considers other factors that may impact the inflow of future economic benefits or service potential on initial recognition of revenue. Such factors include fines issued which will be reduced or withdrawn after reporting date. The Municipality applies judgement based on past experience and current facts and circumstances in order to adjust the traffic fine revenue accordingly.

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1.37.10 Recognition and Derecognition of Land

In order for land to meet the definition of an asset, the Municipality must be able to prove that control is being exercised. Control of land is evidenced by either legal ownership and/or the right to direct access to land, and to restrict or deny the access of others to land.

To demonstrate access/restriction rights, the Municipality assesses whether it has a substantive right for an unlimited period through a binding arrangement.

The above-mentioned assessment is subject to management's judgements and assumptions are applied to conclude that the Municipality controls land.

1.37.11 Materiality

Since materiality is an entity-specific concept, its application may result in different outcomes based on the Municipality's circumstances. The assessment of materiality therefore requires management to apply judgement about:

- (a) How information could reasonably be expected to influence the discharge of accountability by the Municipality or decisions that the users make on the basis of those financial statements.
- (b) How the nature or size or both, of the information could reasonably be expected to influence users' decisions.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

Figures in Rand		2025	2024
2	CASH AND CASH EQUIVALENTS		
	Bank Accounts	11 296 513	10 017 842
	Investment Deposits	93 295 280	51 234 148
	Cash Floats	6 226	6 226
	Total	104 598 019	61 258 215
	Due to the short term nature of cash deposits, all balances included above are in line with their fair values.		
	Cash and Cash Equivalents are held to support the following:		
	Department of Infrastructure - note 15	26 530	26 530
	Integrated National Electrification Programme (INEP) - note 15	-	2 997 000
	Department of Cultural Affairs and Sport - note 15	241 842	626 216
	Unspent Conditional Government Grants - note 16	13 181 503	13 475 191
	Cash available for working capital requirements	91 148 144	44 133 277
	Total	104 598 019	61 258 215
	Overdraft facilities available during the financial year with Standard Bank of South Africa Limited	9 000 000	9 000 000
	Guarantee in favour of Eskom registered with Standard Bank	2 900 000	2 900 000
2.1	Bank Accounts		
	Standard Bank of South Africa Limited - Account number 082163324 (Main Current Account)	11 010 851	9 645 704
	Standard Bank of South Africa Limited - Account number 072194480 (Traffic Account)	-	-
	Standard Bank of South Africa Limited - Account number 072194774 (Service Account)	-	-
	Standard Bank of South Africa Limited - Account number 032630263 (Current Account for debit orders)	285 559	372 099
	Standard Bank of South Africa Limited - Account number 032630263 (Credit Card for Petty Cash)	103	39
	Total	11 296 513	10 017 842
	Bank accounts consists out of the following accounts:		
	Standard Bank of South Africa Limited - Account number 082163324 (Main Current Account)		
	Cash book balance at beginning of year	9 645 704	6 263 437
	Cash book balance at end of year	11 010 851	9 645 704
	Bank statement balance at beginning of year	9 448 911	5 742 493
	Bank statement balance at end of year	10 187 769	9 448 911
	Standard Bank of South Africa Limited - Account number 072194480 (Traffic Account)		
	Cash book balance at beginning of year	-	-
	Cash book balance at end of year	-	-
	Bank statement balance at beginning of year	-	-
	Bank statement balance at end of year	-	-
	Standard Bank of South Africa Limited - Account number 072194774 (Service Account)		
	Cash book balance at beginning of year	-	-
	Cash book balance at end of year	-	-
	Bank statement balance at beginning of year	-	-
	Bank statement balance at end of year	-	-
	Standard Bank of South Africa Limited - Account number 032630263 (Current Account for debit orders)		
	Cash book balance at beginning of year	372 099	53 173
	Cash book balance at end of year	285 559	372 099
	Bank statement balance at beginning of year	372 099	53 173
	Bank statement balance at end of year	285 559	372 099
	Standard Bank of South Africa Limited - Account number 032630263 (Credit Card for Petty Cash)		
	Cash book balance at beginning of year	39	9
	Cash book balance at end of year	103	39
	Bank statement balance at beginning of year	39	9
	Bank statement balance at end of year	103	39

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

Figures in Rand		2025	2024
2	CASH AND CASH EQUIVALENTS (CONTINUED)		
2.2	Investment Deposits		
	Standard Bank of South Africa Limited - Moneymarket Call Account (088893065-001)	461 552	34 626 279
	Standard Bank of South Africa Limited - Moneymarket Call Account (088893065-003)	127 974	16 607 869
	Standard Bank of South Africa Limited - 48-hour Notice Deposit (088893065-004)	92 705 754	-
	Total	93 295 280	51 234 148
3	RECEIVABLES FROM EXCHANGE TRANSACTIONS		
	Service Receivables	108 045 998	100 303 993
	Electricity	24 569 423	22 786 330
	Water	26 397 143	26 952 628
	Refuse	13 491 498	11 764 049
	Sewerage	18 679 024	16 807 599
	Interest	23 479 234	21 326 515
	Other	1 429 675	666 872
	Other Receivables	458 436	564 681
	Accrued Interest	68 104	564 681
	Prepaid Expenditure	390 332	-
	Total Gross Balance	108 504 434	100 868 674
	Less: Allowance for Debt Impairment	(70 847 084)	(68 460 242)
	Total Net Receivable	37 657 350	32 408 431
	Other Service Receivables consist out of sundry services and rentals.		
	Consumer debtors are payable within 30 days. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other receivables on initial recognition is not deemed necessary. Interest of prime +1% is levied on late payments.		
	Reconciliation of Allowance for Debt Impairment		
	Balance at the beginning of the year	68 460 242	69 626 763
	Movement in the contribution to the provision	17 845 055	15 047 024
	Electricity	(331 887)	1 117 687
	Water	3 375 263	(209 970)
	Refuse	2 777 238	2 703 284
	Sewerage	3 370 660	4 016 729
	Interest	8 230 271	7 510 515
	Other	423 509	(91 222)
	Bad Debts Written off	(15 458 213)	(16 213 545)
	Electricity	(1 304 765)	(1 410 284)
	Water	(3 442 484)	(4 990 058)
	Refuse	(1 487 406)	(2 692 683)
	Sewerage	(2 033 483)	(4 811 627)
	Interest	(7 197 780)	(2 177 828)
	Other	7 705	(131 065)
	Balance at the end of the year	70 847 084	68 460 242

The allowance for impairment of receivables has been made for all consumer balances outstanding based on the payment ratio over the last 12 months. No allowance for debt impairment is made for outstanding government debt. Based on these payment trends, management is satisfied that no further credit provision is required in excess of the current allowance. The risk of non-payment is further mitigated due to the large customer base over which the outstanding receivable balance is spread.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

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3 RECEIVABLES FROM EXCHANGE TRANSACTIONS (CONTINUED)

	Gross Balance R	Allowance for Debt Impairment R	Net Receivable R
30 June 2025			
Service Receivables			
Electricity	24 569 423	(4 873 799)	19 695 624
Water	26 397 143	(19 230 054)	7 167 090
Refuse	13 491 498	(10 289 160)	3 202 338
Sewerage	18 679 024	(14 692 899)	3 986 125
Interest	23 479 234	(20 852 432)	2 626 803
Other	1 429 675	(908 740)	520 935
Other Receivables			
Accrued Interest	68 104	-	68 104
Prepaid Expenditure	390 332	-	390 332
Total	108 504 434	(70 847 084)	37 657 350
30 June 2024			
Service Receivables			
Electricity	22 786 330	(6 510 451)	16 275 879
Water	26 952 628	(19 297 275)	7 655 353
Refuse	11 764 049	(8 999 328)	2 764 720
Sewerage	16 807 599	(13 355 722)	3 451 877
Interest	21 326 515	(19 819 940)	1 506 575
Other	666 872	(477 526)	189 346
Other Receivables			
Accrued Interest	564 681	-	564 681
Total	100 868 674	(68 460 242)	32 408 431
Ageing of Receivables from Exchange Transactions			
Electricity			
0 - 30 Days (Current)		16 804 186	13 493 718
1 to 3 months		3 919 893	3 160 479
4 months to 1 year		2 279 919	2 043 832
Over 1 year		1 565 425	4 088 301
Total		24 569 423	22 786 330
Water			
0 - 30 Days (Current)		4 248 313	4 047 639
1 to 3 months		3 127 232	3 845 433
4 months to 1 year		5 853 501	5 737 108
Over 1 year		13 168 096	13 322 448
Total		26 397 143	26 952 628
Refuse			
0 - 30 Days (Current)		1 447 058	1 326 813
1 to 3 months		1 707 931	1 935 403
4 months to 1 year		3 433 841	3 250 392
Over 1 year		6 902 668	5 251 440
Total		13 491 498	11 764 049
Sewerage			
0 - 30 Days (Current)		1 944 489	1 634 084
1 to 3 months		2 076 519	2 568 083
4 months to 1 year		4 474 304	4 528 165
Over 1 year		10 183 712	8 077 267
Total		18 679 024	16 807 599



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3 RECEIVABLES FROM EXCHANGE TRANSACTIONS (CONTINUED)

Interest

0 - 30 Days (Current)	1 621 108	1 151 171
1 to 3 months	2 806 127	3 294 721
4 months to 1 year	6 802 348	7 518 292
Over 1 year	12 249 651	9 362 331

Total

23 479 234 **21 326 515**

Other

0 - 30 Days (Current)	443 615	97 246
1 to 3 months	106 237	70 945
4 months to 1 year	195 287	92 411
Over 1 year	684 536	406 272

Total

1 429 675 **666 872**

Summary Ageing of all Receivables from Exchange Transactions

0 - 30 Days (Current)	26 508 770	21 750 671
1 to 3 months	13 743 939	14 875 064
4 months to 1 year	23 039 201	23 170 200
Over 1 year	44 754 087	40 508 059

Total

108 045 998 **100 303 993**

4 RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Service Receivables

57 310 461 54 245 527

Property Rates
Availability Charges

48 056 787 44 923 400
9 253 674 9 322 127

Other Receivables

76 623 934 31 697 057

Unpaid Traffic Fines
Other Receivables
Deposits
Unpaid Grants

74 068 854 28 901 714
297 429 539 633
1 638 301 1 557 263
619 350 698 446

Total Gross Balance

133 934 395 **85 942 584**

Less: Allowance for Debt Impairment

(117 408 389) (69 930 648)

Total Net Receivable

16 526 006 **16 011 936**

Rates are payable monthly within 30 days after the date of accounts. An option to pay rates annually is also available and the account must be settled on or before 30 September. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other receivables on initial recognition is not deemed necessary. Interest of prime +1% is levied on late payments.

Reconciliation of Allowance for Debt Impairment

Balance at the beginning of the year	69 930 648	54 567 760
Movement in the contribution to the provision	48 501 138	33 913 795

Property Rates
Availability Charges
Traffic Fines
Other Receivables

3 163 492 4 649 806
(132 394) 1 435 230
45 470 040 27 486 464
- 342 294

Bad Debts Written off

(1 023 397) (18 550 907)

Property Rates
Availability Charges
Traffic Fines
Other Receivables

(661 372) (1 041 148)
(127 364) (49 569)
- (16 893 298)
(234 661) (566 892)

Balance at the end of the year

117 408 389 **69 930 648**



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4 RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS (CONTINUED)

The allowance for debt impairment of property rates has been made for all balances outstanding based on the payment ratio over the last 12 months. No allowance for debt impairment is made for outstanding government debt. Based on these payment trends, management is satisfied that no further credit provision is required in excess of the current allowance. The risk of non-payment is further mitigated due to the large customer base over which the outstanding receivable balance is spread.

The allowance for debt impairment of unpaid traffic fines has been made for all balances outstanding based on the cumulative collection rate. All unpaid traffic fines older than 1 year are impaired in full.

	Gross Balance R	Allowance for Debt Impairment R	Net Receivable R
30 June 2025			
Service Receivables			
Property Rates	48 056 787	(36 300 066)	11 756 722
Availability Charges	9 253 674	(8 431 419)	822 255
Other Receivables			
Unpaid Traffic Fines	74 068 854	(72 410 054)	1 658 800
Other Receivables	297 429	(266 850)	30 579
Deposits	1 638 301	-	1 638 301
Unpaid Grants	619 350	-	619 350
Total	133 934 395	(117 408 389)	16 526 006
30 June 2024			
Service Receivables			
Property Rates	44 923 400	(33 797 946)	11 125 455
Availability Charges	9 322 127	(8 691 177)	630 950
Other Receivables			
Unpaid Traffic Fines	28 901 714	(26 940 014)	1 961 700
Other Receivables	539 633	(501 511)	38 123
Deposits	1 557 263	-	1 557 263
Unpaid Grants	698 446	-	698 446
Total	85 942 584	(69 930 648)	16 011 936

Ageing of Receivables from Non-Exchange Transactions

Property Rates

0 - 30 Days (Current)	5 461 604	5 185 484
1 to 3 months	4 872 400	4 969 764
4 months to 1 year	9 616 433	10 062 142
Over 1 year	28 106 350	24 706 011
Total	48 056 787	44 923 400

Availability Charges

0 - 30 Days (Current)	375 027	331 860
1 to 3 months	628 585	655 230
4 months to 1 year	1 370 527	1 418 796
Over 1 year	6 879 535	6 916 242
Total	9 253 674	9 322 127

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

Figures in Rand		2025	2024
5	TAXES		
	VAT Claimable/(Payable)	(18 764 104)	(14 890 872)
	VAT Input in Suspense	7 654 157	10 174 506
	VAT Output in Suspense - net	(3 838 999)	(3 179 871)
	VAT Output in Suspense	(11 008 187)	(9 878 661)
	Less: VAT on Allowance for Debt Impairment	7 169 187	6 698 790
	Total	(14 948 947)	(7 896 237)
	As previously reported		9 765 945
	Correction of error restatement - note 48.1		-
	Correction of error restatement - note 48.3		(253 481)
	Correction of error restatement - note 48.4		(3 579 853)
	Correction of error restatement - note 48.5		(13 828 848)
	Restated balance		(7 896 237)
	Disclosed as:		
	Current Assets	7 654 157	10 174 506
	Current Liabilities	(22 603 103)	(18 070 743)
	Total	(14 948 947)	(7 896 237)
	Reconciliation of VAT on Allowance for Debt Impairment		
	Balance at beginning of year	6 698 790	7 590 312
	Debt Impairment for current year	470 397	(891 522)
	Balance at the end of the year	7 169 187	6 698 790
6	OPERATING LEASES		
6.1	OPERATING LEASE ASSETS		
	Operating Lease Asset	-	-
	The operating lease asset is derived from contracts where the Municipality acts as the lessor in the agreement.		
	Reconciliation of Operating Lease Asset		
	Balance at the beginning of the year	-	112
	Movement during the year	-	(112)
	Balance at the end of the year	-	-
	The Municipality will receive the following lease payments from contracts that have defined lease payments and terms.		
	Within 1 Year	-	-
	Between 1 and 5 Years	-	-
	After 5 Years	-	-
	Total operating lease payments	-	-
	This lease income was determined from contracts that have a specific conditional income and does not include lease income which has a undetermined conditional income.		
	The leases are in respect of land and buildings being leased. Escalation of 6% are applicable on the leases. The renewal option after lapsing of the contracts are available.		
	The Municipality does not engage in any sub-lease arrangements nor did the Municipality receive any contingent rent during the year.		
6.2	OPERATING LEASE LIABILITIES		
	Operating Lease Liability	-	-
	The operating lease liability is derived from contracts where the Municipality acts as the lessee in the agreement.		



CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

Figures in Rand		2025	2024
6	OPERATING LEASES (CONTINUED)		
	Reconciliation of Operating Lease Liability		
	Balance at the beginning of the year	-	774
	Movement during the year	-	(774)
	Balance at the end of the year	-	-
	The Municipality will incur the following lease expenditure from contracts that have defined lease payments and terms.		
	Within 1 Year	-	420 000
	Between 1 and 5 Years	-	-
	After 5 Years	-	-
	Total operating lease payments	-	420 000
	The leases are in respect of land and buildings being leased. Escalations between 4% and 10% are applicable on the leases. The renewal option after lapsing of the contracts are available.		
	The Municipality does not engage in any sub-lease arrangements.		
	The Municipality did not pay any contingent rent during the year.		
7	LONG-TERM RECEIVABLES		
	Receivables with repayment arrangements	3 476 221	3 554 867
	Less: Allowance for Debt Impairment	(802 370)	(659 044)
	Total Net Receivable	2 673 851	2 895 823
	Less: Current portion of Long-term Receivables	1 337 330	1 296 291
	Receivables with repayment arrangements	1 337 330	1 296 291
	Total	1 336 522	1 599 532
	Debtors amounting to R3 476 221 (2024 - R3 554 867) have arranged to settle their account over an re-negotiated period. Total payments to the value of R1 758 983 (2024 - R1 972 528) have been deferred beyond 12 months after year end and subsequently included as part of long-term receivables.		
	Reconciliation of Allowance for Debt Impairment		
	Balance at the beginning of the year	659 044	127 781
	Movement in the contribution to the provision	143 326	531 263
	Balance at the end of the year	802 370	659 044
	The allowance for debt impairment of arrangements has been made for all balances outstanding based on the payment ratio over the last 12 months. Based on these payment trends, management is satisfied that no further credit provision is required in excess of the current allowance. The risk of non-payment is further mitigated due to the large customer base over which the outstanding receivable balance is spread.		
8	INVENTORY		
	Maintenance Materials - at cost	1 251 609	1 086 556
	Water – at cost	77 273	86 387
	Total	1 328 882	1 172 943
	Inventory are disclosed at the lower of cost or net realisable value.		
	No inventory were pledged as security for liabilities.		
	Inventory written down due to losses identified during the annual stores counts	-	-

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

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9 INVENTORY (CONTINUED)

Inventory recognised as an expense during the year

Maintenance Materials	3 126 375	1 883 671
Water - by nature of expense	12 729 679	10 971 150
Bulk Purchases	857 304	622 471
Contracted Services	634 123	326 249
Depreciation and Amortisation	1 150 571	1 340 863
Employee Related Costs	4 008 805	3 816 719
Internal Charges	5 436 000	4 608 496
Other Expenditure	642 875	256 352
Total	15 856 054	12 854 822

10 INVESTMENT PROPERTY

Investment Property - Carrying Value

73 790 079

74 264 903

The carrying value of Investment Property is reconciled as follows:

Opening Carrying Value

74 264 903

74 324 391

Cost	75 100 782	75 107 877
Accumulated Depreciation	(835 879)	(783 486)
Accumulated Impairment	-	-

Depreciation for the year

(52 241)

(52 393)

Disposals

(422 583)

(7 095)

Cost

(477 820)

(7 095)

Accumulated Depreciation

55 237

-

Closing Carrying Value

73 790 079

74 264 903

Cost	74 622 962	75 100 782
Accumulated Depreciation	(832 883)	(835 879)
Accumulated Impairment	-	-

There are no restrictions on the realisability of Investment Property or the remittance of revenue and proceeds of disposal.

There are no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

No significant operating expenditure was incurred on investment property during the current and previous financial year.

Cost of land included in asset register of which the Municipality is not the legal owner (iGRAP 18)

2 023 600

2 023 600

The Municipality has assessed that it controls the above-mentioned land of which it is not the legal owner. The said land pertains to the town of Elands Bay of which the demarcation borders were revised and accordingly included in the jurisdictional area of the Municipality. The title deeds of the said erven have not been transferred to the Municipality.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

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11 PROPERTY, PLANT AND EQUIPMENT

	Cost R	Accumulated Depreciation R	Accumulated Impairment R	Carrying Value R
30 June 2025				
Land and Buildings	51 125 787	(19 258 000)	(3 680 040)	28 187 747
Infrastructure	915 427 167	(378 273 586)	(54 994 261)	482 159 320
Community Assets	84 934 404	(9 360 502)	-	75 573 902
Other Assets	66 142 743	(22 956 933)	-	43 185 810
Total	1 117 630 101	(429 849 021)	(58 674 301)	629 106 780
30 June 2024				
Land and Buildings	47 166 981	(17 148 077)	(1 647 682)	28 371 223
Infrastructure	876 402 738	(357 317 430)	(50 825 162)	468 260 146
Leased Assets	943 824	(392 613)	-	551 210
Community Assets	80 051 024	(8 463 950)	-	71 587 073
Other Assets	59 125 727	(21 739 091)	-	37 386 636
Total	1 063 690 294	(405 061 160)	(52 472 844)	606 156 289
As previously reported				606 140 429
Correction of error restatement - note 48.2				15 860
Restated balance				606 156 289

11.1 Repairs and maintenance incurred on Property, Plant and Equipment

12 874 780

10 393 270

Repairs and maintenance consists out of the following components:

Contracted Services	- Maintenance Services	6 427 431	6 119 598
Other Expenditure	- Maintenance Materials and Tools	6 447 348	4 273 672
Total		12 874 780	10 393 270

11.2 Cost of land included in asset register of which the Municipality is not the legal owner (iGRAP 18)

658 700

658 700

The Municipality has assessed that it controls the above-mentioned land of which it is not the legal owner. The said land pertains to the town of Elands Bay of which the demarcation borders were revised and accordingly included in the jurisdictional area of the Municipality. The title deeds of the said erven have not been transferred to the Municipality.

11.3 Capital Restorations Costs

7 717 112

7 657 770

The Municipality is required by relevant Environmental Legislation to rehabilitate landfill sites at the closure date of each respective site. Included in Land is "Capitalised Restoration Cost", which is capitalised in line with the requirements of GRAP 17 and iGRAP 2, and relates to the initial estimate of costs involved to restore landfill sites under control of the Municipality. The above-mentioned balances represent the carrying value of the "Capitalised Restoration Cost" which are included in the carrying value of Land as at 30 June.

11.4 Carrying value of Property, Plant and Equipment pledged as security

-

551 210

The leased assets are financed through a finance lease agreement and are secured as set out in note 13.

11.5 Change in estimate useful lives

During the current year the remaining useful lives of Property, Plant and Equipment were reviewed, and accordingly adjusted. The effect on the current and future periods are as follow:

	2025	2026	After 2026
Increase / (Decrease) in Depreciation and Amortisation	(306 784)	400 136	(93 352)
Increase / (Decrease) in Accumulated Surplus	306 784	(400 136)	93 352
Increase / (Decrease) in Property, Plant and Equipment	306 784	(400 136)	93 352

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

<i>Figures in Rand</i>		2025	2024
11	PROPERTY, PLANT AND EQUIPMENT (CONTINUED)		
11.6	Work in Progress projects taking a significant longer period to complete		
(a)	<i>Lamberts Bay Desalination Plant</i>	77 787 911	77 787 911
	A service provider was appointed during the second half of 2024 to conclude the termination of the existing contract, to design the alternative brine outfall and to proceed with the amended environmental impact assessment (EIA) processes and approvals needed to complete the project. A revised business plan was submitted to the Department of Water and Sanitation for RBIG funding approval. The aim is to complete the project within the next 18 months, pending all the funding and EIA approvals.		
(b)	<i>Clanwilliam Water Treatment Works</i>	4 021 319	4 021 319
	The project is registered with the Regional Bulk Infrastructure Grant (RBIG) of the Department of Water and Sanitation (DWS). The Implementation Readiness Study (IRS) which is a requirement for RBIG projects was approved by the RBIG committee and is awaiting Council approval. However, counter-funding in the region of R 32 million is required from the Municipality as its non-social component contribution towards the project. The Municipality applied for waiver application again in August 2023. National Treasury approved a partial waiver on the co-funding in February 2024. The Municipality however needs to update the technical report for the Clanwilliam water treatment works, as the pumpstation which form part of initial application will be done by DWS as part of the dam project.		
(c)	<i>Upgrade sidewalks and build new sidewalks in Denne Street</i>	119 281	119 281
	This project is about 70% completed and will be completed once internal funding becomes available.		
(d)	<i>Upgrading of sport fields - Lamberts Bay</i>	95 641	95 641
	Project will be completed once internal funds become available.		
(f)	<i>Construction Of Multi-Purpose Centre (Phase 1) Graafwater</i>	6 762 949	1 879 569
	Contract terminated due to non compliance of contractual requirements. New contractor has been appointed and construction is in progress. Project completion date is estimated to be 22 July 2026.		
Total		88 787 100	83 903 720
The accumulated impairment recognised on the above-mentioned Work in Progress are as follows:			
(a)	<i>Lamberts Bay Desalination Plant</i>	54 994 261	50 825 162
Total		54 994 261	50 825 162

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

11.7 Reconciliation of Carrying Value

30 June 2025	Cost						Accumulated Depreciation and Impairment						Carrying Value
	Opening Balance	Additions	Disposals and Write-offs	iGRAP 2 Movements	Transfers	Closing Balance	Opening Balance	Depreciation Charge	Impairment (Reversal)	Transfers	Disposals and Write-offs	Closing Balance	
	R	R	R	R	R	R	R	R	R		R	R	R
Land and Buildings	47 166 981	188 935	(360 000)	4 129 871	-	51 125 787	18 795 758	2 171 109	2 032 358	-	(61 185)	22 938 040	28 187 747
Land	35 544 917	-	-	4 129 871	-	39 674 788	17 041 602	2 038 171	2 032 358	-	-	21 112 132	18 562 656
Buildings	11 622 064	90 935	(360 000)	-	98 000	11 450 999	1 754 156	132 937	-	-	(61 185)	1 825 908	9 625 091
Work in progress	-	98 000	-	-	(98 000)	-	-	-	-	-	-	-	-
Infrastructure	876 402 738	39 024 429	-	-	-	915 427 167	408 142 592	20 956 156	4 169 098	-	-	433 267 847	482 159 320
Electrical	169 207 434	-	-	-	6 883 426	176 090 860	102 796 759	4 012 910	-	-	-	106 809 669	69 281 192
Roads	182 443 507	-	-	-	2 353 386	184 796 893	92 210 777	5 379 554	-	-	-	97 590 331	87 206 561
Sanitation	216 412 159	-	-	-	21 794 199	238 206 359	63 505 109	6 401 307	-	-	-	69 906 416	168 299 942
Storm Water	32 838 386	-	-	-	88 215	32 926 601	8 429 316	652 140	-	-	-	9 081 456	23 845 145
Water Supply	179 633 044	-	-	-	2 056 673	181 689 716	90 375 467	4 510 246	-	-	-	94 885 713	86 804 003
Work in progress	95 868 208	39 024 429	-	-	(33 175 899)	101 716 738	50 825 162	-	4 169 098	-	-	54 994 261	46 722 477
Leased Assets	943 824	-	(943 824)	-	-	-	392 613	156 873	-	-	(549 486)	-	-
Furniture and Office Equipment	943 824	-	(943 824)	-	-	-	392 613	156 873	-	-	(549 486)	-	-
Community Assets	80 051 024	4 883 380	-	-	-	84 934 404	8 463 950	896 551	-	-	-	9 360 502	75 573 902
Community Facilities	15 886 163	-	-	-	-	15 886 163	1 526 318	133 909	-	-	-	1 660 226	14 225 937
Sport and Recreational Facilities	62 189 651	-	-	-	-	62 189 651	6 937 632	762 643	-	-	-	7 700 275	54 489 376
Work in progress	1 975 210	4 883 380	-	-	-	6 858 590	-	-	-	-	-	-	6 858 590
Other Assets	59 125 727	9 654 666	(2 637 650)	-	-	66 142 743	21 739 091	3 051 328	-	-	(1 833 485)	22 956 933	43 185 810
Computer Equipment	3 949 912	897 226	(91 676)	-	-	4 755 463	1 953 164	293 978	-	-	(80 851)	2 166 290	2 589 173
Furniture and Office Equipment	9 697 179	350 543	(1 141 891)	-	-	8 905 832	6 347 223	556 801	-	-	(606 492)	6 297 532	2 608 299
Machinery and Equipment	12 989 763	889 646	(491 265)	-	-	13 388 144	7 296 436	626 798	-	-	(354 315)	7 568 919	5 819 225
Transport Assets	32 488 873	7 517 251	(912 819)	-	-	39 093 305	6 142 267	1 573 751	-	-	(791 826)	6 924 192	32 169 113
	1 063 690 294	53 751 410	(3 941 474)	4 129 871	-	1 117 630 101	457 534 005	27 232 017	6 201 456	-	(2 444 157)	488 523 321	629 106 780

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

11.7 Reconciliation of Carrying Value

30 June 2024	Cost						Accumulated Depreciation and Impairment						Carrying Value (Restated)
	Opening Balance	Additions	Disposals and Write-offs	iGRAP 2 Movements	Transfers	Closing Balance	Opening Balance	Depreciation Charge	Impairment (Reversal)	Transfers	Disposals and Write-offs	Closing Balance	
	R	R	R	R	R	R	R	R	R		R	R	R
Land and Buildings	44 639 051	-	(18 039)	2 545 970	-	47 166 981	15 982 187	1 891 953	921 618	-	-	18 795 758	28 371 223
Land	33 016 987	-	(18 039)	2 545 970	-	35 544 917	14 361 574	1 758 411	921 618	-	-	17 041 602	18 503 315
Buildings	11 622 064	-	-	-	-	11 622 064	1 620 614	133 542	-	-	-	1 754 156	9 867 908
Infrastructure	857 974 151	18 428 587	-	-	-	876 402 738	372 372 088	21 052 214	14 718 289	-	-	408 142 592	468 260 146
Electrical	169 207 434	-	-	-	-	169 207 434	98 794 909	4 001 850	-	-	-	102 796 759	66 410 675
Roads	172 068 627	-	-	-	10 374 881	182 443 507	86 853 740	5 357 037	-	-	-	92 210 777	90 232 730
Sanitation	215 787 179	624 980	-	-	-	216 412 159	57 060 484	6 444 626	-	-	-	63 505 109	152 907 050
Storm Water	27 747 507	-	-	-	5 090 879	32 838 386	7 802 866	626 451	-	-	-	8 429 316	24 409 070
Water Supply	179 180 201	112 162	-	-	340 681	179 633 044	85 753 216	4 622 251	-	-	-	90 375 467	89 257 576
Work in progress	93 983 203	17 691 446	-	-	(15 806 441)	95 868 208	36 106 873	-	14 718 289	-	-	50 825 162	45 043 046
Leased Assets	943 824	-	-	-	-	943 824	234 878	157 735	-	-	-	392 613	551 210
Furniture and Office Equipment	943 824	-	-	-	-	943 824	234 878	157 735	-	-	-	392 613	551 210
Community Assets	79 520 938	530 085	-	-	-	80 051 024	7 564 553	899 397	-	-	-	8 463 950	71 587 073
Community Facilities	15 886 163	-	-	-	-	15 886 163	1 392 042	134 275	-	-	-	1 526 318	14 359 845
Sport and Recreational Facilities	62 189 651	-	-	-	-	62 189 651	6 172 511	765 122	-	-	-	6 937 632	55 252 019
Work in progress	1 445 124	530 085	-	-	-	1 975 210	-	-	-	-	-	-	1 975 210
Other Assets	41 141 283	22 639 957	(4 655 513)	-	-	59 125 727	22 758 642	2 313 097	-	-	(3 332 649)	21 739 091	37 386 636
Computer Equipment	3 264 172	1 129 766	(444 026)	-	-	3 949 912	2 159 260	209 017	-	-	(415 113)	1 953 164	1 996 748
Furniture and Office Equipment	9 716 365	310 987	(330 173)	-	-	9 697 179	6 057 406	594 751	-	-	(304 933)	6 347 223	3 349 956
Machinery and Equipment	11 247 999	2 454 662	(712 898)	-	-	12 989 763	7 275 908	576 393	-	-	(555 865)	7 296 436	5 693 327
Transport Assets	16 912 747	18 744 543	(3 168 417)	-	-	32 488 873	7 266 068	932 936	-	-	(2 056 737)	6 142 267	26 346 605
	1 024 219 247	41 598 630	(4 673 553)	2 545 970	-	1 063 690 294	418 912 349	26 314 397	15 639 907	-	(3 332 649)	457 534 005	606 156 289

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

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12 INTANGIBLE ASSETS

Intangible Assets - Carrying Value

498 915

706 426

The carrying value of intangible Assets is reconciled as follows:

Opening Carrying Value

706 426

843 706

Cost

2 401 020

2 350 769

Accumulated Amortisation

(1 694 594)

(1 507 063)

Accumulated Impairment

-

-

Additions

-

63 486

Amortisation

(207 474)

(200 657)

Disposal

(37)

(108)

Cost

(3 355)

(13 234)

Accumulated Amortisation

3 318

13 126

Closing Carrying Value

498 915

706 426

Cost

2 397 665

2 401 020

Accumulated Amortisation

(1 898 750)

(1 694 594)

Accumulated Impairment

-

-

Intangible Assets consist only out of software.

No intangible asset were assessed having an indefinite useful life.

There are no internally generated intangible assets at reporting date.

There are no intangible assets whose title is restricted.

There are no intangible assets pledged as security for liabilities.

During the current year the remaining useful lives of Intangible Assets were reviewed, and accordingly adjusted. The effect on the current and future periods are as follow:

2025

2026

After 2026

Increase / (Decrease) in Depreciation and Amortisation

(6 054)

2 636

3 418

Increase / (Decrease) in Accumulated Surplus

6 054

(2 636)

(3 418)

Increase / (Decrease) in Intangible Assets

6 054

(2 636)

(3 418)

13 LONG-TERM LIABILITIES

Annuity Loans

475 840

2 263 326

Finance Lease Liabilities

-

181 223

Municipal Debt Relief

26 147 799

37 443 774

Sub-Total

26 623 638

39 888 323

Less: Current portion of Long-term Liabilities

12 917 693

13 264 684

Annuity Loans

475 840

1 787 486

Finance Lease Liabilities

-

181 222

Municipal Debt Relief

12 441 853

11 295 976

Total

13 705 945

26 623 639

Long-term Liabilities were utilised as follow:

Total Long-term Liabilities taken up

475 840

2 444 549

Used to finance Property, Plant and Equipment at cost

(475 840)

(2 444 549)

Unspent Borrowings

-

-

Long-term liabilities have been utilised in accordance with the Municipal Finance Management Act No. 56 of 2003.



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13 LONG-TERM LIABILITIES (CONTINUED)

13.1 Annuity Loans

Annuity Loans, disclosed at amortised cost, consist out of the following agreements:

Institution and loan number	Rate	Maturity Date	Carrying Value of Liability	
ABSA Bank Limited (038-723-0992)	9.84%	1 April 2025	-	448 528
ABSA Bank Limited (038-723-0993)	10.43%	17 June 2025	-	764 131
ABSA Bank Limited (038-723-0994)	10.45%	17 Nov 2025	159 443	451 984
ABSA Bank Limited (038-723-0995)	11.33%	30 Jun 2026	316 397	598 682
Total			475 840	2 263 326

All annuity loans are unsecured.

Annuity loans are payable as follows:

Payable within one year	510 819	1 985 577
Payable within two to five years	-	510 819
Total amount payable	510 819	2 496 397
Less: Outstanding Future Finance Charges	(34 979)	(233 071)
Present value of annuity loans	475 840	2 263 326

13.2 Finance Lease Liabilities

Finance Lease Liabilities, disclosed at amortised cost, consist out of the following agreements:

Description	Rate	Maturity Date	Carrying Value of Liability	
Printers and Copiers	11.8%	31 Dec 2024	-	181 223
Total			-	181 223

Finance Leases Liabilities are secured by Property, Plant and Equipment - refer to note 11. Leased assets remain the property of the lessor after maturity and new lease contracts are negotiated to replace lapsed contracts.

Finance Lease Liabilities are payable as follows:

Payable within one year	-	187 500
Total amount payable	-	187 500
Less: Outstanding Future Finance Charges	-	(6 277)
Present value of finance lease liabilities	-	181 223

13.3 Municipal Debt Relief

Municipal Debt Relief, disclosed at amortised cost, consist out of the following agreements:

Supplier	Discount Rate	Maturity Date	Carrying Value of Liability	
Eskom Holdings SOC Ltd	10.16%	31 Aug 2026	26 147 799	37 443 774
Total			26 147 799	37 443 774

The Municipal Debt Relief liability is unsecured.

During the 2023/24 financial year, National Treasury approved the Municipality's application for Municipal Debt Relief. In terms of the arrangement, Eskom Holdings SOC Ltd will write-off outstanding debt amounting to R41 772 257 over a period of 3 years, given that the Municipality adheres to certain conditions. During the current year the Municipality adhered to the set conditions and accordingly one-third of the debt was written-off. As at year-end, the Municipality still complied with all of the conditions, and it is therefore anticipated that the remaining debt will be written off as follows:

Within one year	13 924 085	13 924 085
Within two to five years	13 924 085	27 848 171
Total amount payable	27 848 171	41 772 256
Less: Outstanding Future Finance Charges	(1 700 372)	(4 328 482)
Present value of payables with repayment arrangements	26 147 799	37 443 774

CEDERBERG LOCAL MUNICIPALITY

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14 CONSUMER DEPOSITS

Water and Electricity Deposits

3 225 813

2 997 700

The fair value of consumer deposits approximate their carrying value. Interest are not paid on these amounts.

15 PAYABLES FROM EXCHANGE TRANSACTIONS

Trade Payables

37 074 496

39 720 260

Retentions

2 072 051

1 300 427

Payments received in advance

3 112 729

3 087 700

Unused Pre-paid Electricity

970 838

845 443

Sundry Creditors

719 669

829 866

Sundry Deposits

124 537

178 863

Accrued Interest

593

17 649

Unknown Receipts

668 090

711 443

Land Sales Deposits

1 154 621

2 199 975

Department of Infrastructure

26 530

26 530

Integrated National Electrification Programme (INEP)

-

2 997 000

Department of Cultural Affairs and Sport

241 842

626 216

Total

46 165 997

52 541 374

As previously reported

53 858 510

Correction of error restatement - note 48.3

(1 943 352)

Correction of error restatement - note 48.4

626 216

Restated balance

52 541 374

The credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other payables on initial recognition is not deemed necessary

The carrying value of trade and other payables approximates its fair value.

Sundry deposits include hall, builders, housing deposits and a performance guarantees paid by contractors.

Department of Infrastructure balance consist of the following:

- Advances received in terms of principle-agent arrangements

26 530

26 530

The Integrated National Electrification Programme (INEP) relates to advances received for the construction of bulk electrification infrastructure for Eskom.

The following serves as security for payables:

- Bank guarantee as per note 2

2 900 000

2 900 000

- Cash deposits as per note 4

1 638 301

1 557 263

Total

4 538 301

4 457 263

16 UNSPENT CONDITIONAL GOVERNMENT GRANTS

National Government

11 000 286

7 525 057

Provincial Government

2 181 217

5 950 134

Total

13 181 503

13 475 191

As previously reported

14 101 407

Correction of error restatement - note 48.4

(626 216)

Restated balance

13 475 191

Detail reconciliations of all grants received and grant conditions met are included in note 22. Unspent grant balances are recognised to the extent that conditions are not yet met.

No grants were withheld in the current year.

Due to the short term nature of unspent grant balances, the carrying value approximates the fair value of the unspent conditional grants at year-end.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

Figures in Rand		2025	2024
17	CURRENT EMPLOYEE BENEFITS		
	Bonuses	3 853 687	3 432 600
	Staff Leave	8 772 540	7 731 806
	Performance Bonuses	1 103 056	709 814
	Standby and Overtime	750 904	713 958
	Current portion of Non-Current Employee Benefits - note 19	2 342 000	2 024 000
	Post Retirement Medical Benefits	1 783 000	1 686 000
	Long Service Awards	559 000	338 000
	Total	16 822 188	14 612 178
The movement in current employee benefits are reconciled as follows:			
17.1	Bonuses		
	Opening Balance	3 432 600	3 307 247
	Contribution during the year	6 791 077	6 364 674
	Payments made	(6 369 990)	(6 239 322)
	Balance at the end of the year	3 853 687	3 432 600
Bonuses are being paid to all municipal staff, excluding section 57 Managers. The balance at year end represent to portion of the bonus that have already vested for the current salary cycle.			
17.2	Staff Leave		
	Opening Balance	7 731 806	6 991 780
	Contribution during the year	1 738 099	1 704 136
	Payments made	(697 365)	(964 110)
	Balance at the end of the year	8 772 540	7 731 806
Staff leave accrued to employees according to collective agreement. Provision is made for the full cost of accrued leave at reporting date. This provision will be realised as employees take leave or when employment is terminated.			
17.3	Performance Bonuses		
	Opening Balance	709 814	202 645
	Contribution during the year	393 243	507 169
	Payments made	-	-
	Balance at the end of the year	1 103 057	709 814
Performance bonuses are being paid to the Municipal Manager and Directors after an evaluation of performance by the council.			
17.4	Standby and Overtime		
	Opening Balance	713 958	619 311
	Contribution during the year	750 904	713 958
	Payments made	(713 958)	(619 311)
	Balance at the end of the year	750 904	713 958
Standby and overtime worked by staff in current financial year, but paid in following financial year.			
18	CURRENT PROVISIONS		
	Awaiting SARS Ruling - Output VAT Payable on Library Grants	-	-
	Total	-	-
	As previously reported		4 056 578
	Correction of error restatement - note 48.4		(4 056 578)
	Restated balance		-



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

Figures in Rand

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2024

18 CURRENT PROVISIONS (CONTINUED)

Historically all funds received from the Department of Cultural Affairs and Sport (DCAS) relating to the library services were treated as zero rated grants and accordingly no Output VAT was declared on the said funds.

During the 2022/23 statutory audit, the Auditor-General issued a finding that the funds being received from the DCAS are for services being rendered to the Department, as the library function has not been assigned to municipalities. Given the afore-mentioned, it was concluded that the standard VAT rate of 15% be applied, resulting in Output VAT being payable to the South African Revenue Service (SARS).

During the 2023/24 financial year, the Municipality requested a Section 41B VAT class ruling from SARS, on the basis that the function has been assigned to the Municipality in accordance with the Provincial Library Service Ordinance 16 of 1981 ("1981 Ordinance"). Following the submission of the VAT class ruling application, SARS issued Binding General Ruling 74 ("BGR74") which deals with the VAT treatment of supplies of goods or services made by municipalities to national or provincial government. While this BGR is not binding on municipalities, it is binding on SARS and reflects how they will apply the legislation in practice. In terms of SARS' interpretation, there was no assignment of the library function to the municipalities in terms of the 1981 Ordinance and the municipalities was thus required to levy and account for output tax at the standard rate on the grant receipts. As a result of SARS issuing BGR74, SARS rejected the VAT class ruling on the basis that the application contains an issue that is the same as or substantially similar to an issue that is "the subject of a policy document or draft legislation that has been published".

Subsequent to the rejected VAT class ruling, SARS communicated that it is in consultation with counsel on the validity of the assignment under old order legislation. It is understood that counsel has already been briefed and there has been an initial consultation. As at reporting date, no feedback has been received on these consultations or counsel's view. Should the outcome of the consultation still be unfavourable towards the Municipality, alternative options will be explored.

The main uncertainty is what periods SARS will include in the case of an assessment. The Municipality took a conservative approach and calculated the provision based on the receipts from DCAS over a period of 7 year, i.e. from 2018/19 to 2024/25. The expected timing of any economic outflows is also an uncertainty.

Should the ultimate outcome be unfavourable towards the Municipality, the Municipality will approach the Department of Cultural Affairs and Sport (DCAS) for possible reimbursement.

19 EMPLOYEE BENEFITS

Post Retirement Medical Benefits

37 969 000

31 791 000

Long Service Awards

6 655 000

5 742 000

Sub-Total

44 624 000

37 533 000

Less: Current portion of Employee Benefits

2 342 000

2 024 000

Post Retirement Medical Benefits

1 783 000

1 686 000

Long Service Awards

559 000

338 000

Total

42 282 000

35 509 000

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

Figures in Rand		2025	2024
19	EMPLOYEE BENEFITS (CONTINUED)		
19.1	Post Retirement Medical Benefits		
The Post Retirement Medical Benefit Plan is a defined benefit plan. The movement in the defined benefit obligation is reconciled as follows:			
Opening Balance		31 791 000	30 069 000
Contribution during the year		5 122 000	4 991 000
Current Service Cost		1 343 000	1 300 000
Interest Expense		3 779 000	3 691 000
Payments made		(1 756 726)	(1 598 039)
Actuarial Loss/(Gain)		2 812 726	(1 670 961)
Change in Financial Assumptions		1 285 000	(836 000)
Change in Demographic Assumptions		-	-
Experience Adjustments		1 527 726	(834 961)
Total balance at year-end		37 969 000	31 791 000
Less: Current portion		(1 783 000)	(1 686 000)
Total		36 186 000	30 105 000

Based on the number of individuals entitled to a post-employment medical aid subsidy at year-end, the defined benefit obligation was estimated to be as follows:

Category	Number of individuals		2025	2024
	2025	2024		
In-service members	142	125	13 911 000	10 475 000
In-service non-members	185	173	2 847 000	2 287 000
Continuation members	30	31	21 211 000	19 029 000
Total	357	329	37 969 000	31 791 000

The defined benefit obligation is unfunded, and therefore no disclosures are made relating to plan assets and the effect of the asset ceiling.

Actuarial Method

The Projected Unit Credit Method has been used to value the liabilities. The last valuation was performed on 12 July 2025.

Characteristics of defined benefit plans and risks associated with them

The Municipality provides post employment medical benefits as follows:

- Eligible employees will receive a post-employment subsidy of 70% of the contribution payable should they be a member of a medical scheme at retirement.
- Continuation members and their eligible dependants receive a 70% subsidy.
- The post-employment subsidies are not limited to a maximum Rand value/subsidy.
- Upon a member's death-in-service, surviving dependants are entitled to commence receipt of the same post-employment subsidy. Upon a member's death-in-retirement, surviving dependants are entitled to continue to receive the same subsidy.

Notable benefit plan risks faced by the Municipality can be summarised as follows:

- **Inflation:** The risk that future CPI inflation and medical aid contribution inflation are higher than assumed and present in an uncontrolled manner.
- **Longevity:** The risk that eligible individuals live longer than assumed i.e. their benefits are payable for longer than expected.
- **Volatility of open-ended, long-term defined benefit obligation:** The risk that the defined benefit obligation may be volatile which is exacerbated by its long-term nature.
- **Enforcement of eligibility criteria and rules:** The risk that eligibility criteria and rules are not strictly or consistently enforced, to the detriment of the Municipality.
- **Future changes in legislation:** The risk that changes to legislation with respect to the post-employment medical aid benefit may increase the defined benefit obligation for the Municipality.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

Figures in Rand		2025	2024
19	EMPLOYEE BENEFITS (CONTINUED)		
	Significant Actuarial Assumptions		
	i) Financial Assumptions		
	- Medical Aid Contribution Inflation Rate	6.9%	7.7%
	- Discount Rate	11.1%	12.2%
	- Net Discount Rate	3.9%	4.2%
	ii) Demographic Assumptions		
	- Post-Employment Mortality	PA(90)	PA(90)
	The PA(90) ultimate table, adjusted down by 1 year of age, and a 1% annual compound mortality improvement from 2010.		
	- Average Retirement Age	62 years	62 years
	- Membership continuation	75%	75%

Sensitivity Analysis - Defined Benefit Obligation at year-end

The defined benefit obligation is based on a number of assumptions as indicated above. The extent to which the actual defined benefit obligation faced in the future by the Municipality differs from these results will depend on the extent to which actual experience differs from the assumptions made. The assumption which tends to have the greatest impact on the results is the medical aid contribution inflation rate relative to the discount rate. The impact of the aforementioned and the other significant assumptions are disclosed below:

Assumption	Eligible Employees (R)	Continuation members (R)	Total Obligation (R)	% Change
Current defined benefit obligation	16 758 000	21 211 000	37 969 000	
Medical Aid Contribution Inflation Rate (+ 1%)	20 196 000	23 253 000	43 449 000	14%
Medical Aid Contribution Inflation Rate (- 1%)	14 023 000	19 436 000	33 459 000	-12%
Discount Rate (+ 1%)	14 137 000	19 513 000	33 650 000	-11%
Discount Rate (- 1%)	20 085 000	23 189 000	43 274 000	14%
Post-Employment Mortality (+ 1 year)	16 344 000	20 569 000	36 913 000	-3%
Post-Employment Mortality (- 1 year)	17 165 000	21 850 000	39 015 000	3%
Average Retirement Age (- 1 year)	18 503 000	21 211 000	39 714 000	5%
Membership Continuation (- 10%)	14 648 000	21 211 000	35 859 000	-6%

There were no changes from the previous reporting period in the methods and assumptions used in preparing the sensitivity analyses.

Expected contributions and maturity analysis

As there is no plan asset, the net defined benefit liability is equal to the defined benefit obligation. There are no specific funding arrangements and funding policy that affect future contributions, other than the funding and reserve policy of the Municipality which aims to ensure that the cash position of the Municipality remains sufficient to cover all working capital requirements (which includes contributions to the relevant medical schemes).

Maturity analysis of the future undiscounted expected benefits to be paid in respect of the current eligible employees and continuation members can be illustrated as follows:

Future Year	Expected Benefit Payments R	% Contribution of Bracket
Future year 1 - 10	30 978 000	3%
Future year 11 - 20	80 937 000	9%
Future year 21 - 30	155 593 000	17%
Future year 31 - 40	213 680 000	23%
Future year 41 - 50	209 224 000	23%
Future year 51 - 60	144 764 000	16%
Future year 61 - 70	64 207 000	7%
Future year 71 - 80	14 873 000	2%
Future year 80 + (considered insignificant to include in analysis)	-	0%
Total future expected benefits to be paid	914 256 000	100%

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

Figures in Rand

2025

2024

19 EMPLOYEE BENEFITS (CONTINUED)

19.2 Long Service Awards

The Long Service Awards plans are defined benefit plans. The movement in the defined benefit obligation is reconciled as follows:

Opening Balance	5 742 000	5 683 000
Contribution during the year	1 141 000	1 123 000
Current Service Cost	504 000	493 000
Interest Expense	637 000	630 000
Payments made	(339 720)	(689 132)
Actuarial Loss/(Gain)	111 720	(374 869)
Change in Financial Assumptions	(28 000)	(58 000)
Change in Demographic Assumptions	-	-
Experience Adjustments	139 720	(316 869)
Total balance at year-end	6 655 000	5 742 000
Less: Current portion	(559 000)	(338 000)
Total	6 096 000	5 404 000
As at year end, the following number of employees were eligible for Long Service Awards	327	298

The defined benefit obligation is unfunded, and therefore no disclosures are made relating to plan assets and the effect of the asset ceiling.

Actuarial Method

The Projected Unit Credit Method has been used to value the liabilities. The last valuation was performed on 12 July 2025.

Characteristics of defined benefit plans and risks associated with them

The Municipality provides a Long Service Award benefits as follows:

- The Municipality offers employees Long Service Awards for every 5 years of service completed, from 10 years of service to 45 years of service, inclusive.
- In the month that each "completed service" milestone is reached, the employee is granted a Long Service Award.
- The Long Service Award is calculated as a percentage of basic salary which is then multiplied by the number of years in service, divided by 250. The percentage calculated on the basic salary is determined by the milestone reached which ranges from 4% (10 years) to 26.3% (45 years).
- The Municipality does not pay any pro-rata Long Service Awards.

Notable benefit plan risks faced by the Municipality can be summarised as follows:

- **Inflation:** The risk that future CPI inflation and medical aid contribution inflation are higher than assumed and present in an uncontrolled manner.
- **Termination of service:** The risk that fewer eligible employees terminate their service at the Municipality i.e. more Long Service Awards vest than expected.
- **Volatility of open-ended, long-term Defined-Benefit Obligation:** The risk that the defined benefit obligation may be volatile which is exacerbated by its long-term nature.
- **Enforcement of eligibility criteria and rules:** The risk that eligibility criteria and rules are not strictly or consistently enforced, to the detriment of the Municipality.
- **Future changes in legislation:** The risk that changes to legislation with respect to the post-employment medical aid benefit may increase the Defined-Benefit Obligation for the Municipality.



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CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

Figures in Rand	2025	2024
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19 EMPLOYEE BENEFITS (CONTINUED)

Significant Actuarial Assumptions

i) Financial Assumptions

- General Earnings Inflation Rate	5.1%	6.5%
- Discount Rate	10.1%	11.4%
- Net Discount Rate	4.8%	4.6%

ii) Demographic Assumptions

- Average Retirement Age	62 years	62 years
- Termination of Services		

If an eligible employee leaves due to resignation or retrenchment, the Municipality's defined benefit obligation in respect of that employee ceases. The termination rates per annum is assumed as follows:

Age: 20 - 24	9.00%	9.00%
Age: 25 - 29	8.00%	8.00%
Age: 30 - 34	6.00%	6.00%
Age: 35 - 44	5.00%	5.00%
Age: 45 - 49	4.00%	4.00%
Age: 50 - 54	3.00%	3.00%
Age: 55 +	0.00%	0.00%

Sensitivity Analysis - Defined Benefit Obligation at year-end

The defined benefit obligation is based on a number of assumptions as indicated above. The extent to which the actual defined benefit obligation faced in the future by the Municipality differs from these results will depend on the extent to which actual experience differs from the assumptions made. The impact of the significant assumptions are disclosed below:

Assumption	Impact on Defined Benefit Obligation (R)	% Change
Current Defined Benefit Obligation	6 655 000	
General Earnings Inflation Rate (+ 1%)	7 065 000	6%
General Earnings Inflation Rate (- 1%)	6 282 000	-6%
Discount Rate (+ 1%)	6 276 000	-6%
Discount Rate (- 1%)	7 078 000	6%
Average Retirement Age (+ 2 years)	7 533 000	13%
Average Retirement Age (- 2 years)	5 915 000	-11%
Rates of Termination of Services (x 2)	5 463 000	-18%
Rates of Termination of Services (x 0.5)	7 454 000	12%

There were no changes from the previous reporting period in the methods and assumptions used in preparing the sensitivity analyses.

Expected contributions and maturity analysis

As there is no plan asset, the net defined benefit liability is equal to the defined benefit obligation. There are no specific funding arrangements and funding policy that affect future contributions, other than the funding and reserve policy of the Municipality which aims to ensure that the cash position of the Municipality remains sufficient to cover all working capital requirements (which includes Long Service Awards when it becomes due).

Maturity analysis of the future undiscounted expected benefits to be paid in respect of the current eligible employees can be illustrated as follows:

Future Year	Expected Benefit Payments R	% Contribution of Bracket
Future year 1 - 10	11 133 000	32%
Future year 11 - 20	13 068 000	38%
Future year 21 - 30	9 088 000	26%
Future year 31 - 40	1 127 000	3%
Future year 40 + (considered insignificant to include in analysis)	-	0%
Total future expected benefits to be paid	34 416 000	100%

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

<i>Figures in Rand</i>	2025	2024
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19 EMPLOYEE BENEFITS (CONTINUED)

19.3 Defined Contribution Plans

Council contributes to the following defined contribution plans:

Consolidated Retirement Fund	11 613 488	10 847 082
LA Retirement Fund	-	59 068
National Funds for Municipal Workers	1 154 968	1 019 806
Municipal Workers Retirement Fund	1 199 768	1 171 707
Total	13 968 224	13 097 663

The retirement benefit funds are subject to the Pension Fund Act, 1956, with pension being calculated on the pensionable remuneration paid. Current contributions by Council are charged against expenditure on the basis of current service costs.

20 NON-CURRENT PROVISIONS

Provision for Rehabilitation of Landfill-sites	70 741 439	61 032 949
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The movement in Rehabilitation Provision - Landfill Sites are reconciled as follows:

Opening Balance	61 032 949	52 681 181
Contribution during the year	9 708 490	8 351 768
Increase/(decrease) in estimate added to /(deducted from) cost of related asset	4 129 871	2 545 970
Decrease in estimate recognised in surplus	(701 198)	(291 370)
Interest Cost	6 279 817	6 097 168
Total	70 741 439	61 032 949

The calculation for the rehabilitation of the landfill site provision was compiled by an independent qualified engineer in order to determine the present value to rehabilitate the landfill sites at the end of its useful life.

The future obligations for rehabilitating the landfill sites has been calculated using a discount rate (SA Government Bond yield) of between 8.45% and 10.60% depending on the estimated decommission date.

The total obligation at year-end can be attributed to the following sites:

Location	Discount Rate	Site Dimensions m ²	Rehabilitation cost per m ² (Rand)	Cost of Rehabilitation	Cost of Rehabilitation
Clanwilliam	8.45%	23 616	1 016	22 066 397	19 859 669
Lambert's Bay	8.45%	17 580	1 171	18 446 665	14 694 993
Citrusdal	10.60%	26 505	1 103	18 553 787	15 118 309
Graafwater	8.45%	3 000	1 749	4 848 731	4 756 816
Elands Bay	8.45%	5 060	1 460	6 825 858	6 603 163
Total				70 741 440	61 032 949

The estimate cost, based on an average inflation rate of 5.63%, and date of decommission of the sites are as follows:

Location	Estimated Decommission Date	Future Cost of Rehabilitation	Future Cost of Rehabilitation
Clanwilliam	2028	28 535 385	28 384 196
Lambert's Bay	2029	25 869 719	26 037 800
Citrusdal	2035	51 703 382	50 411 123
Graafwater	2028	6 184 332	5 645 560
Elands Bay	2028	8 706 065	7 836 871
Total		120 998 883	118 315 549



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Figures in Rand		2025	2024
21	PROPERTY RATES		
	Rateable Land and Buildings	83 807 676	82 214 731
	Less: Rebates	(8 810 927)	(8 521 799)
	Total	74 996 749	73 692 932
	Property rate levied are based on the following rateable valuations:		
	Residential	3 318 506 000	3 319 781 000
	Business and Industrial	1 011 270 000	952 608 000
	State-owned	248 431 000	243 255 000
	Agricultural, Public Service Infrastructure and Public Benefit Organisations	4 464 659 000	4 388 821 000
	Impermissible	497 756 000	574 080 000
	Total Valuation	9 540 622 000	9 478 545 000
	Rate that is applicable to the valuations above:		
	Residential	1.446c/R	1.410c/R
	Business and Industrial	1.869c/R	1.824c/R
	State-owned	1.869c/R	1.824c/R
	Agricultural, Public Service Infrastructure and Public Benefit Organisations	0.361c/R	0.353c/R
	Impermissible	0.000c/R	0.000c/R
	Valuations on land and buildings are performed every five years. The last valuation came into effect on 1 July 2022. Interim valuations are processed on an annual basis to include changes in property values and subdivisions.		
	The first R 15 000 of the valuation on properties used only for residential purposes are exempted from property rates in terms of the Property Rates Act.		
	Rates are levied monthly and annually. Monthly rates are payable by the end of the month in which the amount was levied and annual rates are payable before 30 September. Interest is levied at the prime rate plus 1% on outstanding monthly rates.		
	Rebates can be defined as any income that the Municipality is entitled by law to levy, but in terms of Council's own policy opted not to collect it.		
	The Municipality grants the following significant rebates, reductions and exemptions on the valuation and/or rates of property:		
	- Residential properties valued R100 000 or less	100%	100%
	- Pensioners older than 60 years of age with a monthly household income of:		
	- Between R0 - R5 000	40%	40%
	- Between R5 001 - R10 000	30%	30%
	- More than R10 001	20%	20%
	- Pensioners older than 75 years of age with a monthly income of less than R10 000	60%	0%
	- Indigent Households relating to taxpayers with income of not more than 3 times the State subsidy	40%	40%



CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

Figures in Rand

2025

2024

22

GOVERNMENT GRANTS AND SUBSIDIES

Unconditional Grants - National Government

71 545 000

67 058 000

Equitable Share

71 545 000

67 058 000

Conditional Grants - National Government

34 351 410

24 893 388

Municipal Infrastructure Grant (MIG)

17 482 903

16 323 446

Financial Management Grant (FMG)

2 000 000

2 132 000

Expanded Public Works Program (EPWP)

1 534 000

1 658 000

Water Service Infrastructure Grant (WSIG)

6 480 514

4 463 698

Regional Bulk Infrastructure Grant (RBIG)

-

-

Municipal Disaster Response Grant

6 107 955

316 245

National Treasury - Audit Fees

746 038

-

Conditional Grants - Provincial Government

17 192 228

10 949 903

CDW Support

74 092

9 929

Thusong Service Centre Grant

118 263

1 068

Municipal Library Support Grant

-

-

Financial Management Capability Grant

1 549 956

499 476

Municipal Interventions Grant

500 000

991 967

Municipal Water Resilience Grant

10 080 005

4 068 302

Loadshedding Relief Grant

-

1 516 425

Informal Settlements Upgrading Partnership Grant (ISUPG)

3 355 816

3 062 833

Municipal Energy Resilience Grant

-

499 905

Municipal Service Delivery and Capacity Building Grant

-

300 000

Municipal Financial Recovery Services

999 096

-

Waste Management Compliance Grant

515 000

-

Total

123 088 638

102 901 291

As previously reported

107 814 206

Correction of error restatement - note 48.4

(4 902 893)

Correction of error restatement - note 48.4

(10 021)

Restated balance

102 901 291

Disclosed as:

Government Grants and Subsidies - Operating

85 307 652

76 631 713

Government Grants and Subsidies - Capital

37 780 985

26 269 578

Total

123 088 638

102 901 291

Grants per Vote (MFMA Sec 123 (c)):

Equitable share

71 545 000

67 058 000

Vote 1 - Executive and Council

-

-

Vote 2 - Office of Municipal Manager

-

300 000

Vote 3 - Financial Administrative Services

5 295 091

2 631 476

Vote 4 - Community Development Services

7 203 465

2 223 294

Vote 5 - Corporate and Strategic Services

574 092

409 929

Vote 6 - Planning and Development Services

879 900

1 036 767

Vote 7 - Public Safety

-

-

Vote 8 - Electricity

3 922 006

2 016 330

Vote 9 - Waste Management

2 731 474

8 745 756

Vote 10 - Waste Water Management

15 705 717

8 348 932

Vote 11 - Water

10 713 503

4 068 302

Vote 12 - Housing

3 355 816

3 062 833

Vote 13 - Road Transport

1 162 576

2 999 674

Vote 14 - Sports and Recreation

-

-

Total

123 088 638

102 901 291



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

Figures in Rand		2025	2024
22	GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)		
The movements per grant can be summarised as follows:			
22.01	Equitable Share		
Opening Unspent Balance	-	-	
Grants Received / (Repaid)	71 545 000	67 058 000	
Transferred to Revenue - Operating	(71 545 000)	(67 058 000)	
Transferred to Revenue - Capital	-	-	
Closing Unspent Balance	-	-	
The Equitable Share is the unconditional share of the revenue raised nationally and is being allocated in terms of Section 214 of the Constitution (Act 108 of 1996) to the municipality by the National Treasury.			
22.02	Municipal Infrastructure Grant (MIG)		
Opening Unspent Balance	-	1 665 284	
Grants Received / (Repaid)	17 562 000	13 959 715	
Transferred to Revenue - Operating	(2 976 729)	(2 910 926)	
Transferred to Revenue - Capital	(14 506 175)	(13 412 519)	
Transferred to / (from) Receivables	(79 097)	698 447	
Closing Unspent Balance	-	-	
The MIG grant is a conditional grant used to upgrade infrastructure in the municipal area with the main focus on previously disadvantaged areas.			
22.03	Financial Management Grant (FMG)		
Opening Unspent Balance	-	49 411	
Grants Received / (Repaid)	2 000 000	2 082 589	
Transferred to Revenue - Operating	(1 938 086)	(2 132 000)	
Transferred to Revenue - Capital	(61 914)	-	
Closing Unspent Balance	-	-	
The Financial Management Grant is a conditional grant to assist municipalities in the implementation of financial reforms required by the Municipal Finance Management Act (MFMA), 2003. The grant also utilised to cover expenditure relating to the Financial Management			
22.04	Expanded Public Works Program (EPWP)		
Opening Unspent Balance	-	-	
Grants Received / (Repaid)	1 534 000	1 658 000	
Transferred to Revenue - Operating	(1 534 000)	(1 658 000)	
Transferred to Revenue - Capital	-	-	
Closing Unspent Balance	-	-	
The EPWP grant is a conditional grant to incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in the identified focus areas in compliance with the EPWP guidelines.			
22.05	Water Service Infrastructure Grant (WSIG)		
Opening Unspent Balance	36 302	686 894	
Grants Received / (Repaid)	9 963 698	3 813 106	
Transferred to Revenue - Operating	(826 248)	(550 654)	
Transferred to Revenue - Capital	(5 654 266)	(3 913 043)	
Closing Unspent Balance	3 519 486	36 302	
This grant is utilised for an array of water infrastructure which includes but is not limited to reservoirs, boreholes and oxidation ponds.			

CEDERBERG LOCAL MUNICIPALITY

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22 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)

22.06 Regional Bulk Infrastructure Grant (RBIG)

Opening Unspent Balance	-	509 637
Grants Received / (Repaid)	-	(509 637)
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	-	-

This grant is used to develop new, refurbish, upgrade and replace ageing bulk water and sanitation infrastructure of regional significance that connects water resources to infrastructure serving extensive areas across municipal boundaries.

22.07 Municipal Disaster Response Grant

Opening Unspent Balance	7 488 755	-
Grants Received / (Repaid)	6 100 000	7 805 000
Transferred to Revenue - Operating	(1 189 713)	(41 249)
Transferred to Revenue - Capital	(4 918 242)	(274 995)
Closing Unspent Balance	7 480 800	7 488 755

This grant is utilised to respond to damages to infrastructure caused by flooding.

22.08 National Treasury - Audit Fees

Opening Unspent Balance	-	-
Grants Received / (Repaid)	746 038	-
Transferred to Revenue - Operating	(746 038)	-
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	-	-

The Public Audit Act provides that if the audit fee for the auditee is in excess of 1% of the current and capital expenditure of the auditee, then the excess must be defrayed from the National Treasury's vote, if National Treasury is of the opinion that the auditee has financial difficulty to pay the excess. The amount stated represents the 1% related audit fees paid directly to the Auditor General by National Treasury.

22.09 CDW Support

Opening Unspent Balance	256 982	115 912
Grants Received / (Repaid)	45 017	150 999
Transferred to Revenue - Operating	(74 092)	(9 929)
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	227 907	256 982

This grant is used to provide financial assistance to municipalities to cover the operational and capital costs pertaining to the line functions of the community development workers including the supervisors and regional coordinators.

22.10 Thusong Service Centre Grant

Opening Unspent Balance	118 932	1 068
Grants Received / (Repaid)	-	118 932
Transferred to Revenue - Operating	(118 263)	(1 068)
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	669	118 932

This grant is used to provide financial assistance to municipalities, ensuring the financial sustainability of the Thusong Service Centres.

CEDERBERG LOCAL MUNICIPALITY

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22 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)

22.11 Municipal Library Support Grant

Opening Unspent Balance	-	189 284
Grants Received / (Repaid)	-	(189 284)
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	-	-

This grant funding is utilized for personnel, operational and/or capital costs of libraries in the municipal area.

22.12 Financial Management Capability Grant

Opening Unspent Balance	558 851	5 070
Grants Received / (Repaid)	991 149	1 053 257
Transferred to Revenue - Operating	(1 549 956)	(499 476)
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	44	558 851

This grant is utilized for revenue enhancement and bursary programmes for external students.

22.13 Municipal Interventions Grant

Opening Unspent Balance	-	591 967
Grants Received / (Repaid)	600 000	400 000
Transferred to Revenue - Operating	(500 000)	(252 837)
Transferred to Revenue - Capital	-	(739 130)
Closing Unspent Balance	100 000	-

This grant is utilized to improve infrastructure, systems, structures, corporate governance, service delivery and compliance with executive obligations.

22.14 Municipal Water Resilience Grant

Opening Unspent Balance	3 931 698	3 000 000
Grants Received / (Repaid)	8 000 000	5 000 000
Transferred to Revenue - Operating	(1 243 258)	(519 875)
Transferred to Revenue - Capital	(8 836 747)	(3 548 427)
Closing Unspent Balance	1 851 693	3 931 698

This grant is used to enhance water resilience through water supply augmentation, infrastructure capacity upgrades, water source management and water demand management.

22.15 Loadshedding Relief Grant

Opening Unspent Balance	83 576	1 600 000
Grants Received / (Repaid)	(83 576)	-
Transferred to Revenue - Operating	-	(197 795)
Transferred to Revenue - Capital	-	(1 318 630)
Closing Unspent Balance	-	83 576

This grant is used for the installation of back-up energy supply for water and wastewater infrastructure.

22.16 Informal Settlements Upgrading Partnership Grant (ISUPG)

Opening Unspent Balance	-	-
Grants Received / (Repaid)	3 355 816	3 062 833
Transferred to Revenue - Operating	-	-
Transferred to Revenue - Capital	(3 355 816)	(3 062 833)
Closing Unspent Balance	-	-

This grant is used for the installation of water and sanitation infrastructure at the Khayelitsha informal settlement in Clanwilliam.

CEDERBERG LOCAL MUNICIPALITY

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22 GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)

22.17 Municipal Energy Resilience Grant

Opening Unspent Balance	95	-
Grants Received / (Repaid)	(95)	500 000
Transferred to Revenue - Operating	-	(499 905)
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	-	95

This grant is used for the updating of the master plan and GIS database for the electricity networks in the municipal area.

22.18 Municipal Service Delivery and Capacity Building Grant

Opening Unspent Balance	-	-
Grants Received / (Repaid)	-	300 000
Transferred to Revenue - Operating	-	(300 000)
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	-	-

This grant is used to provide financial assistance to the Municipality to improve infrastructure, systems, structures, corporate governance and service delivery.

22.19 Municipal Financial Recovery Services

Opening Unspent Balance	1 000 000	-
Grants Received / (Repaid)	-	1 000 000
Transferred to Revenue - Operating	(999 096)	-
Transferred to Revenue - Capital	-	-
Closing Unspent Balance	904	1 000 000

This grant is used for the purchase of smart prepaid meters in order to address illegal electricity connections.

22.20 Waste Management Compliance Grant

Opening Unspent Balance	-	-
Grants Received / (Repaid)	515 000	-
Transferred to Revenue - Operating	(67 174)	-
Transferred to Revenue - Capital	(447 826)	-
Closing Unspent Balance	-	-

This grant will be used to improve compliance with waste management disposal facilities and to alleviate further impacts to the environment.

22.21 Total Grants

Opening Unspent Balance	13 475 191	8 414 527
Grants Received / (Repaid)	122 874 047	107 263 509
Transferred to Revenue - Operating	(85 307 652)	(76 631 713)
Transferred to Revenue - Capital	(37 780 985)	(26 269 578)
Transferred to / (from) Receivables	(79 097)	698 447
Closing Unspent Balance	13 181 503	13 475 191

23 AVAILABILITY CHARGES

Electricity	2 369 315	2 180 330
Water	835 458	854 912
Sewerage and Sanitation	609 336	594 244
Refuse	49 324	-
Total	3 863 433	3 629 486

Availability charges are levied where the Municipality has installed the relevant infrastructure networks (relating to water, electricity, sewerage and solid waste) in the area where the consumer resides, but the consumer has not requested to be and is not connected to the networks.

CEDERBERG LOCAL MUNICIPALITY

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24	INSURANCE REFUND		
	Insurance Refund	177 097	112 012
	Total	177 097	112 012
25	FINES, PENALTIES AND FORFEITS		
	Traffic	55 724 920	32 523 994
	Overdue Book Fines	3 979	2 311
	Illegal Connections	148 713	156 819
	Unclaimed Money	492 025	250 975
	Total	56 369 637	32 934 099
In terms of the requirements of GRAP 23 and IGRAP 1, all fines issued during the year less any cancellations or reductions identified are recognised as revenue.			
26	FAIR VALUE ADJUSTMENT GAINS		
	Actuarial Gains	-	2 045 830
	Post Retirement Medical Benefits	-	1 670 961
	Long Service Awards	-	374 869
	Landfill Sites - iGRAP 2 Adjustments	701 198	291 370
	Off-Market Portion of Municipal Debt Relief	-	7 242 423
	Total	701 198	9 579 622
The actuarial gains mainly originated as a result of an increase in the net discount rate being used by the actuaries to calculate the employee benefits.			
Landfill Sites - iGRAP2 adjustments relate to a decrease in the landfill site's rehabilitation provision of which the decrease is in excess of the carrying value of the related asset.			
The off-market portion of Municipal Debt Relief relates to the interest benefit received by the Municipality on the loan as disclosed in note 13.3. The Municipal Debt Relief is interest free for a period of three years. The interest benefit is calculated by using a market related discount rate of 10.16%.			
27	DEBT FORGIVENESS		
	Eskom Holdings SOC Ltd	12 188 121	3 305 989
	West Coast District Municipality	-	2 244 240
	Total	12 188 121	5 550 229
The amount of R12 188 121 from Eskom Holdings SOC Ltd represents the debt waived (excluding VAT) in terms of the Municipal Debt Relief as disclosed in note 13.3.			
Eskom Holdings SOC Ltd permanently suppressed interest on the Municipal Debt Relief from 1 April 2023 up to the effective date, being 31 August 2023. Interest charged during the aforementioned period amounting to R3 305 989 was subsequently written off.			
The Council of West Coast District Municipality (WCDM) resolved to write off 50% of debt owed by the Municipality. The afore-mentioned debt emanated from a contract whereby WCDM supplied fire services in the jurisdictional area of the Municipality.			

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

<i>Figures in Rand</i>		2025	2024
28	SERVICE CHARGES		
	Electricity	155 201 718	128 725 805
	Water	35 996 934	34 644 920
	Sewerage and Sanitation	20 822 112	19 359 696
	Refuse	18 024 897	16 038 831
	Total Revenue	230 045 661	198 769 253
	Less: Rebates	(14 083 662)	(8 130 541)
	Electricity	(2 363 471)	(1 324 425)
	Water	(3 300 908)	(1 864 220)
	Sewerage and Sanitation	(4 998 618)	(3 009 083)
	Refuse	(3 420 666)	(1 932 814)
	Total	215 961 999	190 638 712
	Rebates can be defined as any income that the Municipality is entitled to levy, but in terms of Council's own policy opted not to collect it.		
29	RENTAL OF FACILITIES AND EQUIPMENT		
	Halls and Sportfields	288 198	237 276
	Commonage	691 436	615 978
	Hawker Stands	88 688	116 543
	Machinery and Equipment	1 984	-
	Total	1 070 306	969 797
30	INTEREST EARNED - EXTERNAL INVESTMENTS		
	Bank Accounts	648 432	468 880
	Investment Deposits	8 880 966	4 623 611
	Other Deposits	89 906	98 185
	Total	9 619 304	5 190 675
31	INTEREST EARNED - OUTSTANDING DEBTORS		
	Outstanding Debtors	11 861 522	12 325 085
	Total	11 861 522	12 325 085
	Interest is levied at the prime rate plus 1% on late payments.		
32	AGENCY SERVICES		
	Drivers Licence Applications	150 687	222 954
	Drivers Licences Issued	303 506	418 045
	Duplicate Registration Certificates	49 269	49 798
	Keeping of Registration Number	13 200	10 872
	Learner Licence Applications	88 883	106 716
	Learner Licences Issued	24 974	31 090
	Professional Drivers Permit Applications	70 089	110 624
	Professional Drivers Permits Issued	48 077	68 644
	Roadworthy Certificate Applications	239 052	244 571
	Roadworthy Certificates Issued	73 374	66 153
	Temporary and special permits	27 419	30 335
	Vehicle Registration	2 923 902	2 939 898
	Total	4 012 431	4 299 701
	The Municipality acts as an agent for the Western Cape Mobility Department and manages the issuing of vehicle licences for a commission. Refer to note 59.1 for additional disclosure in this regard.		
	The Municipality earns revenue from applications for driver's and learner's licences, issuing of public driver permits, driver's and learner's licences and the issue of roadworthy certificates.		

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

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33 LIBRARY SERVICES

Department of Cultural Affairs and Sport

5 307 663

4 912 914

Total

5 307 663

4 912 914

As previously reported

-

Correction of error restatement - note 48.4

4 912 914

Restated balance

4 912 914

Reconciliation for the year

Opening balance

626 216

-

Receipts

5 661 783

6 370 000

Output VAT on receipts allocated to Taxes

(738 494)

(830 870)

Revenue Recognised

(5 307 663)

(4 912 914)

Closing balance

241 842

626 216

34 OTHER INCOME

Sale of Goods and Rendering of Services

5 318 382

4 559 879

Application Fees for Land Usage

353 341

108 014

Building Plan Approval

1 255 916

978 633

Camping and Entrance Fees

3 105 951

2 958 991

Cemetery and Burial

156 497

139 786

Clearance and Valuation Certificates

211 529

146 101

Photocopies and Faxes

9 367

11 660

Sub-division and Consolidation Fees

25 417

47 372

Tender Documents

159 963

133 731

Sundry Income

40 402

35 591

Licences and Permits

2 370

11 059

Operational Revenue

418 290

733 997

Commission

99 194

92 434

Development Charges

52 661

382 255

Skills Development Levy Refund

228 475

219 192

Sundry Income

37 959

40 116

Total

5 739 042

5 304 935

Sundry income represents sundry income such as sale of sundry items (wood, sand and stones) and fees for items not included under service charges

35 CONSTRUCTION CONTRACTS

Department of Infrastructure

3 358 322

1 756 391

Integrated National Electrification Programme (INEP)

11 712 174

27 828 696

Total

15 070 495

29 585 087

As previously reported

33 759 391

Correction of error restatement - note 48.5

(4 174 304)

Restated balance

29 585 087

The Municipality assessed that it acts as the developer for the Department of Infrastructure to undertake the construction of top structures. The revenue recognised is based on the amount of expenditure incurred by the Municipality for the construction of the top structures, which is in terms of the stage of completion determined by the progress payments claimed by the respective sub-contractors.

Reconciliation for the year

Opening balance

-

-

Expenditure incurred / Revenue Recognised

3 358 322

1 756 391

Payments / Advances received

(3 358 322)

(1 756 391)

Gross amount claimable/(due) from/(to) Department of Infrastructure

-

-

CEDERBERG LOCAL MUNICIPALITY

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35 CONSTRUCTION CONTRACTS (CONTINUED)

In terms of the Integrated National Electrification Programme (INEP), the Municipality assessed that it acts as a contractor to undertake the construction of bulk electrification infrastructure for Eskom. The revenue recognised is based on the amount of expenditure incurred by the Municipality for the construction of the bulk electricity infrastructure, which is in terms of the stage of completion determined by the progress payments claimed by the respective sub-contractors.

Reconciliation for the year

Opening balance	(2 997 001)	(1 334 594)
Expenditure incurred / Revenue Recognised	11 712 174	27 828 696
Output VAT on receipts allocated to Taxes	1 756 826	4 174 304
Payments / Advances received	(10 472 000)	(33 665 406)
Gross amount claimable/(due) from/(to) National Electrification Programme (INEP)	-	(2 997 001)

36 EMPLOYEE RELATED COSTS

Basic Salaries and Wages	88 205 745	83 623 250
Pension and UIF Contributions	14 612 882	13 702 609
Medical Aid Contributions	5 015 681	4 296 871
Overtime	5 023 363	4 840 889
Motor Vehicle Allowances	7 069 708	7 268 518
Cell Phone Allowances	522 647	505 290
Housing Allowances	598 303	339 657
Other benefits and allowances	6 568 600	5 873 380
Bargaining Council	46 030	43 506
Group Life Insurance	1 901 500	1 781 550
Scarcity Allowances	481 035	453 543
Standby Allowances	4 140 034	3 594 782
Contributions to Employee Benefits	10 769 419	10 368 980
Bonuses	6 791 077	6 364 674
Staff Leave	1 738 099	1 704 136
Performance Bonus	393 243	507 169
Long Service Awards	504 000	493 000
Post Retirement Medical Benefits	1 343 000	1 300 000
Workmens Compensation Fund	794 336	757 484
Total	139 180 684	131 576 928

36.01 Remuneration of Management Personnel

Municipal Manager - GF Matthyse

Annual Remuneration	1 308 368	1 206 698
Car Allowance	60 000	55 000
Cellphone Allowance	54 000	49 500
Rural Allowance	95 786	85 137
Contributions to UIF, Medical, Pension Funds and Bargaining Council	2 269	2 085
Total	1 520 423	1 398 420

Director: Support Services - HCA Witbooi (Appointed 1 August 2023)

Annual Remuneration	854 789	812 590
Car Allowance	60 000	55 000
Cellphone Allowance	54 000	49 500
Rural Allowance	78 645	69 881
Contributions to UIF, Medical, Pension Funds and Bargaining Council	210 981	185 215
Total	1 258 415	1 172 186

CEDERBERG LOCAL MUNICIPALITY

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36	EMPLOYEE RELATED COSTS (CONTINUED)		
	Director: Finance - J Booyesen (Appointed 1 October 2024)		
	Annual Remuneration	572 767	-
	Car Allowance	76 500	-
	Cellphone Allowance	40 500	-
	Rural Allowance	49 296	-
	Contributions to UIF, Medical, Pension Funds and Bargaining Council	66 700	-
	Total	805 764	-
	Director: Finance - MAN Smit (July 2023 - May 2024)		
	Annual Remuneration	-	984 952
	Car Allowance	-	66 000
	Cellphone Allowance	-	49 500
	Rural Allowance	-	69 660
	Contributions to UIF, Medical, Pension Funds and Bargaining Council	-	2 251
	Leave Payout	-	68 145
	Total	-	1 240 508
	Director: Technical Services - R De Ridder (Appointed 15 November 2023)		
	Annual Remuneration	973 501	606 232
	Car Allowance	150 000	94 318
	Cellphone Allowance	54 000	33 955
	Rural Allowance	78 645	46 216
	Contributions to UIF, Medical, Pension Funds and Bargaining Council	2 269	1 497
	Total	1 258 415	782 217
36.02	Employees acting in management positions		
	The following employees acted in management positions for a significant time during the course of the year. The amounts as indicated below are remuneration received for the period in which they acted in the respective positions.		
	Acting Municipal Manager - R De Ridder for 60 days		
	Acting Allowance	52 120	-
	Total	52 120	-
	Acting Municipal Manager - MAN Smit for 59 days (2024 - 59 days)		
	Acting Allowance	-	40 999
	Total	-	40 999
	Acting Director: Support Services - ALR Wilton for 44 days		
	Annual Remuneration	76 327	-
	Acting Allowance	4 509	-
	Car Allowance	19 606	-
	Cellphone Allowance	1 306	-
	Housing Allowance	1 603	-
	Contributions to UIF, Medical, Pension Funds and Bargaining Council	19 285	-
	Total	122 636	-
	Acting Director: Support Services - A Titus (2024 - 18 days)		
	Annual Remuneration	-	65 628
	Acting Allowance	-	2 608
	Cellphone Allowance	-	4 400
	Housing Allowance	-	1 066
	Car Allowance	-	13 473
	Contributions to UIF, Medical, Pension Funds and Bargaining Council	-	18 795
	Total	-	105 971



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36	EMPLOYEE RELATED COSTS (CONTINUED)		
	Acting Director: Finance - LJ September for 92 days		
	Annual Remuneration	125 386	-
	Acting Allowance	50 859	-
	Car Allowance	29 465	-
	Contributions to UIF, Medical, Pension Funds and Bargaining Council	33 134	-
	Total	238 844	-
	Acting Director: Finance - MAN Smit (2024 - 30 days)		
	Annual Remuneration	-	84 468
	Cellphone Allowance	-	4 500
	Car Allowance	-	6 000
	Rural Allowance	-	6 333
	Contributions to UIF, Medical, Pension Funds and Bargaining Council	-	189
	Total	-	101 489
	Acting Director: Technical Services - A Neethling for 19 days		
	Annual Remuneration	38 496	-
	Acting Allowance	2 127	-
	Car Allowance	9 021	-
	Cellphone Allowance	611	-
	Housing Allowance	753	-
	Contributions to UIF, Medical, Pension Funds and Bargaining Council	9 552	-
	Total	60 560	-
37	REMUNERATION OF COUNCILLORS		
	Executive Mayor	990 592	985 737
	Deputy Executive Mayor	727 194	764 953
	Speaker	841 264	794 984
	Mayoral Committee Members	1 554 282	1 513 588
	All Other Councillors	2 241 716	2 022 042
	Total	6 355 048	6 081 304
		Basic Salary	Cell Phone Allowances
			Total
2025			
	Executive Mayor	947 392	43 200
	Deputy Executive Mayor	713 796	13 398
	Speaker	801 688	39 576
	Mayoral Committee Members	1 483 234	71 048
	All Other Councillors	2 044 501	197 215
	Total	5 990 611	364 437
2024			
	Executive Mayor	940 137	45 600
	Deputy Executive Mayor	746 017	18 936
	Speaker	749 384	45 600
	Mayoral Committee Members	1 422 388	91 200
	All Other Councillors	1 837 797	184 245
	Total	5 695 723	385 581

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

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37 REMUNERATION OF COUNCILLORS (CONTINUED)

The positions of Executive Mayor, Deputy Mayor and Speaker were filled as follows:

Executive Mayor	- A Scheepers (30 June 2025 to date) RR Richards (1 March 2023 to 29 June 2025)
Deputy Mayor	- RR Richards (30 June 2025 to date) A Scheepers (18 February 2025 - 29 June 2025) Vacant (30 January 2025 - 17 February 2025) AG Mouton (1 March 2023 - 29 January 2025)
Speaker	- M Heins (14 February 2025 to date) J Hayes (1 March 2023 - 13 February 2025)

In-kind Benefits

The Executive Mayor, Deputy Executive Mayor, Speaker and Mayoral Committee member serve in a full-time capacity. They are provided with secretarial support and an office each at the cost of the Council.

Councillors may utilize municipal transportation when engaged in official duties.

38 DEBT IMPAIRMENT

Receivables from Exchange Transactions	17 845 055	15 047 024
Receivables from Non-Exchange Transactions	48 501 138	33 913 795
Long-term Receivables	143 326	531 263
Total Debt Impairment	66 489 519	49 492 081
Movement in VAT included in debt impairment	(470 397)	891 522
Total	66 019 121	50 383 603

39 DEPRECIATION AND AMORTISATION

Investment Property	52 241	52 393
Property, Plant and Equipment	27 232 017	26 314 397
Intangible Assets	207 474	200 657
Total	27 491 731	26 567 447
As previously reported		26 567 369
Correction of error restatement - note 48.2		77
Restated balance		26 567 447

40 IMPAIRMENT

Water Infrastructure	4 169 098	14 718 289
Capitalised Restoration Cost	2 032 358	921 618
Total	6 201 456	15 639 907

The impairment on water infrastructure relates to the Lamberts Bay desalination plant which is not yet in operation. The plant is subject to major refurbishment in order to become operational. The impairment is calculated as the difference between the recoverable service amount and carrying value of the asset. The recoverable service amount was determined as the value in use, using the restoration cost approach.

Impairment on Capitalised Restoration Cost relates to an increase in the landfill site rehabilitation provision of which the corresponding asset is no longer in use. In terms of iGRAP 2, the increase in the provision will result in an increase in the corresponding asset, but as the asset is no longer in use, the said increase in the asset is impaired in full.

CEDERBERG LOCAL MUNICIPALITY

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41 FINANCE CHARGES

Cash

1 825 753

2 697 784

Long-term Liabilities

187 314

400 742

Bank Overdraft

23 860

64 263

Overdue Accounts

115

1 164 184

South African Revenue Service

1 614 465

1 068 596

Non-cash

13 323 927

13 332 108

Post Retirement Medical Benefits

3 779 000

3 691 000

Long Service Awards

637 000

630 000

Rehabilitation of Landfill Sites

6 279 817

6 097 168

Municipal Debt Relief

2 628 110

2 913 941

Total

15 149 680

16 029 892

As previously reported

14 961 296

Correction of error restatement - note 48.4

238 780

Correction of error restatement - note 48.5

829 816

Restated balance

16 029 892

Finance charges on overdue accounts mainly relate to interest which was charged by Eskom on overdue accounts. Eskom interest amounting to R3 305 989 was written-off in the 2023/24 financial year upon the approval of the Municipal Debt Relief application.

Finance charges on the Municipal Debt Relief relate to the unwinding of the interest free loan at a rate of 10.16%

42 BULK PURCHASES

Electricity

124 217 401

105 502 654

Water

857 304

622 471

Total

125 074 705

106 125 126

Bulk Purchases are the cost of commodities not generated by the Municipality, which the Municipality distributes in the municipal area for re-sale to consumers. Electricity is purchased from Eskom and water is purchased from a variety of suppliers including the Department of Water and Sanitation and a number of private suppliers.

43 CONTRACTED SERVICES

Accounting and Auditing

2 375 230

2 577 762

Construction of Housing Top Structures

3 358 322

1 756 391

Construction of Bulk Electricity Infrastructure

11 712 174

27 828 696

Engineering Services

-

1 227 256

Fire Services - West Coast District Municipality

-

829 627

Human Resources

91 755

29 632

Laboratory Services

302 956

273 962

Legal Cost

2 150 614

3 114 053

Maintenance Services

6 427 431

6 119 598

Personnel and Labour

519 048

63 317

Research and Advisory

2 478 598

2 808 638

Safeguard and Security

4 370 712

6 378 854

Town Planner

441 547

278 076

Traffic Fines Management

5 283 080

1 445 558

Valuers and Assessors

249 774

206 346

Other Contracted Services

741 069

580 545

Total

40 502 309

55 518 311

As previously reported

56 826 535

Correction of error restatement - note 48.3

(1 308 224)

Restated balance

55 518 311



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44	TRANSFERS AND GRANTS		
	Severance Package	-	187 764
	Sport Councils	14 500	2 500
	Social Relief	49 962	7 761
	Tourism	100 000	-
	Total	164 462	198 026
45	OTHER EXPENDITURE		
	Advertising, Publicity and Marketing	230 340	217 561
	Bank Charges	731 481	901 888
	Chemicals	592 474	211 347
	Cleaning Materials	246 656	209 792
	Commission - Prepaid Electricity	1 378 522	1 174 136
	Computer Services	4 633 608	3 121 003
	Drivers Licences and Permits	209 506	263 214
	Dumping Fees (District Council)	4 168 187	-
	External Audit Fees	7 219 412	5 725 894
	Fuel and Oil	5 248 243	5 464 113
	Hire Charges	746 966	1 243 558
	Insurance	1 276 992	2 056 348
	Maintenance Materials and Tools	6 447 348	4 273 672
	Motor Vehicle Licence and Registrations	364 907	235 379
	Electricity - Internal usage	6 637 489	5 589 766
	Printing and Stationery	990 186	921 283
	Professional Bodies, Membership and Subscription	1 454 666	1 353 799
	Remuneration of Ward Committees	16 000	38 500
	Skills Development Fund Levy	1 177 812	1 121 519
	Telephone	156 180	292 017
	Training	794 636	412 533
	Travel and Subsistence	464 296	389 247
	Uniform and Protective Clothing	1 030 983	631 481
	Other Expenditure	844 095	995 727
	Total	47 060 987	36 843 775
	As previously reported		36 343 258
	Correction of error restatement - note 48.4		83 087
	Correction of error restatement - note 48.5		417 430
	Restated balance		36 843 775
46	LOSS ON DISPOSAL OF NON-MONETARY ASSETS		
	Proceeds	3 347 752	697 217
	Less: Carrying value of Investment Property disposed	(422 583)	(7 095)
	Less: Carrying value of Property, Plant and Equipment disposed	(1 497 317)	(1 340 904)
	Less: Carrying value of Intangible Assets disposed	(37)	(108)
	Total	1 427 815	(650 890)
	As previously reported		(665 827)
	Correction of error restatement - note 48.2		14 937
	Restated balance		(650 890)

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47 FAIR VALUE ADJUSTMENT LOSSES

Actuarial Losses	2 924 446	-
Post Retirement Medical Benefits	2 812 726	-
Long Service Awards	111 720	-
Foreign Exchange Losses	64 480	-
Total	2 988 926	-

The actuarial losses mainly originated as a result of an decrease in the net discount rate being used by the actuaries to calculate the employee benefits.

48 PRIOR PERIOD ADJUSTMENTS - CORRECTION OF ERROR

48.1 Taxes

In the past, the both Taxes receivables and Taxes payables were aggregated and disclosed as a current asset on the face of the Statement of Financial Position. In the current year, the Municipality resolved to separately disclose the receivables and payables respectively as an asset and liability on the face of the Statement of Financial Position.

The net effect of the above-mentioned were as follows:

- Taxes (Current Assets) - note 5	Understated	18 070 743
- Taxes (Current Liabilities) - note 5	Understated	18 070 743

48.2 Property, Plant and Equipment

Corrections made to Property, Plant and Equipment include the following:

- Movable assets with a carrying value of R15 027 were incorrectly disposed in the prior year.
- Movable assets previously not included in the asset register were identified during the current year's asset verification with a carrying value of R833.
- Assets were reclassified within both the "Land and Buildings" and "Other Assets" classification note. The line-item of Property, Plant and Equipment was not affected as a whole by the reclassifications.

The net effect of the above-mentioned were as follows:

- Property, Plant and Equipment - note 11	Understated	15 860
- Depreciation and Amortisation - note 39	Understated	77
- Loss on disposal of Non-Monetary Assets - note 46	Overstated	(14 937)
- Accumulated Surplus - note 48.6	Understated	1 000

48.3 Payables from Exchange Transactions

Corrections made to Payables from Exchange Transactions include the following:

- Supplier invoices amounting to R1 943 352 were incorrectly raised, resulting in Trade Payables being overstated.

The net effect of the above-mentioned were as follow:

- Taxes - note 5	Overstated	(253 481)
- Payables from Exchange Transactions - note 15	Overstated	(1 943 352)
- Contracted Services - note 43	Overstated	(1 308 224)
- Accumulated Surplus - note 48.6	Understated	381 648

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48 PRIOR PERIOD ADJUSTMENTS - CORRECTION OF ERROR (CONTINUED)

48.4 Classification of Library Services

During the 2023/24 statutory audit, the Auditor-General issued a finding that the funds being received from the Department of Cultural Affairs and Sport (DCAS) are for services being rendered to the Department, as the library function has not been assigned to municipalities. Given the afore-mentioned, it was further concluded by the Auditors General that all revenue in relation to library services were incorrectly classified as non-exchange revenue, and should have been classified as exchange revenue in terms of GRAP 9. In addition, it was further concluded that the VAT on the funds received from DCAS be reclassified from being a provision, to a payable and included as part of Taxes. The afore-mentioned payable is based on funds received for the last 4 years, of which penalties and interest is also calculated for the same period and included as part of the payable.

The net effect of the above-mentioned were as follows:

- Payables from Exchange Transactions - note 15	Understated	626 216
- Taxes - note 5	Overstated	(3 579 853)
- Unspent Conditional Government Grants - note 16	Overstated	(626 216)
- Current Provisions - note 18	Overstated	(4 056 578)
- Government Grants and Subsidies - Operating - note 22	Overstated	(4 902 893)
- Government Grants and Subsidies - Capital - note 22	Overstated	(10 021)
- Library Services - note 33	Understated	4 912 914
- Finance Charges - note 41	Understated	238 780
- Other Expenditure - note 45	Understated	83 087
- Accumulated Surplus - note 48.6	Understated	798 592

48.5 Output VAT on Integrated National Electrification Programme (INEP)

Based on a guide on GRAP issued by National Treasury in relation to funds received from the Integrated National Electrification Programme (INEP), it was assessed that the Municipality acts as a contractor to undertake the construction of the bulk electrification infrastructure for Eskom. During the 2023/24 statutory audit, the Auditor General further concluded that the standard VAT rate of 15% be applied for the service rendered by the Municipality, resulting in Output VAT being payable to SARS on the said INEP funds. The afore-mentioned payable is based on INEP funds received for the last 4 years, of which penalties and interest is also calculated for the same period and included as part of the payable.

The net effect of the above-mentioned were as follows:

- Taxes - note 5	Overstated	(13 828 848)
- Construction Contracts - note 35	Overstated	(4 174 304)
- Finance Charges - note 41	Understated	829 816
- Other Expenditure - note 45	Understated	417 430
- Accumulated Surplus - note 48.6	Overstated	(8 407 298)

48.6 Accumulated Surplus

Property, Plant and Equipment - note 48.2	Understated	1 000
Payables from Exchange Transactions - note 48.3	Understated	381 648
Classification of Library Services - note 48.4	Understated	798 592
Output VAT on Integrated National Electrification Programme (INEP) - note 48.5	Overstated	(8 407 298)
Total		(7 226 058)

48.7 Cash Flow Statement

The effect on the Cash Flow Statement as a result of the restatement as per note 48.4 were as follows:

- Other Revenue and Receipts	Understated	6 370 000
- Government Grants	Overstated	(6 370 001)

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NET CASH FROM OPERATING ACTIVITIES

Net Surplus for the year	65 266 339	36 011 368
Adjusted for:		
Non-cash revenue included in Net Surplus	(14 317 134)	(15 129 738)
Fair Value Adjustment Gains	(701 198)	(9 579 622)
Actuarial Gains	-	(2 045 830)
Landfill Sites - iGRAP 2 Adjustments	(701 198)	(291 370)
Off-Market Portion of Municipal Debt Relief	-	(7 242 423)
Debt Forgiveness	(12 188 121)	(5 550 229)
Rental of Facilities and Equipment - decrease in operating lease asset	-	112
Gain on disposal of Non-Monetary Assets	(1 427 815)	-
Non-cash expenditure included in Net Surplus	127 481 006	117 656 119
Employee Related Costs - Contributions towards	11 520 323	11 082 938
Post Retirement Medical Benefits	1 343 000	1 300 000
Long Service Awards	504 000	493 000
Bonuses	6 791 077	6 364 674
Staff Leave	1 738 099	1 704 136
Performance Bonuses	393 243	507 169
Standby and Overtime	750 904	713 958
Debt Impairment	66 019 121	50 383 603
Depreciation and Amortisation	27 491 731	26 567 447
Impairment	6 201 456	15 639 907
Finance Charges	13 323 927	13 332 108
Post Retirement Medical Benefits	3 779 000	3 691 000
Long Service Awards	637 000	630 000
Rehabilitation of Landfill Sites	6 279 817	6 097 168
Municipal Debt Relief	2 628 110	2 913 941
Other Expenditure - decrease in operating lease liability	-	(774)
Loss on disposal of Non-Monetary Assets	-	650 890
Fair Value Adjustment Losses - Actuarial Losses	2 924 446	-
Cash expenditure not included in Net Surplus	(9 877 760)	(10 109 914)
Post Retirement Medical Benefits	(1 756 726)	(1 598 039)
Long Service Awards	(339 720)	(689 132)
Bonuses	(6 369 990)	(6 239 322)
Staff Leave	(697 365)	(964 110)
Performance Bonus	-	-
Standby and Overtime	(713 958)	(619 311)
Operating Surplus before changes in working capital	168 552 451	128 427 835
Movement in working capital	(69 116 769)	(47 733 726)
Receivables from Exchange Transactions	(23 093 973)	(21 241 913)
Receivables from Non-Exchange Transactions	(49 015 208)	(37 886 702)
Inventory	(155 939)	(126 347)
Long-term Receivables	78 646	(2 991 678)
Long-term Liabilities (Repayment Arrangements)	-	(39 471 931)
Long-term Liabilities (Eskom Debt Relief)	(1 735 964)	41 772 256
Consumer Deposits	228 113	202 729
Payables from exchange transactions - Operating	(2 651 863)	2 291 713
Total	(6 375 377)	(3 016 208)
Add back: Capital included in Trade Payables	4 495 138	5 575 123
Add back: Retentions	(771 625)	(267 202)
Unspent Conditional Government Grants	(293 688)	5 060 664
Taxes	7 523 106	4 657 483
Cash Flow from Operating Activities	99 435 682	80 694 109



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50	CASH AND CASH EQUIVALENTS (FOR CASH FLOW STATEMENT PURPOSES)		
	Cash and Cash Equivalents comprise out of the following:		
	Primary Bank Account	11 296 513	10 017 842
	Call and Notice Deposits	93 295 280	51 234 148
	Cash Floats	6 226	6 226
	Total	104 598 019	61 258 215

Refer to note 2 for more details relating to cash and cash equivalents.

51 BUDGET COMPARISONS

51.1 Comparable Basis

Differences were identified between the disclosure requirements in terms of GRAP and the reporting requirements in terms of National Treasury budget formats.

The following items are affected by these classification differences:

Statement of Financial Position

Employee Benefits and Provisions (Current and Non-Current) are included under the provisions line item in the budget statements.

Statement of Financial Performance

The following items were reclassified to ensure that the performance for the year is measured on a comparable basis to the budget approved, which are guided by mSCOA and National Treasury (NT) classifications and principles:

Item	GRAP Classification	Budget Classification	Amount
Revenue			
Outstanding Debtors	Interest Earned - Outstanding Debtors	Interest Earned from Receivables (Non-Exchange)	4 499 590
Insurance Refund	Insurance Refund	Operational Revenue (Exchange)	177 097
Department of Cultural Affairs and Sport	Library Services	Transfers and Subsidies - Operational	5 307 663
Proceeds less carrying values	Gain on disposal of Non-Monetary Assets	Gains on Disposal of Assets	1 427 815
Department of Infrastructure	Construction Contracts	Transfers and Subsidies - Operational	3 358 322
Integrated National Electrification Programme (INEP)	Construction Contracts	Transfers and Subsidies - Operational	11 712 174
Expenditure			
Workmens Compensation Fund	Employee Related Cost	Operational Costs	794 336
Water	Bulk Purchases	Inventory Consumed	857 304
Chemicals	Other Expenditure	Inventory Consumed	592 474
Cleaning Materials	Other Expenditure	Inventory Consumed	246 656
Fuel and Oil	Other Expenditure	Inventory Consumed	5 248 243
Maintenance Materials and Tools	Other Expenditure	Inventory Consumed	5 705 778
Other Expenditure	Other Expenditure	Inventory Consumed	265 502
Printing and Stationery	Other Expenditure	Inventory Consumed	397 788

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51 BUDGET COMPARISONS (CONTINUED)

Summary of Reclassification to Actuals	Notes	Actuals per Statement of Financial Performance R	Reclassification due to mSCOA versus GRAP classification R	Actuals per Budget Comparison R
REVENUE				
Exchange Revenue		255 000 082	(11 057 971)	243 942 111
Service Charges - Electricity	28	152 838 248	-	152 838 248
Service Charges - Water	28	32 696 026	-	32 696 026
Service Charges - Waste Water Management	28	15 823 494	-	15 823 494
Service Charges - Waste Management	28	14 604 231	-	14 604 231
Sale of Goods and Rendering of Services	34	5 318 382	-	5 318 382
Agency services	32	4 012 431	-	4 012 431
Interest Earned from Receivables (Exchange)	31	11 861 522	(4 499 590)	7 361 932
Interest Earned from Current and Non Current Assets	30	9 619 304	-	9 619 304
Rental from Fixed Assets	29	1 070 306	-	1 070 306
Licences and Permits	34	2 370	-	2 370
Operational Revenue (Exchange)	33 & 34	5 725 953	(5 130 566)	595 387
Gain on disposal of Non-Monetary Assets	46	1 427 815	(1 427 815)	-
Non-Exchange Revenue		233 603 887	26 128 466	259 732 353
Property Rates	21	74 996 749	-	74 996 749
Fines, Penalties and Forfeits	25	56 369 637	-	56 369 637
Transfers and Subsidies - Operational	22	85 307 652	20 378 158	105 685 811
Interest Earned from Receivables (Non-Exchange)		-	4 499 590	4 499 590
Operational Revenue (Non-Exchange)	23 & 24	4 040 530	(177 097)	3 863 433
Gains on Disposal of Assets		-	1 427 815	1 427 815
Other Gains	26 & 27	12 889 319	-	12 889 319
Construction Contracts		15 070 495	(15 070 495)	-
Total Revenue (excluding capital transfers)		503 674 464	-	503 674 464
EXPENDITURE				
Employee Related Costs	36	139 180 684	(794 336)	138 386 347
Remuneration of Councillors	37	6 355 048	-	6 355 048
Bulk Purchases - Electricity	42	125 074 705	(857 304)	124 217 401
Inventory Consumed		-	13 313 746	13 313 746
Debt Impairment	38	66 019 121	-	66 019 121
Depreciation and Amortisation	39 & 40	33 693 188	-	33 693 188
Interest	41	15 149 680	-	15 149 680
Contracted Services	43	40 502 309	-	40 502 309
Transfers and Subsidies	44	164 462	-	164 462
Operational Costs	45	47 060 987	(11 662 105)	35 398 882
Other Losses	47	2 988 926	-	2 988 926
Total Expenditure		476 189 111	-	476 189 111
Surplus/(Deficit)		27 485 353	-	27 485 353
Transfers and Subsidies - Capital (monetary allocations)	22	37 780 985	-	37 780 985
Surplus/(Deficit) for the year		65 266 339	-	65 266 339

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51 BUDGET COMPARISONS (CONTINUED)

Cash Flow Statement

The Cash Flow Statement is presented on a comparable basis in all material aspects, except for following:

- Consumer Deposits are budgeted under "Increase/(Decrease) in Consumer Deposits", but for GRAP purposes are disclosed as "Other Revenue".
- Construction Contracts are budgeted under "Transfer and Subsidies", but for GRAP purposes are disclosed as "Other Revenue and Receipts".
- Library Services are budgeted under "Transfers and Subsidies", but for GRAP purposes are disclosed as "Other Revenue and Receipts".

The actuals of the cash flow statement were adjusted as follow in order to be on a comparable basis:

Item as per Cash Flow Statement (GRAP / Budget)	As per GRAP Cash Flow Statement	Adjustment	As per Budget Cash Flow Statement
Other Revenue and Receipts / Other Revenue	40 819 997	(17 224 897)	23 595 100
Government Grants / Transfers and Subsidies	122 128 008	16 996 784	139 124 792
Increase (decrease) in consumer deposits	-	228 113	228 113

51.2 Statement of Financial Position

Adjustments to Original Budget

Items in the State of Financial Position were adjusted to take into account adjustments made to the operating and capital budget and also to align balances with the actual audit outcomes of 2023/24.

Actual Amounts vs Final Budget

Cash and Cash Equivalents	More cash was available at year-end due to general savings on operating expenditure and an underspending on capital expenditure. A higher collection rate on debtors than anticipated was also a major contributing factor. And lastly, not all grants received were spent in full.
VAT (both current assets and current liability)	Actuals are less than budget (i.e. budgeted for an asset, but actuals is a liability). Reason for liability is due to the provision for Output VAT payable on funding received from both Department of Cultural Affairs and Sport (DCAS) and Integrated National Electrification Programme (INEP).
Property, Plant and Equipment	Actuals were less than budget as capital budget was not spent in full (75% of budget was spent).
Trade and Other Payables from Exchange Transactions	The balance of outstanding creditors were less than anticipated due to more invoices settled at year-end as a result of surplus cash available.
Trade and Other Payables from Non-Exchange Transactions	The reason for the actual unspent grant mainly relate to the Municipal Disaster Response Grant which was only received in the latter part of the financial year, resulting that the required procurement processes could not be finalised prior to year-end.
Provision (Non Current Liabilities)	Actuals are more than budget, due to an increase in the rehabilitation of the landfill site provision which is based on an annual report compiled by an independent qualified engineer.
Accumulated Surplus	Actuals are more than budget as a result of the items listed under the Statement of Financial Performance section.



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51 BUDGET COMPARISONS (CONTINUED)

51.3 Statement of Financial Performance

Adjustments to Original Budget

Service charges - Electricity	Original budget was based on the loadshedding levels experienced during 2023/24. During 2024/25 loadshedding was suspended, resulting in an increase in electricity usage and ultimately an increase in electricity revenue.
Interest Earned from Current and Non Current Assets	Interest earned from investments were increased as more cash surplus was available for short term investment with more favourable interest rates.
Fines, Penalties and Forfeits	Increased due to an increase in speeding fines issued as additional speeding cameras were acquired.
Transfers and Subsidies - Operational	Increased due to the Integrated National Electrification Programme (INEP) grant amounting to R11.7 million which was initially budgeted for as a capital grant, but subsequently assessed as being an operating grant. The remaining increase was due to approved roll-over applications amounting to R2.8 million, and the reclassification of funding (from capital to operating) of the Department of Infrastructure amounting to R4.5 million.
Other Gains	Actuarial gains were decreased to be in line with the prior year's actual audited results.
Employee Related Costs	Decreased due to savings as a result of employees who resigned, of which their positions were not filled during the financial year.
Bulk Purchases - Electricity	Increased in line with the increase in electricity revenue due to the suspension of loadshedding.
Debt Impairment	Increased to make provision for the increase in traffic fines revenue, as traffic fines have a relatively low collection rate.
Contracted Services	Contracted Services were mainly increased in line with the expenditure associated with the increase in "Transfers and Subsidies - Operational". In addition, Traffic Fines Management fees were also increased by R3.9 million to align with the fine collections for the year.
Operational Costs	Increased mainly due to an increase in External Audit Fees as a result of additional audit procedures required on performance information.
Other Losses	Actuarial losses were decreased to be in line with the prior year's actual audited results.
Transfers and Subsidies - Capital (monetary allocations)	<p>The following material adjustments resulted in a net decrease:</p> <p>Decrease of R11.7 million due to the Integrated National Electrification Programme (INEP) grant which was initially budgeted for as a capital grant, but subsequently assessed as being an operating grant.</p> <p>Increase of R12 million due to approved roll-over applications.</p> <p>Decrease of R12.9 million of funding relating to the Regional Bulk Infrastructure Grant (RBIG).</p>

Virements

All virements were done in line with the approved virement policy of the Municipality where funds are transferred from one line item. No material virements were done since the final approved budget.

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51 BUDGET COMPARISONS (CONTINUED)

Actual Amounts vs Final Budget

Fines, Penalties and Forfeits	Actuals are less than budget, mainly due to additional reductions and withdrawals in traffic fines which were not factored in during the budget process.
Transfers and Subsidies - Operational	Actuals were less than budget as the Municipal Disaster Response Grant was only received in the latter part of the financial year, resulting that the required procurement processes could not be finalised prior to year-end. In addition, the Acceleration of Housing is a claim based grant. The procurement processes of the afore-mentioned grant was only finalised at the end of the year and accordingly no expenditure was incurred on this project.
Debt Impairment	Actuals are less than budget, as the budget was based on a collection rate of 89.1%, whereas the actual collection rate achieved is calculated at 91.2%, resulting in a lower impairment rate. The fact that traffic fine revenue was also less than budget, also resulted in the debt impairment relating to traffic fines to be significant less than the allocated budget.
Contracted Services	Actuals are less than budget due to the Acceleration of Housing project of which the procurement processes was only finalised at the end of the year and accordingly no expenditure was incurred on this project.
Operational Costs	Actuals are less than budget mainly due to Dumping Fees (District Council). The budget made provision for a fixed and variable cost. The variable cost included in the budget relate to the usage of the regional disposal facility, of which the Municipality did not make use of during the course of the year.
Transfers and Subsidies - Capital (monetary allocations)	Actuals less than budget mainly due to the Municipal Disaster Response Grant which was only received in latter part of the financial year, resulting that the required procurement processes could not be finalised prior to year-end.

51.4 Cash Flow Statement

Adjustments to Original Budget

Net Cash from/(used) Operating Activities	<p>Other Services were increased due to an increase in traffic fines issued and the collection thereof.</p> <p>Transfers and Subsidies were decreased mainly due to a decrease in the funding relating to the Regional Bulk Infrastructure Grant (RBIG).</p> <p>Interest were increased as more cash surplus was available for short term investment with more favourable interest rates.</p> <p>Suppliers and Employees were increased mainly due to the increase in Bulk Purchases and Contracted Services as discussed under the Statement of Financial Performance section of this note.</p>
Net Cash from/(used) Investing Activities	Capital Assets decreased mainly due to a decrease in capital grant funding as discussed under the Statement of Financial Performance section of this note.

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51 BUDGET COMPARISONS (CONTINUED)

Actual Amounts vs Final Budget

Net Cash from/(used) Operating Activities	<p>Actual receipts relating to Property Rates and Services Charges were more than budget, as the budget was based on a collection rate of 89.1%, whereas the actual collection rate achieved is calculated at 91.2%.</p> <p>Transfers and Subsidies receipts are less than budget mainly due to the Acceleration of Housing grant which is a claim based grant. The procurement processes of the afore-mentioned grant was only finalised at the end of the year and accordingly no expenditure was incurred on this project, and therefore no claims were submitted or paid.</p> <p>Payment of Suppliers and Employees were less than budget mainly due on to the underspending of the operating expenditure budget as a result of the items listed under the "Statement of Financial Performance" section.</p>
Net Cash from/(used) Investing Activities	Capital Asset payments are less than budget due to 75% of capital budget spent during the year.

52 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

52.1 Unauthorised Expenditure

Unauthorised expenditure can be reconciled as follow:

Opening balance	974 750	2 369 206
Unauthorised expenditure current year - operating	1 512 631	974 750
Unauthorised expenditure current year - capital	816	-
Approved by Council	(974 750)	(2 369 206)
Unauthorised expenditure awaiting further action	1 513 447	974 750

Unauthorised expenditure only relates to expenditure in excess of approved budget votes. No disciplinary steps or criminal proceedings were instituted as a result of unauthorised expenditure incurred. Refer below for votes of which the expenditure was in excess of the approved budget:

	2025 (Actual) R	2025 (Final Budget) R	2025 (Unauthorised) R	2024 (Unauthorised) R
Expenditure - Operating				
Vote 1 - Executive and Council	8 998 087	9 312 512	-	-
Vote 2 - Office of Municipal Manager	11 405 467	11 459 508	-	-
Vote 3 - Financial Administrative Services	72 459 693	76 435 097	-	-
Vote 4 - Community Development Services	10 340 797	10 254 867	85 930	-
Vote 5 - Corporate and Strategic Services	25 727 814	28 452 066	-	-
Vote 6 - Planning and Development Services	11 223 080	11 342 268	-	-
Vote 7 - Public Safety	65 916 076	73 704 532	-	-
Vote 8 - Electricity	154 920 203	164 909 693	-	974 750
Vote 9 - Waste Management	26 075 344	30 469 882	-	-
Vote 10 - Waste Water Management	21 407 266	24 117 374	-	-
Vote 11 - Water	33 545 386	32 118 685	1 426 701	-
Vote 12 - Housing	5 506 299	9 958 146	-	-
Vote 13 - Road Transport	15 954 924	16 561 410	-	-
Vote 14 - Sports and Recreation	12 708 675	13 316 576	-	-
Total	476 189 111	512 412 616	1 512 631	974 750

The overspending incurred is attributable to the following items:

- Contribution to Leave Provision (non-cash)	85 930	-
- Electricity Bulk Purchases (cash)	-	974 750
- Debt Impairment (non-cash)	1 426 701	-
Total	1 512 631	974 750



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29 November 2025

CEDERBERG LOCAL MUNICIPALITY

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52 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE (CONTINUED)

	2025 (Actual) R	2025 (Final Budget) R	2025 (Unauthorised) R	2024 (Unauthorised) R
Expenditure - Capital				
Vote 1 - Executive and Council	-	-	-	-
Vote 2 - Office of Municipal Manager	-	-	-	-
Vote 3 - Financial Administrative Services	437 615	609 000	-	-
Vote 4 - Community Development Services	4 883 380	7 486 069	-	-
Vote 5 - Corporate and Strategic Services	950 390	1 337 020	-	-
Vote 6 - Planning and Development Services	264 389	265 870	-	-
Vote 7 - Public Safety	2 523 707	3 330 000	-	-
Vote 8 - Electricity	6 531 810	9 728 123	-	-
Vote 9 - Waste Management	3 010 640	4 955 195	-	-
Vote 10 - Waste Water Management	19 527 162	24 824 709	-	-
Vote 11 - Water	9 784 608	12 380 724	-	-
Vote 12 - Housing	3 355 816	3 355 000	816	-
Vote 13 - Road Transport	2 481 893	3 652 175	-	-
Vote 14 - Sports and Recreation	-	-	-	-
Total	53 751 410	71 923 885	816	-

The overspending is considered trivial.

52.2 Irregular Expenditure

Irregular expenditure can be reconciled as follow:

Opening balance	16 603 924	71 436 932
Irregular expenditure identified in current year, which was incurred as follows:	10 294 906	16 603 924
Current year	10 294 906	16 214 412
Prior years	-	389 512
Approved by Council	(16 603 924)	(71 436 932)
Amounts to be recovered	-	-
Irregular expenditure awaiting further action	10 294 906	16 603 924

Details of irregular expenditure identified in the current year

(a) Procurement process not followed with regards to a supplier appointed by Council in 2011	6 714 138	4 819 224
(b) Non-compliance of SCM Regulation 17(1) - reasons for less than 3 quotes not approved	-	1 656 818
(c) Goods delivered and services rendered without an order	57 000	-
(d) Services rendered after contract expired	-	91 735
(e) Goods and services above R200 000 not procured through a competitive bidding process	-	868 691
(f) SCM Policy exclusions not in accordance with MFMA Section 112	468 238	588 147
(g) Non-compliance with PPR 2022 - 80/20 principle not applied on quotations below R30 000	-	2 381 913
(h) Written price quotations were not obtained from at least three different prospective suppliers	3 041 485	4 449 963
(i) Variation order was not dealt in accordance with the SCM Policy and MFMA Section 116(3)	-	1 069 232
(j) Deviations not considered to be impractical or exceptional circumstances	-	678 201
(k) Non-compliance with SCM Policy 17.3 - RFQ not approved	14 046	-
Total	10 294 906	16 603 924

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52	UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE (CONTINUED)		
Details of irregular expenditure awaiting further action:			
(a) Procurement process not followed with regards to a supplier appointed by Council in 2011	6 714 138	4 819 224	
(b) Non-compliance of SCM Regulation 17(1) - reasons for less than 3 quotes not approved	-	1 656 818	
(c) Goods delivered and services rendered without an order	57 000	-	
(d) Services rendered after contract expired	-	91 735	
(e) Goods and services above R200 000 not procured through a competitive bidding process	-	868 691	
(f) SCM Policy exclusions not in accordance with MFMA Section 112	468 238	588 147	
(g) Non-compliance with PPR 2022 - 80/20 principle not applied on quotations below R30 000	-	2 381 913	
(h) Written price quotations were not obtained from at least three different prospective suppliers	3 041 485	4 449 963	
(i) Variation order was not dealt in accordance with the SCM Policy and MFMA Section 116(3)	-	1 069 232	
(j) Deviations not considered to be impractical or exceptional circumstances	-	678 201	
(k) Non-compliance with SCM Policy 17.3 - RFQ not approved	14 046	-	
Total	10 294 906	16 603 924	
Incidents/cases identified in the current year include:			
(a) Procurement process not followed with regards to a supplier appointed by Council in 2011	-	-	
(b) Non-compliance of SCM Regulation 17(1) - reasons for less than 3 quotes not approved	-	48	
(c) Goods delivered and services rendered without an order	1	-	
(d) Services rendered after contract expired	-	-	
(e) Goods and services above R200 000 not procured through a competitive bidding process	-	3	
(f) SCM Policy exclusions not in accordance with MFMA Section 112	-	-	
(g) Non-compliance with PPR 2022 - 80/20 principle not applied on quotations below R30 000	-	185	
(h) Written price quotations were not obtained from at least three different prospective suppliers	1 072	747	
(i) Variation order was not dealt in accordance with the SCM Policy and MFMA Section 116(3)	-	-	
(j) Deviations not considered to be impractical or exceptional circumstances	-	1	
(k) Non-compliance with SCM Policy 17.3 - RFQ not approved	1	-	
No disciplinary steps or criminal proceedings were instituted as a result of irregular expenditure incurred.			
52.3 Fruitless and Wasteful Expenditure			
Fruitless and wasteful expenditure can be reconciled as follow:			
Opening balance	14 582	12 110 781	
Fruitless and wasteful expenditure incurred - current year	115	1 164 184	
Fruitless and wasteful expenditure incurred - prior year	-	-	
Fruitless and wasteful expenditure recovered / debt waived by supplier	-	(1 149 601)	
Approved by Council	(14 582)	(12 110 781)	
Fruitless and wasteful expenditure awaiting further action	115	14 582	
Details of fruitless and wasteful expenditure incurred			
(a) Interest levied on overdue accounts	115	14 582	
(b) Interest levied by Eskom on overdue accounts	-	1 149 601	
Total	115	1 164 184	
Details of fruitless and wasteful expenditure awaiting further action:			
(a) Interest levied on overdue accounts	115	14 582	
(b) Interest levied by Eskom on overdue accounts	-	-	
Total	115	14 582	

CEDERBERG LOCAL MUNICIPALITY

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53	MATERIAL LOSSES		
53.1	Water distribution losses		
	Kilo litres disinfected/purified/purchased	3 214 368	2 667 450
	Kilo litres sold and free basic services	(1 954 816)	(1 842 954)
	Kilo litres lost during distribution	1 259 552	824 496
	Percentage lost during distribution	39.19%	30.91%
	Normal pipe bursts and field leakages are responsible for water losses.		
53.2	Electricity distribution losses		
	Units purchased (Kwh)	54 039 207	50 258 820
	Units sold and free basic services	(50 922 571)	(45 893 289)
	Units lost during distribution (Kwh)	3 116 636	4 365 531
	Percentage lost during distribution	5.77%	8.69%
	Electricity losses are due to electricity theft on pre-paid meters. Fines were issued for first time offenders.		
54	ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT		
54.1	SALGA Contributions [MFMA 125 (1)(b)]		
	Opening balance	-	-
	Expenditure incurred	1 442 981	1 344 107
	Payments	(1 442 981)	(1 344 107)
	Outstanding balance	-	-
54.2	Audit Fees [MFMA 125 (1)(c)]		
	Opening balance	-	-
	Expenditure incurred	7 812 692	6 585 295
	Audit Fees	7 219 412	5 725 894
	Interest on late payments	-	517
	VAT	593 280	858 884
	Payments	(7 066 654)	(6 585 295)
	National Treasury Grant	(746 038)	-
	Outstanding Balance	-	-
54.3	VAT [MFMA 125 (1)(c)]		
	Opening balance	2 560 914	742 795
	Net amount claimed/(declared) during the year	3 269 802	5 071 161
	Net amount paid/(received) during the year	(2 787 245)	(3 253 042)
	Outstanding Balance Receivable/(Payable)	3 043 470	2 560 914
	VAT is payable/receivable on the cash basis. VAT is only paid over to SARS once cash is received from debtors and only claimed from SARS once payment is made to creditors. All VAT returns have been submitted by the due date throughout the year.		
54.4	PAYE, SDL and UIF [MFMA 125 (1)(c)]		
	Opening balance	-	1 546 093
	Payroll deductions and Council Contributions during the year	23 014 779	21 359 860
	Payments	(23 014 779)	(22 905 953)
	Outstanding Balance	-	-

CEDERBERG LOCAL MUNICIPALITY

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Figures in Rand		2025	2024
54	ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT (CONTINUED)		
54.5	Pension and Medical Aid Contributions [MFMA 125 (1)(c)]		
	Opening balance	-	2 324 476
	Payroll deductions and Council Contributions during the year	32 296 700	29 418 804
	Payments made to pension and medical fund	(32 296 700)	(31 743 280)
	Outstanding Balance	-	-
54.6	Councillors Arrear Accounts [MFMA 124 (1)(b)]		
	No Councillors had arrear accounts outstanding of more than 90 days as on 30 June.		
54.7	Deviations from Supply Chain Management Regulations		
	Deviations from Supply Chain Management Regulations were identified on the following categories:		
	Section 36(1)(a)(i) - Emergencies	1 409 640	978 435
	Section 36(1)(a)(ii) - Single provider	2 104 727	454 768
	Section 36(1)(a)(iii) - Specialised services	-	-
	Section 36(1)(a)(iv) - Acquisition of animals for zoo's	-	-
	Section 36(1)(a)(v) - Impractical so follow official procurement process	323 606	5 630 463
	Total	3 837 973	7 063 666
	Deviations from Supply Chain Management Regulations can be allocated as follow:		
	Office of the Municipal Manager	-	11 788
	Finance Services	26 450	4 241 076
	Technical Services	1 993 553	1 975 316
	Support Services (Corporate and Community)	1 817 971	835 486
	Total	3 837 973	7 063 666
	All the deviations were ratified by the Municipal Manager and reported to Council.		
54.8	Other Non-Compliance [MFMA 125(2)(e)]		
	(a) Payments not made within 30 days		
	Money owed by the Municipality was not always paid within 30 days, as required by section 65(2)(e) of the Municipal Finance Management Act.		
55	CAPITAL COMMITMENTS		
	Approved and contracted for		
	Infrastructure	13 355 848	13 963 934
	Community Assets	10 139 815	-
	Total	23 495 663	13 963 934
	This expenditure will be financed from:		
	Government Grants	23 495 663	13 963 934
	Capital Commitments are disclosed exclusive of Value Added Tax (VAT).		

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

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56 FINANCIAL RISK MANAGEMENT

The Municipality is potentially exposed to the following risks:

56.1 Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The following financial assets are exposed to credit risk:

Cash and Cash Equivalents	104 591 794	61 251 990
Receivables from exchange transactions	37 267 017	32 408 431
Receivables from non-exchange transactions	822 255	630 950
Long-term Receivables	2 673 851	2 895 823
Total	145 354 917	97 187 194

Cash and Cash Equivalents

Deposits of the Municipality is only held at reputable banks that are listed on the JSE. The credit quality is regularly monitored through required SENS releases by the various banks. The risk pertaining to these deposits are considered to be very low.

There are no restrictions on the cash deposits held and no cash were pledged as security. No collateral is held for any cash and cash equivalents.

Receivables from Exchange Transactions

Receivables comprise of a large number of users, dispersed across different sectors and geographical areas. On-going credit evaluations are performed on the financial condition of these receivables. Credit risk pertaining to receivables are considered to be moderate due the diversified nature of receivables and immaterial nature of individual balances. In the case of consumer debtors the municipality effectively has the right to terminate services to customers but in practice this is difficult to apply. In the case of debtors whose accounts become in arrears, Council endeavours to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

Receivables are disclosed after taking into account the provision for impairment raised against each class of receivable.

Receivables are payable within 30 days. All receivables outstanding for more than 30 days are considered to be past due.

Refer to note 3 and 4 for more information regarding the provision for impairment raised against each service type as well as receivables considered to be past due.

Also refer to note 7 for more information regarding balances renegotiated beyond the original 30 days payment period initially granted.

No receivables were pledged as security for liabilities and no collateral is held from any consumers (other than consumer deposits).

The following service receivables are past due, but not impaired:

Electricity	3 773 253	3 218 892
Water	3 535 669	4 297 005
Refuse	2 146 918	1 845 155
Sewerage	2 658 232	2 382 652
Interest	2 072 135	1 759 080
Other	141 549	118 685
Availability Charges	639 437	480 009
Total	14 967 194	14 101 477

Past due receivables are aged as follow:

1 to 3 months overdue	6 358 665	5 978 339
4 months to 1 year overdue	4 336 188	4 044 174
1 year overdue	4 272 341	4 078 964
Total	14 967 194	14 101 477

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

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56 FINANCIAL RISK MANAGEMENT (CONTINUED)

56.2 Currency risk (Market Risk)

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The financial instruments of the Municipality is not directly exposed to any significant currency risk.

56.3 Interest rate risk (Market Risk)

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The following balances are exposed to interest rate fluctuations:

Cash and Cash Equivalents (excluding cash on hand)	104 591 794	61 251 990
Long-term Liabilities (including current portion)	-	-
Net balance exposed	104 591 794	61 251 990

Potential effect of changes in interest rates on surplus and deficit for the year:

0.5% (2024 - 0.5%) increase in interest rates	522 959	306 260
0.5% (2024 - 0.5%) decrease in interest rates	(522 959)	(306 260)

56.4 Liquidity risk

Liquidity risk is the risk encountered by the Municipality in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk can be mitigated by approving cash funded budgets to ensure commitments can be settled once due over the long term. The Municipality has been experiencing cash flow constraints as disclosed in note 66, but managed to submit a cash funded budget for the current financial year.

The Municipality also monitors its cash balances on a daily basis to ensure cash resources are available to settle short term obligations.

The following balances are exposed to liquidity risk:

	Within 1 Year	Between 2 to 5 years	After 5 years	Total
30 JUNE 2025				
Annuity Loans	510 819	-	-	510 819
Municipal Debt Relief	13 924 085	13 924 085	-	27 848 171
Payables from Exchange Transactions	40 927 809	-	-	40 927 809
Total	55 362 714	13 924 085	-	69 286 799
30 JUNE 2024				
Annuity Loans	1 985 577	510 819	-	2 496 397
Finance Lease Liabilities	187 500	-	-	187 500
Municipal Debt Relief	13 924 085	27 848 171	-	41 772 256
Payables from Exchange Transactions	46 408 256	-	-	46 408 256
Total	62 505 418	28 358 990	-	90 864 409

56.5 Other price risk (Market Risk)

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Municipality is not exposed to any other price risk.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

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57 FINANCIAL INSTRUMENTS

The Municipality recognised the following financial instruments at amortised cost:

Financial Assets

Cash and Cash Equivalents	104 591 794	61 251 990
Bank Accounts	11 296 513	10 017 842
Investment Deposits	93 295 280	51 234 148
Receivables from Exchange Transactions	37 267 017	32 408 431
Electricity	19 695 624	16 275 879
Water	7 167 090	7 655 353
Refuse	3 202 338	2 764 720
Sewerage	3 986 125	3 451 877
Interest	2 626 803	1 506 575
Other	520 935	189 346
Accrued Interest	68 104	564 681
Receivables from Non-Exchange Transactions	822 255	630 950
Availability Charges	822 255	630 950
Long-term Receivables	2 673 851	2 895 823
Receivables with repayment arrangements	2 673 851	2 895 823
Total	145 354 917	97 187 194

Financial Liabilities

Payables from Exchange Transactions	40 927 809	46 408 256
Trade Payables	37 074 496	39 720 260
Retentions	2 072 051	1 300 427
Sundry Creditors	719 669	829 866
Sundry Deposits	124 537	178 863
Accrued Interest	593	17 649
Unknown Receipts	668 090	711 443
Department of Infrastructure	26 530	26 530
Integrated National Electrification Programme (INEP)	-	2 997 000
Department of Cultural Affairs and Sport	241 842	626 216
Long-term Liabilities	26 623 638	39 888 323
Annuity Loans	475 840	2 263 326
Finance Lease Liabilities	-	181 223
Municipal Debt Relief	26 147 799	37 443 774
Total	67 551 447	86 296 579

58 STATUTORY RECEIVABLES

In accordance with the principles of GRAP 108, Statutory Receivables of the Municipality are classified as follows:

Receivables from Non-Exchange Transactions	13 415 522	13 087 155
Rates	11 756 722	11 125 455
Fines	1 658 800	1 961 700
Taxes - VAT Claimable from SARS	-	-
Total	13 415 522	13 087 155

The amounts above are disclosed after any provision for impairment has been taken into account. Refer to note 4 for determining the recoverability of property rates and traffic fines.

CEDERBERG LOCAL MUNICIPALITY

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Figures in Rand		2025	2024
58	STATUTORY RECEIVABLES (CONTINUED)		
Property Rates are levied in term of the Municipal Property Rates Act, 2004 (Act 6 of 2004). Refer to note 21 for property rates levied for the year and basis for interest and rate used on outstanding balances.			
Traffic Fines are issued in terms of the Criminal Procedure Act, 1977. Refer to note 25 for traffic fines issued for the year. No interest is levied on outstanding traffic fines.			
Taxes (Value Added Tax) are raised in terms of the Value Added Tax Act. No interest is paid by the South African Revenue Service on outstanding VAT claims.			
Property Rates			
- Past due at the reporting date, and which have been impaired		35 237 854	32 829 822
- Past due that have not been impaired		7 357 329	6 908 095
59	PRINCIPAL-AGENT ARRANGEMENTS		
The Municipality has assessed that the following significant principal-agent arrangements exists:			
59.1	Western Cape Mobility Department		
The Municipality acts as an agent for the Western Cape Mobility Department and manages the issuing of vehicle licences for a commission.			
The following transactions were undertaken as part of principal-agent arrangement:			
Collections payable to the Department at beginning of year		324 791	908 449
Revenue collected from third parties		21 253 801	21 004 453
Commission earned on collections included in note 32		(3 013 268)	(3 029 790)
VAT on commission earned payable to the South African Revenue Services		(451 990)	(454 469)
Collections paid over to the Department		(18 113 334)	(18 103 853)
Collections payable to the Department at year-end		-	324 791
59.2	Department of Infrastructure		
The Municipality acts as an agent for the Department of Infrastructure to facilitate the deed transfers to qualifying beneficiaries.			
The following transactions were undertaken as part of principal-agent arrangement:			
Balance at beginning of year		26 530	190 000
Payments received from / (payments made to) the Department		48 897	45 525
Expenditure incurred on behalf of the Department		(48 897)	(208 995)
Balance at year-end		26 530	26 530
59.3	Prepaid Electricity Vendor		
The Municipality is the principal in an arrangement with a service providers who sells prepaid electricity on its behalf. The prepaid electricity vendor (the agent) earns commission on the value of each transaction.			
Reconciliation of transactions undertaken as part of principal-agent arrangement:			
Collections receivable from prepaid electricity vendor at the beginning of the year		430 664	225 718
Transactions undertaken by the prepaid electricity vendor for the year		72 319 255	60 737 804
Prepaid electricity sales		57 756 003	47 314 053
VAT on prepaid electricity sales		8 663 401	7 097 108
Collections of arrear accounts		5 899 851	6 326 643
Collections received from prepaid electricity vendor		(72 361 653)	(60 532 857)
Collections receivable from prepaid electricity vendor at year-end		388 266	430 664
Compensation paid for agency activities			
Commission - Prepaid Electricity - note 45		1 378 522	1 174 136

CEDERBERG LOCAL MUNICIPALITY

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60	EVENTS AFTER REPORTING DATE		
	The Municipal had no significant events after reporting date.		
61	IN-KIND DONATIONS AND ASSISTANCE		
	No in-kind donations were received in the current or previous financial year.		
62	PRIVATE PUBLIC PARTNERSHIPS (PPP's)		
	The Municipality did not enter into any PPP's in the current and prior year.		
63	CONTINGENT LIABILITIES		
	The Municipality is exposed to the following contingent liabilities at year end:		
63.01	Matter against the Municipality by Jimmy Barnard	-	50 000
	This matter has been finalised but legal costs still have to be taxed or agreed. The legal costs for which the Municipality may be liable are estimated at R50 000. There has been no further developments and the matter has been dormant for approximately 13 years. Given this, the Municipality has assessed that the possibility of an outflow of economic benefits is considered remote, and accordingly opted to remove this matter.		
63.02	Matter against the Municipality by MJ Coetzee	-	250 000
	This matter involves an application by the owners of Erf 234 Graafwater against the Municipality for declaratory relief, alternatively a review regarding the decision taken in respect of an application for consent use. The matter in ongoing , pleadings have closed and the Applicants have to set it down for hearing. The legal costs and disbursements that the Municipality may be liable for in the event that the application is successful, is estimated at R 250 000. There has been no further developments and the matter has been dormant for approximately 10 years. Given this, the Municipality has assessed that the possibility of an outflow of economic benefits is considered remote, and accordingly opted to remove this matter.		
63.03	Matter against the Municipality by Alister Ruiters (on behalf of his minor son, Alito Ruiters)	2 412 089	2 412 089
	The applicant is claiming for damages related to an injury his son obtained on the property of the Municipality when an entrance gate became dislodged and fell on his son. This matter has been referred to the Municipality's insurer, of which it is expected that a settlement will be reached between the plaintiff and the Municipality's insurer. Merits of the matter have been conceded. The plaintiff is claiming R 3 126 000, however the claim is quantified in the region of R 2 412 089.		
63.04	Matter against the Municipality by Michael Damon (on behalf of his minor son, Marshall Damon)	1 557 590	1 557 590
	The applicant is claiming for damages related to an injury his son obtained on the property of the Municipality when an entrance gate became dislodged and fell on his son. This matter has been referred to the Municipality's insurer, of which it is expected that a settlement will be reached between the plaintiff and the Municipality's insurer. Merits of the matter have been conceded. The plaintiff is claiming R 3 126 000, however the claim is quantified in the region of R 1 557 590.		
63.05	Matter against the Municipality by Francina Johanna de Klerk	1 000 000	1 000 000
	The applicant is claiming for damages amounting to R 1 000 000. The damages relates to injuries obtained by the plaintiff where there was a hole underneath the protective cushions surrounding the trampoline. The incident took place at Lamberts Bay caravan park. The matter has been referred to the Municipality's insurer.		
63.06	Matter against the Municipality by Nicolaas Jacobus Klaassen	1 620 000	620 000
	This matter involves a labour court review application against the Municipality. The legal costs are estimated at R 120 000 and the cost of reinstatement of the applicant (with backpay) is estimated at R1 500 000.		

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

Figures in Rand		2025	2024
63	CONTINGENT LIABILITIES		
63.07	Matter against the Municipality by Clackson Power Company (Pty) Ltd	2 535 281	-
	This matter involves the applicant taking legal action against the Municipality for damages suffered as a result of disconnection to electrical power.		
63.08	Matter against the Municipality by Clackson Power Company (Pty) Ltd	3 200 000	-
	This matter involves the applicant taking legal action against the Municipality for reputational damages.		
63.09	Matter against the Municipality by Guardrisk Insurance Company Limited	141 674	-
	This matter involves a claim against the Municipality for the termination of the plaintiffs contract prior to the expiry date. The amount claimed by the defendant amounts to R 141 674. The matter has been referred to the Municipality's insurer.		
63.10	Matter against the Municipality by GAP Management (Pty) Ltd	2 500 000	-
	This matter involves a claim against the Municipality for unpaid invoices. The Municipality's argument is that the related services has not been rendered by the plaintiff.		
63.11	Total	14 966 634	5 889 679
64	RELATED PARTIES		
	All rates, service charges and other charges in respect of related parties are in accordance with approved tariffs that were advertised to the public. No impairment charge have been recognised in respect of amounts owed by related parties.		
	Other related parties transactions relates to the acquisition of goods under terms and conditions applicable to open market trading on a willing buyer and seller principles. The payment terms are not favourable to other transactions (other related parties) and are not secured or encumbered. Settlement terms are in accordance with the general terms of trade with no guarantees received or given.		
64.1	Related Party Loans		
	There are no loans outstanding to any related party. Since 1 July 2004 loans to councillors and senior management employees are not permitted.		
64.2	Compensation of management personnel		
	Remuneration of management personnel are disclosed in notes 36 and 37.		
64.3	Current Employee Benefits		
	The Municipality has the following accrued leave obligation towards management personnel at year-end:		
	GF Matthyse - Municipal Manager	149 531	25 205
	HCA Witbooi - Director: Support Services	116 276	51 500
	J Booyesen - Director: Finance	40 919	-
	R De Ridder - Director: Technical Services	131 094	77 291
	Total	437 821	153 995
64.4	Other related party transactions		
	The Municipality did not enter into any transactions where Councillors or Management had an interest.		

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

Figures in Rand

2025

2024

65 TRANSACTIONS IN TERMS OF SECTION 45 OF THE MUNICIPAL SUPPLY CHAIN REGULATIONS

Section 45 of the Municipal Supply Chain Management regulations requires the disclosure of particulars of any award of more than R2 000 to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months. The following transactions are disclosed in this regard:

Company Name	Service of the state related party relationship	Amount	Amount
P J Sobekwa	Brother of J Sobekwa (Foreman at Cederberg Municipality)	34 500	7 200
HM Henderson	Sister of C Ockhuis (Database Administrator at Cederberg Municipality)	-	1 800
NSRI		612 568	-
- C Robertson	Spouse of S Robertson (CEO of George Hospital)		
Akhile Management & Consulting		-	312 370
- B Hadebe	Spouse of M Hadebe (Town Planner at Ekurhuleni Municipality)		
Ekuseni Enterprises		12 500	97 902
- S Jacobs	Son of W Jacobs (Official at Department of Health)		
- A Daniels	Daughter of M Human (Official Department of Water & Sanitation)		
- A van Wyk	Spouse of L van Wyk (Official at Department of Health)		
- A van Wyk	Son of R van Wyk (Official at Department of Health)		
JPCE (Pty) Ltd		562 580	86 129
- J Minnie	Spouse of JA Minnie (Manager at City of Cape Town)		
Neil Lyners & Associates (Rf) (Pty) Ltd		-	5 317 378
- O Potgieter	Daughter of A du Toit (Official at Department of Water & Sanitation)		
Total		1 222 148	5 822 778

66 FINANCIAL SUSTAINABILITY

The indicators or conditions that may, individually or collectively, cast significant doubt about the going concern assumption are as follows:

66.1 Financial Indicators

The following financial indicators were assessed:

Cash available for working capital requirements (positive balance)	91 148 144	44 133 277
Current Ratio (norm - at least 2:1)	1.5 : 1	1.1 : 1
Cash coverage ratio (norm - 3 months or more)	2.93 months	1.5 months
Creditors days (norm - 30 days or less)	82 days	110 days
Debtors collection rate (95% or more)	91.2%	88.4%
Operating surplus / (deficit)	27 485 353	9 741 790

When analysing the results of the ratio's it can be concluded that the Municipality managed to improve its financial position from the prior year, and it able to service its short-term obligations.

The Municipal Debt Relief arrangement as disclosed in note 13.3 is the main contributor to the improved financial position.

Council has approved a Budget Funding Plan to specific focus on the revenue collection and curbing expenditure.

Taking the above in mind the Municipality will therefore balance service delivery and operations based on revenue collections and ensure that grant funding is spent within the prescribed timeframes as agreed with National Treasury.

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

Figures in Rand

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66 FINANCIAL SUSTAINABILITY (CONTINUED)

66.2 Other Indicators

Contingent Liabilities are disclosed in note 63. The total exposure amounts to R14 966 634, and therefore contingent liabilities in its totality does not pose any threat to the going concern assumption.

The Municipality is not aware of any events after reporting date which may pose a threat to the going concern assumption.

66.3 Future Budget

When analysing the 2025/26 MTREF (Medium Term Revenue and Expenditure Framework) budget which was approved by Council in 2024/25, the projected financial indicators are as follow:

	2025/26	2026/27	2027/28
Cash available for working capital requirements (positive balance)	39 549 158	81 158 691	125 644 175
Current Ratio (norm - at least 2:1)	1.21:1	1.99:1	2.60:1
Cash coverage ratio (norm - 3 months or more)	1.12 months	2.13 months	2.77 months
Creditors days (norm - 30 days or less)	59 days	58 days	45 days
Debtors collection rate (95% or more)	92.5%	92.5%	92.5%
Operating surplus / (deficit)	589 915	7 206 959	(4 605 460)

Although the above-mentioned ratio's are still below the required norms, there is a projected improvement.

66.4 Going concern assessment

The definition of a going concern is that there is no reason to believe that an institution will have to close down or be liquidated within 12 months after the reporting date.

None of the assessments pose any threat to the going concern assumption. Given the aforementioned, Management is of the opinion that the Municipality can continue in operational existence for the foreseeable future.

67 B-BBEE PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

68 NON-LIVING RESOURCES

Other than land, the Municipality identified aquifers in the Cederberg municipal area as the only non-living resources of which the water is being extracted with the use of boreholes in the following towns:

- Algeria
- Clanwilliam
- Graafwater
- Leipoldtville
- Wuppertal

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

Figures in Rand

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69 SEGMENT REPORTING

69.1 General Information

The segments were organised based on the type and nature of service delivered by the Municipality. These services are delivered in various municipal departments, which for reporting purposes are allocated to a standardised functional area (guided by mSCOA regulations). Budgets are prepared for each functional area and the budget versus actual amounts are reported on a monthly basis. Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

The Municipality has more than 10 departments/functional areas and accordingly the segments were aggregated for reporting purposes as follows:

No	Reportable Segment	Goods and/or services delivered
1	Governance and administration	Supply of overall governance and administrative services to the segments below
2	Community Services	Sportfields, halls, parks, housing, informal settlements and library services
3	Holiday Resorts	Holiday Resorts
4	Public Safety	Traffic control and fire fighting
5	Planning and development	Town planning and building control
6	Roads and Stormwater	Construction and maintenance of roads and storm water
7	Electricity Services	Supply of electricity services
8	Water Services	Supply of water services
9	Sewerage Services	Supply of sewerage services
10	Refuse Services	Refuse removal

69.2 Reporting on segment assets and liabilities

The Municipality has assessed that assets and liabilities associated with each segment is not used by management for decision making purposes, and neither is it being reported on. Assets and liabilities are utilised by management to assess key financial indicators for the Municipality as a whole. Accordingly, the assets and liabilities per segment is not required to be disclosed.

69.3 Geographic Segment Reporting

Although the Municipality operates in a number of geographical areas (i.e. wards), the geographical information is not considered relevant to management for decision-making. The goods and services provided to the community throughout the entire municipal area are based on similar tariffs and service standards. Therefore, the Municipality has assessed that it operates in a single geographical area.

69.4 Measurement of specific segment information

The accounting policies of the respective segments are the same as those prescribed in the summary of significant accounting policies.

The Municipality had no changes the structure of its internal organisation in a manner that caused the composition of its reportable segments to change from the prior year.

Information about the surplus/(deficit) and capital expenditure of the respective segments are disclosed on the following page.



AUDITOR-GENERAL
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29 November 2025

CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

69

SEGMENT REPORTING (CONTINUED)

69.5 Specific Segment Reporting

2025

REVENUE

External Revenue from Non-Exchange Transactions

Governance and administration R	Community Services R	Holiday Resorts R	Public Safety R	Planning and development R	Roads and Stormwater R	Electricity Services R	Water Services R	Sewerage Services R	Refuse Services R	Total R
140 530 392	9 029 259	-	55 724 920	879 900	1 162 576	20 991 625	14 849 869	21 313 670	6 902 662	271 384 872
74 996 749	-	-	-	-	-	-	-	-	-	74 996 749
64 802 607	786 085	-	-	879 900	140 134	3 279 566	4 626 796	7 015 621	3 776 945	85 307 652
61 914	8 239 196	-	-	-	1 022 442	3 005 910	9 387 615	13 688 714	2 375 195	37 780 985
-	-	-	-	-	-	2 369 315	835 458	609 336	49 324	3 863 433
177 097	-	-	-	-	-	-	-	-	-	177 097
492 025	3 979	-	55 724 920	-	-	148 713	-	-	-	56 369 637
-	-	-	-	-	-	-	-	-	701 198	701 198
-	-	-	-	-	-	12 188 121	-	-	-	12 188 121

External Revenue from Exchange Transactions

17 499 337	5 567 563	3 105 951	4 096 739	1 841 477	-	154 665 112	35 076 606	17 420 054	15 727 244	255 000 082
Service Charges	-	-	-	-	-	152 838 248	32 696 026	15 823 494	14 604 231	215 961 999
Rental of Facilities and Equipment	783 968	259 159	-	25 195	-	-	-	-	1 984	1 070 306
Interest Earned - external investments	9 619 304	-	-	-	-	-	-	-	-	9 619 304
Interest Earned - outstanding debtors	4 942 709	-	-	-	-	1 826 864	2 380 580	1 596 560	1 114 810	11 861 522
Agency Services	-	-	-	4 012 431	-	-	-	-	-	4 012 431
Library Services	-	5 307 663	-	-	-	-	-	-	-	5 307 663
Other Income	725 542	741	3 105 951	59 113	1 841 477	-	-	-	6 219	5 739 042
Gain on disposal of Non-Monetary Assets	1 427 815	-	-	-	-	-	-	-	-	1 427 815

Construction Contracts

-	3 358 322	-	-	-	-	11 712 174	-	-	-	15 070 495
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TOTAL REVENUE

158 029 728	17 955 144	3 105 951	59 821 659	2 721 377	1 162 576	187 368 911	49 926 475	38 733 725	22 629 906	541 455 450
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EXPENDITURE

Employee Related Costs	51 872 487	15 221 344	3 665 703	12 591 586	8 477 514	6 579 607	10 457 652	12 968 758	6 640 158	10 705 874	139 180 684
Remuneration of Councillors	6 355 048	-	-	-	-	-	-	-	-	-	6 355 048
Debt Impairment	11 822 667	-	-	45 470 040	-	-	(302 734)	3 332 704	3 089 579	2 606 866	66 019 121
Depreciation and Amortisation	1 558 655	756 050	168 033	96 919	18 356	6 149 177	4 411 909	4 843 375	6 500 193	2 989 065	27 491 731
Impairment	-	-	-	-	-	-	-	4 169 098	-	2 032 358	6 201 456
Finance Charges	15 149 680	-	-	-	-	-	-	-	-	-	15 149 680
Bulk Purchases	-	-	-	-	-	-	124 217 401	857 304	-	-	125 074 705
Contracted Services	11 581 048	3 903 459	243 373	6 210 305	790 187	597 106	13 785 474	1 085 132	1 189 986	1 116 239	40 502 309
Transfers and Grants	64 462	-	-	-	100 000	-	-	-	-	-	164 462
Other Expenditure	22 214 928	790 252	429 235	1 547 227	198 503	2 629 033	2 350 502	6 289 014	3 987 351	6 624 942	47 060 987
Fair Value Adjustment Losses	2 988 926	-	-	-	-	-	-	-	-	-	2 988 926

Total Expenditure

123 607 902	20 671 105	4 506 345	65 916 076	9 584 560	15 954 924	154 920 203	33 545 386	21 407 266	26 075 344	476 189 111
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NET SURPLUS/(DEFICIT) FOR THE YEAR

34 421 826	(2 715 961)	(1 400 394)	(6 094 418)	(6 863 183)	(14 792 348)	32 448 707	16 381 089	17 326 458	(3 445 439)	65 266 339
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Less: Government Grants and Subsidies - Capital

(61 914)	(8 239 196)	-	-	-	(1 022 442)	(3 005 910)	(9 387 615)	(13 688 714)	(2 375 195)	(37 780 985)
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NET OPERATING SURPLUS/(DEFICIT) FOR THE YEAR

34 359 912	(10 955 157)	(1 400 394)	(6 094 418)	(6 863 183)	(15 814 790)	29 442 797	6 993 474	3 637 745	(5 820 634)	27 485 353
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CAPITAL EXPENDITURE FOR THE YEAR

1 388 006	8 239 196	-	2 523 707	264 389	2 481 893	6 531 810	9 784 608	19 527 162	3 010 640	53 751 410
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CEDERBERG LOCAL MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

69 SEGMENT REPORTING (CONTINUED)

69.5 Specific Segment Reporting

2024

REVENUE

External Revenue from Non-Exchange Transactions

	Governance and administration R	Community Services R	Holiday Resorts R	Public Safety R	Planning and development R	Roads and Stormwater R	Electricity Services R	Water Services R	Sewerage Services R	Refuse Services R	Total R
Property Rates	73 692 932	-	-	-	-	-	-	-	-	-	73 692 932
Government Grants and Subsidies - Operating	58 184 572	73 721	-	-	894 175	423 488	3 016 200	3 646 953	6 010 193	4 382 412	76 631 713
Government Grants and Subsidies - Capital	347 826	3 554 406	-	-	625	2 576 186	1 318 630	3 548 427	7 318 474	7 605 005	26 269 578
Availability Charges	-	-	-	-	-	-	2 180 330	854 912	594 244	-	3 629 486
Insurance Refund	112 012	-	-	-	-	-	-	-	-	-	112 012
Fines, penalties and forfeits	250 975	2 311	-	32 523 994	-	-	152 710	4 109	-	-	32 934 099
Fair Value Adjustment Gains	9 288 252	-	-	-	-	-	-	-	-	291 370	9 579 622
Debt Forgiveness	3 305 989	-	-	2 244 240	-	-	-	-	-	-	5 550 229

External Revenue from Exchange Transactions

Service Charges	-	-	-	-	-	-	127 401 381	32 780 700	16 350 614	14 106 018	190 638 712
Rental of Facilities and Equipment	758 344	211 453	-	-	-	-	-	-	-	-	969 797
Interest Earned - external investments	5 190 675	-	-	-	-	-	-	-	-	-	5 190 675
Interest Earned - outstanding debtors	12 325 085	-	-	-	-	-	-	-	-	-	12 325 085
Agency Services	-	-	-	4 299 701	-	-	-	-	-	-	4 299 701
Library Services	-	4 912 914	-	-	-	-	-	-	-	-	4 912 914
Other Income	649 842	453	2 958 991	68 368	1 618 683	-	-	-	-	8 599	5 304 935

Construction Contracts

	-	1 756 391	-	-	-	-	27 828 696	-	-	-	29 585 087
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TOTAL REVENUE

	164 106 504	10 511 650	2 958 991	39 136 302	2 513 483	2 999 674	161 897 947	40 835 100	30 273 525	26 393 403	481 626 578
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EXPENDITURE

Employee Related Costs	48 412 958	15 369 653	3 830 732	11 856 854	9 042 007	6 149 598	9 340 077	12 535 390	5 482 616	9 557 044	131 576 928
Remuneration of Councillors	6 081 304	-	-	-	-	-	-	-	-	-	6 081 304
Debt Impairment	18 089 811	-	-	27 486 464	-	-	942 447	-299 507	2 571 493	1 592 895	50 383 603
Depreciation and Amortisation	1 592 345	785 795	164 295	99 426	21 815	6 045 564	4 188 250	5 010 651	6 487 892	2 171 413	26 567 447
Impairment	-	-	-	-	-	-	-	14 718 289	-	921 618	15 639 907
Finance Charges	16 029 892	-	-	-	-	-	-	-	-	-	16 029 892
Bulk Purchases	-	-	-	-	-	-	105 502 654	622 471	-	-	106 125 126
Contracted Services	14 219 404	2 373 963	38 662	2 557 085	467 365	887 037	30 624 766	1 089 258	1 584 483	1 676 287	55 518 311
Transfers and Grants	10 261	-	-	187 764	-	-	-	-	-	-	198 026
Other Expenditure	18 908 989	986 070	259 665	1 210 532	354 438	1 835 019	2 182 134	5 713 840	3 471 408	1 921 680	36 843 775
Loss on disposal of Non-Monetary Assets	650 890	-	-	-	-	-	-	-	-	-	650 890

Total Expenditure

	123 995 855	19 515 481	4 293 354	43 398 125	9 885 625	14 917 218	152 780 328	39 390 392	19 597 893	17 840 938	445 615 209
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NET SURPLUS/(DEFICIT) FOR THE YEAR

	40 110 649	(9 003 832)	(1 334 363)	(4 261 823)	(7 372 142)	(11 917 544)	9 117 619	1 444 708	10 675 632	8 552 465	36 011 369
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Less: Government Grants and Subsidies - Capital

	(347 826)	(3 554 406)	-	-	(625)	(2 576 186)	(1 318 630)	(3 548 427)	(7 318 474)	(7 605 005)	(26 269 578)
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NET OPERATING SURPLUS/(DEFICIT) FOR THE YEAR

	39 762 823	(12 558 238)	(1 334 363)	(4 261 823)	(7 372 767)	(14 493 730)	7 798 989	(2 103 719)	3 357 159	947 460	9 741 791
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CAPITAL EXPENDITURE FOR THE YEAR

	1 376 550	3 602 940	71 604	-	3 411 692	1 604 228	4 362 570	6 387 607	7 848 245	12 996 681	41 662 116
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CEDERBERG LOCAL MUNICIPALITY

APPENDIX A (UNAUDITED)

SCHEDULE OF EXTERNAL LOANS FOR THE YEAR ENDING 30 JUNE 2025

INSTITUTION	LOAN NUMBER	RATE	MATURITY DATE	OPENING BALANCE 1 JULY 2024	RECEIVED DURING YEAR	REDEEMED DURING YEAR	CLOSING BALANCE 30 JUNE 2025
<u>ANNUITY LOANS</u>							
ABSA Bank Limited	038-723-0992	9.84%	1 April 2025	448 528	-	(448 528)	-
ABSA Bank Limited	038-723-0993	10.43%	17 June 2025	764 131	-	(764 131)	-
ABSA Bank Limited	038-723-0994	10.45%	17 Nov 2025	451 984	-	(292 542)	159 443
ABSA Bank Limited	038-723-0995	11.33%	30 Jun 2026	598 682	-	(282 284)	316 397
Total Annuity Loans				2 263 326	-	(1 787 486)	475 840
<u>FINANCE LEASE LIABILITIES - PRINTERS</u>							
Printers and Copiers			31 Dec 2024	181 223	-	(181 223)	-
Total Finance Lease Liabilities - Printers				181 223	-	(181 223)	-
Total Long-Term Liabilities				2 444 549	-	(1 968 709)	475 840

CEDERBERG LOCAL MUNICIPALITY

APPENDIX B (UNAUDITED)

DISCLOSURE OF GRANTS AND SUBSIDIES FOR THE YEAR ENDING 30 JUNE 2025

	OPENING BALANCE R	GRANTS RECEIVED (CASH) R	GRANTS RECEIVED (NON-CASH) R	GRANTS REPAID R	TRANSFERRED TO REVENUE (OPERATING) R	TRANSFERRED TO REVENUE (CAPITAL) R	TRANSFERRED TO/(FROM) RECEIVABLES R	CLOSING BALANCE R
NATIONAL GOVERNMENT								
Equitable Share	-	71 545 000	-	-	(71 545 000)	-	-	-
Municipal Infrastructure Grant (MIG)	-	17 562 000	-	-	(2 976 729)	(14 506 175)	(79 097)	-
Financial Management Grant (FMG)	-	2 000 000	-	-	(1 938 086)	(61 914)	-	-
Expanded Public Works Program (EPWP)	-	1 534 000	-	-	(1 534 000)	-	-	-
Water Service Infrastructure Grant (WSIG)	36 302	10 000 000	-	(36 302)	(826 248)	(5 654 266)	-	3 519 486
Municipal Disaster Response Grant	7 488 755	6 100 000	-	-	(1 189 713)	(4 918 242)	-	7 480 800
National Treasury - Audit Fees	-	-	746 038	-	(746 038)	-	-	-
Total	7 525 057	108 741 000	746 038	(36 302)	(80 755 814)	(25 140 596)	(79 097)	11 000 286
PROVINCIAL GOVERNMENT								
CDW Support	256 982	151 000	-	(105 983)	(74 092)	-	-	227 907
Thusong Service Centre Grant	118 932	-	-	-	(118 263)	-	-	669
Financial Management Capability Grant	558 851	1 550 000	-	(558 851)	(1 549 956)	-	-	44
Municipal Interventions Grant	-	600 000	-	-	(500 000)	-	-	100 000
Municipal Water Resilience Grant	3 931 698	8 000 000	-	-	(1 243 258)	(8 836 747)	-	1 851 693
Loadshedding Relief Grant	83 576	-	-	(83 576)	-	-	-	-
Informal Settlements Upgrading Partnership Grant (ISUPG)	-	3 355 816	-	-	-	(3 355 816)	-	-
Municipal Energy Resilience Grant	95	-	-	(95)	-	-	-	-
Municipal Financial Recovery Services	1 000 000	-	-	-	(999 096)	-	-	904
Waste Management Compliance Grant	-	515 000	-	-	(67 174)	(447 826)	-	-
Total	5 950 134	14 171 816	-	(748 505)	(4 551 838)	(12 640 389)	-	2 181 217
ALL SPHERES OF GOVERNMENT	13 475 191	122 912 816	746 038	(784 807)	(85 307 652)	(37 780 985)	(79 097)	13 181 503

CEDERBERG LOCAL MUNICIPALITY

APPENDIX C (UNAUDITED)

NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

	ORIGINAL BUDGET 2025 R	BUDGET ADJUSTMENTS 2025 R	FINAL BUDGET 2025 R	ACTUAL OUTCOME 2025 R	BUDGET VARIANCE 2025 R	RESTATED OUTCOME 2024 R
FINANCIAL PERFORMANCE						
Property rates	75 998 000	(1 269 000)	74 729 000	74 996 749	267 749	73 692 932
Service charges	199 058 000	11 727 000	210 785 000	215 961 999	5 176 999	190 638 712
Investment revenue	1 150 000	8 340 280	9 490 280	9 619 304	129 024	5 190 675
Transfers and subsidies - operational	94 461 651	21 756 093	116 217 744	105 685 811	(10 531 933)	111 119 693
Other own revenue	80 821 008	20 812 664	101 633 672	97 410 602	(4 223 070)	69 154 739
Total Operating Revenue (excluding capital transfers)	451 488 659	61 367 037	512 855 696	503 674 464	(9 181 232)	449 796 750
Employee costs	149 110 026	(6 426 732)	142 683 294	138 386 347	(4 296 947)	130 819 444
Remuneration of councillors	6 501 600	4 400	6 506 000	6 355 048	(150 952)	6 081 304
Depreciation & asset impairment	85 525 640	26 799 360	112 325 000	99 712 309	(12 612 691)	92 590 957
Interest	11 926 000	866 110	12 792 110	15 149 680	2 357 570	16 029 892
Inventory consumed and bulk purchases	125 072 005	16 082 567	141 154 572	137 531 147	(3 623 425)	116 429 914
Transfers and subsidies	220 000	-	220 000	164 462	(55 538)	198 026
Other expenditure	72 803 884	23 927 756	96 731 640	78 890 117	(17 841 523)	83 465 673
Total Expenditure	451 159 155	61 253 461	512 412 616	476 189 111	(36 223 505)	445 615 209
Surplus/(Deficit)	329 504	113 576	443 080	27 485 353	27 042 273	4 181 541
Transfers and subsidies - capital (monetary allocations)	60 734 349	(12 615 140)	48 119 209	37 780 985	(10 338 224)	26 279 599
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	5 550 229
Surplus/(Deficit) for the year	61 063 853	(12 501 564)	48 562 289	65 266 339	16 704 050	36 011 369
CAPITAL EXPENDITURE & FUNDS SOURCES						
Capital expenditure	80 568 025	(8 644 140)	71 923 885	53 751 410	(18 172 475)	41 662 116
Transfers recognised - capital	60 734 349	(12 615 140)	48 119 209	37 780 985	(10 338 224)	26 279 599
Borrowing	-	-	-	-	-	-
Internally generated funds	19 833 676	3 971 000	23 804 676	15 970 425	(7 834 251)	15 382 517
Total sources of capital funds	80 568 025	(8 644 140)	71 923 885	53 751 410	(18 172 475)	41 662 116
CASH FLOWS						
Net cash from (used) operating	90 940 762	(31 108 263)	59 832 500	99 207 569	39 375 069	80 491 380
Net cash from (used) investing	(80 568 025)	9 044 140	(71 523 885)	(54 127 171)	17 396 714	(46 272 819)
Net cash from (used) financing	(1 747 336)	(51 372)	(1 798 708)	(1 740 594)	58 114	(1 737 895)
Net Cash Movement for the year	8 625 401	(22 115 495)	(13 490 093)	43 339 804	56 829 897	32 480 666
Cash/cash equivalents at beginning of year	1 529 640	59 728 575	61 258 215	61 258 215	-	28 777 549
Cash/cash equivalents at the year end	10 155 041	37 613 081	47 768 122	104 598 019	56 829 897	61 258 215

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NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

	ORIGINAL BUDGET 2025 R	BUDGET ADJUSTMENTS 2025 R	FINAL BUDGET 2025 R	ACTUAL OUTCOME 2025 R	BUDGET VARIANCE 2025 R	RESTATED OUTCOME 2024 R
REVENUE (STANDARD CLASSIFICATION)						
Governance and administration						
Executive and council	56 582 000	(2 490 000)	54 092 000	57 461 338	3 369 338	53 691 026
Finance and administration	100 485 003	102 614	100 587 617	100 559 346	(28 271)	110 415 478
Internal audit	-	-	-	-	-	-
Community and public safety						
Community and social services	15 148 916	(4 374 898)	10 774 018	11 253 468	479 450	7 919 819
Sport and recreation	3 599 547	(529 683)	3 069 864	3 170 772	100 908	3 030 880
Public safety	34 847 070	26 349 930	61 197 000	55 731 945	(5 465 055)	32 537 319
Housing	9 780 000	1 806 530	11 586 530	6 714 138	(4 872 393)	4 819 224
Economic and environmental services						
Planning and development	2 095 022	72 878	2 167 900	2 721 377	553 477	2 513 483
Road transport	4 464 524	2 330 700	6 795 224	5 128 671	(1 666 553)	7 299 375
Trading services						
Energy sources	166 652 487	23 547 341	190 199 828	187 387 073	(2 812 755)	161 897 947
Water management	78 783 839	(24 678 442)	54 105 397	49 923 510	(4 181 887)	40 835 100
Waste water management	21 174 000	23 311 453	44 485 453	38 773 928	(5 711 525)	30 273 525
Waste management	18 610 600	3 303 474	21 914 074	22 629 885	715 811	26 393 403
Total Revenue - Standard	512 223 008	48 751 897	560 974 905	541 455 450	(19 519 455)	481 626 578
EXPENDITURE (STANDARD CLASSIFICATION)						
Governance and administration						
Executive and council	13 898 704	(123 603)	13 775 101	13 520 865	(254 236)	13 539 201
Finance and administration	108 638 557	4 061 595	112 700 152	106 812 825	(5 887 327)	107 424 168
Internal audit	1 214 853	17 606	1 232 459	1 202 384	(30 075)	1 114 692
Community and public safety						
Community and social services	12 758 340	(987 265)	11 771 075	9 560 404	(2 210 671)	9 409 465
Sport and recreation	14 485 308	(1 168 732)	13 316 576	12 708 675	(607 901)	12 695 151
Public safety	44 656 575	22 888 444	67 545 019	61 574 949	(5 970 070)	39 157 715
Housing	6 456 570	3 501 576	9 958 146	5 506 299	(4 451 847)	4 173 923
Economic and environmental services						
Planning and development	12 808 665	(774 328)	12 034 337	11 656 388	(377 949)	11 803 419
Road transport	17 381 102	(788 314)	16 592 788	16 314 311	(278 477)	15 356 001
Trading services						
Energy sources	136 678 567	28 231 126	164 909 693	154 920 203	(9 989 490)	152 780 328
Water management	33 757 318	(1 638 633)	32 118 685	33 545 386	1 426 701	39 390 392
Waste water management	22 232 959	3 755 744	25 988 703	22 791 078	(3 197 625)	20 929 816
Waste management	26 191 637	4 278 245	30 469 882	26 075 344	(4 394 538)	17 840 938
Total Expenditure - Standard	451 159 155	61 253 461	512 412 616	476 189 111	(36 223 505)	445 615 209
Surplus/(Deficit) for the year	61 063 853	(12 501 564)	48 562 289	65 266 339	16 704 050	36 011 369

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NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

	ORIGINAL BUDGET 2025 R	BUDGET ADJUSTMENTS 2025 R	FINAL BUDGET 2025 R	ACTUAL OUTCOME 2025 R	BUDGET VARIANCE 2025 R	RESTATED OUTCOME 2024 R
REVENUE AND EXPENDITURE (MUNICIPAL VOTE CLASSIFICATION)						
REVENUE						
Vote 1 - Executive and Council	56 582 000	(2 490 000)	54 092 000	57 461 338	3 369 338	53 391 026
Vote 2 - Office of Municipal Manager	-	-	-	-	-	300 000
Vote 3 - Financial Administrative Services	97 846 956	(1 062 345)	96 784 611	96 265 463	(519 148)	107 076 151
Vote 4 - Community Development Services	17 236 893	(4 347 242)	12 889 651	13 558 118	668 467	8 034 301
Vote 5 - Corporate and Strategic Services	488 596	1 120 959	1 609 555	1 920 994	311 439	783 596
Vote 6 - Planning and Development Services	2 095 022	72 878	2 167 900	2 721 377	553 477	2 655 450
Vote 7 - Public Safety	39 373 068	25 852 973	65 226 041	59 821 659	(5 404 382)	39 136 302
Vote 8 - Electricity	166 652 487	23 580 341	190 232 828	187 368 911	(2 863 917)	161 897 947
Vote 9 - Waste Management	18 610 600	3 304 474	21 915 074	22 629 906	714 832	26 393 403
Vote 10 - Waste Water Management	21 174 000	22 118 453	43 292 453	38 733 725	(4 558 728)	30 273 525
Vote 11 - Water	78 783 839	(24 675 442)	54 108 397	49 926 475	(4 181 922)	40 835 100
Vote 12 - Housing	9 780 000	1 806 530	11 586 530	6 714 138	(4 872 393)	4 819 224
Vote 13 - Road Transport	-	4 000 001	4 000 001	1 162 576	(2 837 425)	2 999 674
Vote 14 - Sports and Recreation	3 599 547	(529 683)	3 069 864	3 170 772	100 908	3 030 880
Total Revenue by Vote	512 223 008	48 751 897	560 974 905	541 455 450	(19 519 456)	481 626 578
EXPENDITURE						
Vote 1 - Executive and Council	9 476 842	(164 330)	9 312 512	8 998 087	(314 425)	8 750 476
Vote 2 - Office of Municipal Manager	16 274 434	(4 814 926)	11 459 508	11 405 467	(54 041)	16 226 265
Vote 3 - Financial Administrative Services	73 914 244	2 520 853	76 435 097	72 459 693	(3 975 404)	73 792 475
Vote 4 - Community Development Services	11 246 459	(991 592)	10 254 867	10 340 797	85 930	10 582 946
Vote 5 - Corporate and Strategic Services	22 272 072	6 179 994	28 452 066	25 727 814	(2 724 252)	20 379 392
Vote 6 - Planning and Development Services	11 220 919	121 349	11 342 268	11 223 080	(119 188)	11 089 687
Vote 7 - Public Safety	51 468 207	22 236 325	73 704 532	65 916 076	(7 788 456)	43 398 125
Vote 8 - Electricity	136 678 567	28 231 126	164 909 693	154 920 203	(9 989 490)	152 780 328
Vote 9 - Waste Management	26 191 637	4 278 245	30 469 882	26 075 344	(4 394 538)	17 840 938
Vote 10 - Waste Water Management	20 451 719	3 665 655	24 117 374	21 407 266	(2 710 108)	19 597 893
Vote 11 - Water	33 757 318	(1 638 633)	32 118 685	33 545 386	1 426 701	39 390 392
Vote 12 - Housing	6 456 570	3 501 576	9 958 146	5 506 299	(4 451 847)	4 173 923
Vote 13 - Road Transport	17 264 859	(703 449)	16 561 410	15 954 924	(606 486)	14 917 218
Vote 14 - Sports and Recreation	14 485 308	(1 168 732)	13 316 576	12 708 675	(607 901)	12 695 151
Total Expenditure by Vote	451 159 155	61 253 461	512 412 616	476 189 111	(36 223 505)	445 615 209
Surplus/(Deficit) for the year	61 063 853	(12 501 564)	48 562 289	65 266 339	16 704 050	36 011 369

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NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

	ORIGINAL BUDGET 2025 R	BUDGET ADJUSTMENTS 2025 R	FINAL BUDGET 2025 R	ACTUAL OUTCOME 2025 R	BUDGET VARIANCE 2025 R	RESTATED OUTCOME 2024 R
REVENUE AND EXPENDITURE						
REVENUE BY SOURCE						
Exchange Revenue						
Service charges - Electricity	135 874 000	13 757 000	149 631 000	152 838 248	3 207 248	127 401 381
Service charges - Water	33 443 000	(666 000)	32 777 000	32 696 026	(80 974)	32 780 700
Service charges - Waste Water Management	15 305 000	(641 000)	14 664 000	15 823 494	1 159 494	16 350 614
Service charges - Waste Management	14 436 000	(723 000)	13 713 000	14 604 231	891 231	14 106 018
Sale of Goods and Rendering of Services	4 925 599	(314 575)	4 611 024	5 318 382	707 358	4 559 879
Agency services	4 464 524	(469 301)	3 995 223	4 012 431	17 208	4 299 701
Interest Earned from Receivables (Exchange)	6 698 000	788 000	7 486 000	7 361 932	(124 068)	8 117 192
Interest Earned from Current and Non Current Assets	1 150 000	8 340 280	9 490 280	9 619 304	129 024	5 190 675
Rental from Fixed Assets	783 960	(35 556)	748 404	1 070 306	321 902	969 797
Licences and Permits	12 150	(10 150)	2 000	2 370	370	11 059
Operational Revenue (Exchange)	526 586	(190 634)	335 952	595 387	259 435	846 009
Non-Exchange Revenue						
Property Rates	75 998 000	(1 269 000)	74 729 000	74 996 749	267 749	73 692 932
Surcharges and Taxes	1 000	-	1 000	-	(1 000)	-
Fines, Penalties and Forfeits	34 907 068	26 431 880	61 338 948	56 369 637	(4 969 311)	32 934 099
Transfers and Subsidies - Operational	94 461 651	21 756 093	116 217 744	105 685 811	(10 531 933)	111 119 693
Interest Earned from Receivables (Non-Exchange)	4 353 000	156 000	4 509 000	4 499 590	(9 410)	4 207 894
Operational Revenue (Non-Exchange)	4 601 000	(644 000)	3 957 000	3 863 433	(93 567)	3 629 486
Gains on Disposal of Assets	-	400 000	400 000	1 427 815	1 027 815	-
Other Gains	19 548 121	(5 299 000)	14 249 121	12 889 319	(1 359 802)	9 579 622
Total Revenue (excl capital transfers)	451 488 659	61 367 037	512 855 696	503 674 464	(9 181 232)	449 796 750
EXPENDITURE BY TYPE						
Employee Related Costs	149 110 026	(6 426 732)	142 683 294	138 386 347	(4 296 947)	130 819 444
Remuneration of Councillors	6 501 600	4 400	6 506 000	6 355 048	(150 952)	6 081 304
Bulk Purchases - Electricity	113 900 000	12 950 000	126 850 000	124 217 401	(2 632 599)	105 502 654
Inventory Consumed	11 172 005	3 132 567	14 304 572	13 313 746	(990 826)	10 927 259
Debt Impairment	54 087 640	25 269 360	79 357 000	66 019 121	(13 337 879)	50 383 603
Depreciation and Amortisation	31 438 000	1 530 000	32 968 000	33 693 188	725 188	42 207 354
Interest	11 926 000	866 110	12 792 110	15 149 680	2 357 570	16 029 892
Contracted Services	27 731 918	23 723 452	51 455 370	40 502 309	(10 953 061)	55 518 311
Transfers and Subsidies	220 000	-	220 000	164 462	(55 538)	198 026
Operational Costs	37 711 966	5 104 304	42 816 270	35 398 882	(7 417 388)	27 296 471
Losses on Disposal of Assets	-	400 000	400 000	-	(400 000)	650 890
Other Losses	7 360 000	(5 300 000)	2 060 000	2 988 926	928 926	-
Total Expenditure	451 159 155	61 253 461	512 412 616	476 189 111	(36 223 505)	445 615 209
Surplus/(Deficit)	329 504	113 576	443 080	27 485 353	27 042 273	4 181 541
Transfers and Subsidies - Capital (monetary allocations)	60 734 349	(12 615 140)	48 119 209	37 780 985	(10 338 224)	26 279 599
Transfers and Subsidies - Capital (in-kind)	-	-	-	-	-	5 550 229
Surplus/(Deficit) for the year	61 063 853	(12 501 564)	48 562 289	65 266 339	16 704 050	36 011 369

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APPENDIX C (UNAUDITED)

NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

	ORIGINAL BUDGET 2025 R	BUDGET ADJUSTMENTS 2025 R	FINAL BUDGET 2025 R	ACTUAL OUTCOME 2025 R	BUDGET VARIANCE 2025 R	RESTATED OUTCOME 2024 R
CAPITAL EXPENDITURE						
CAPITAL EXPENDITURE (MUNICIPAL VOTE)						
Multi-year expenditure						
Vote 1 - Executive and Council	-	-	-	-	-	-
Vote 2 - Office of Municipal Manager	-	-	-	-	-	-
Vote 3 - Financial Administrative Services	-	-	-	-	-	-
Vote 4 - Community Development Services	-	-	-	-	-	-
Vote 5 - Corporate and Strategic Services	-	-	-	-	-	-
Vote 6 - Planning and Development Services	-	260 870	260 870	260 870	(0)	2 184 882
Vote 7 - Public Safety	-	-	-	-	-	-
Vote 8 - Electricity	1 320 000	(120 000)	1 200 000	1 200 000	-	-
Vote 9 - Waste Management	2 500 000	(2 500 000)	-	-	-	-
Vote 10 - Waste Water Management	-	-	-	-	-	-
Vote 11 - Water	12 896 522	(12 896 522)	-	-	-	-
Vote 12 - Housing	3 200 000	(1 999 845)	1 200 155	1 200 971	816	999 833
Vote 13 - Road Transport	2 000 000	-	2 000 000	1 720 321	(279 679)	-
Vote 14 - Sports and Recreation	-	-	-	-	-	-
Total Multi-year expenditure	21 916 522	(17 255 497)	4 661 025	4 382 161	(278 864)	3 184 715
Single-year expenditure						
Vote 1 - Executive and Council	-	-	-	-	-	-
Vote 2 - Office of Municipal Manager	-	-	-	-	-	-
Vote 3 - Financial Administrative Services	400 000	209 000	609 000	437 615	(171 385)	115 410
Vote 4 - Community Development Services	10 153 438	(2 667 369)	7 486 069	4 883 380	(2 602 689)	540 107
Vote 5 - Corporate and Strategic Services	1 071 020	266 000	1 337 020	950 390	(386 630)	1 261 140
Vote 6 - Planning and Development Services	500 000	(495 000)	5 000	3 520	(1 480)	1 226 810
Vote 7 - Public Safety	460 000	2 870 000	3 330 000	2 523 707	(806 293)	-
Vote 8 - Electricity	14 112 174	(5 584 051)	8 528 123	5 331 810	(3 196 313)	4 362 570
Vote 9 - Waste Management	-	4 955 195	4 955 195	3 010 640	(1 944 555)	12 996 681
Vote 10 - Waste Water Management	21 726 349	3 098 360	24 824 709	19 527 162	(5 297 547)	7 848 245
Vote 11 - Water	7 492 522	4 888 202	12 380 724	9 784 608	(2 596 116)	6 387 607
Vote 12 - Housing	2 736 000	(581 155)	2 154 845	2 154 845	-	2 063 000
Vote 13 - Road Transport	-	1 652 175	1 652 175	761 572	(890 603)	1 604 228
Vote 14 - Sports and Recreation	-	-	-	-	-	71 604
Total Single-year expenditure	58 651 503	8 611 357	67 262 860	49 369 249	(17 893 611)	38 477 401
Total Capital Expenditure by Vote	80 568 025	(8 644 140)	71 923 885	53 751 410	(18 172 475)	41 662 116

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NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

	ORIGINAL BUDGET 2025 R	BUDGET ADJUSTMENTS 2025 R	FINAL BUDGET 2025 R	ACTUAL OUTCOME 2025 R	BUDGET VARIANCE 2025 R	RESTATED OUTCOME 2024 R
CAPITAL EXPENDITURE (CONTINUED)						
CAPITAL EXPENDITURE (STANDARD CLASSIFICATION)						
Governance and administration						
Executive and council	-	-	-	-	-	-
Finance and administration	1 471 020	475 000	1 946 020	1 388 006	(558 014)	1 376 550
Internal audit	-	-	-	-	-	-
Community and public safety						
Community and social services	10 153 438	(1 615 369)	8 538 069	5 898 116	(2 639 953)	540 107
Sport and recreation	-	-	-	-	-	71 604
Public safety	460 000	1 818 000	2 278 000	1 508 972	(769 028)	-
Housing	5 936 000	(2 581 000)	3 355 000	3 355 816	816	3 062 833
Economic and environmental services						
Planning and development	500 000	(234 130)	265 870	264 389	(1 481)	3 411 692
Road transport	2 000 000	956 523	2 956 523	2 441 601	(514 922)	1 604 228
Trading services						
Energy sources	15 432 174	(5 704 051)	9 728 123	6 531 810	(3 196 313)	4 362 570
Water management	20 389 044	(8 008 320)	12 380 724	9 784 608	(2 596 116)	6 387 607
Waste water management	21 726 349	3 794 012	25 520 361	19 567 454	(5 952 907)	7 848 245
Waste management	2 500 000	2 455 195	4 955 195	3 010 640	(1 944 555)	12 996 681
Total Capital Expenditure - Standard	80 568 025	(8 644 140)	71 923 885	53 751 410	(18 172 475)	41 662 116
FUNDING SOURCES						
National Government	47 841 827	(13 900 865)	33 940 962	25 140 596	(8 800 366)	17 600 558
Provincial Government	12 892 522	1 285 725	14 178 247	12 640 389	(1 537 858)	8 679 041
District Municipality	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-
Transfers recognised - capital	60 734 349	(12 615 140)	48 119 209	37 780 985	(10 338 224)	26 279 599
Borrowing	-	-	-	-	-	-
Internally generated funds	19 833 676	3 971 000	23 804 676	15 970 425	(7 834 251)	15 382 517
Total Capital Funding	80 568 025	(8 644 140)	71 923 885	53 751 410	(18 172 475)	41 662 116

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NATIONAL TREASURY APPROPRIATION STATEMENTS FOR THE YEAR ENDING 30 JUNE 2025

	ORIGINAL BUDGET 2025 R	BUDGET ADJUSTMENTS 2025 R	FINAL BUDGET 2025 R	ACTUAL OUTCOME 2025 R	BUDGET VARIANCE 2025 R	RESTATED OUTCOME 2024 R
CASH FLOWS						
CASH FLOW FROM OPERATING ACTIVITIES						
Receipts						
Property rates	69 603 284	(2 720 829)	66 882 455	71 201 990	4 319 535	66 481 290
Service charges	193 978 752	4 215 463	198 194 215	207 250 369	9 056 154	177 380 685
Other revenue	13 611 247	6 314 304	19 925 551	23 595 100	3 669 549	21 724 523
Transfers and Subsidies - Operational	94 461 651	14 681 862	109 143 513	101 343 807	(7 799 706)	117 607 063
Transfers and Subsidies - Capital	60 734 349	(22 665 847)	38 068 502	37 780 985	(287 517)	26 279 599
Interest	5 002 994	8 109 776	13 112 770	12 536 998	(575 772)	8 494 207
Payments						
Suppliers and employees	(345 941 515)	(39 042 991)	(384 984 506)	(354 108 873)	30 875 633	(336 780 563)
Finance charges	(290 000)	-	(290 000)	(228 344)	61 656	(497 399)
Transfers and Subsidies	(220 000)	-	(220 000)	(164 462)	55 538	(198 026)
NET CASH FROM OPERATING ACTIVITIES	90 940 762	(31 108 263)	59 832 500	99 207 569	39 375 069	80 491 380
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts						
Proceeds on disposal of PPE	-	400 000	400 000	3 347 752	2 947 752	697 217
Payments						
Capital assets	(80 568 025)	8 644 140	(71 923 885)	(57 474 924)	14 448 961	(46 970 037)
NET CASH USED IN INVESTING ACTIVITIES	(80 568 025)	9 044 140	(71 523 885)	(54 127 171)	17 396 714	(46 272 819)
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts						
Increase (decrease) in consumer deposits	221 372	(51 372)	170 000	228 113	58 113	202 729
Payments						
Repayment of borrowing	(1 968 708)	-	(1 968 708)	(1 968 707)	1	(1 940 624)
NET CASH FROM FINANCING ACTIVITIES	(1 747 336)	(51 372)	(1 798 708)	(1 740 594)	58 114	(1 737 895)
NET INCREASE/ (DECREASE) IN CASH HELD	8 625 401	(22 115 495)	(13 490 093)	43 339 804	56 829 897	32 480 666
Cash/cash equivalents at the year begin:	1 529 640	59 728 575	61 258 215	61 258 215	-	28 777 549
Cash/cash equivalents at the year end:	10 155 041	37 613 081	47 768 122	104 598 019	56 829 897	61 258 215

Annexure B
Report of the Auditor General

Report of the auditor-general to Western Cape Provincial Parliament and the council on Cederberg Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Cederberg Local Municipality set out on pages 4 to 95, which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of Cederberg Local Municipality as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act, 56 of 2003 (MFMA) and the Division of Revenue Act, 24 of 2024 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Material impairments

7. As disclosed in note 3 to the financial statements, the municipality provided for the impairment of receivables from exchange transactions of R70 847 084 (2023-24: R68 460 242).
8. As disclosed in note 4 to the financial statements, the municipality provided for the impairment of receivables from non-exchange transactions of R117 408 389 (2023-24: R69 930 648).

9. As disclosed in note 11 to the financial statements, the municipality provided for an accumulated impairment of infrastructure assets of R54 994 261 (2023-2024: R50 825 162). This relates to the Lamberts' Bay desalination plant needing to be refurbished as it is taking longer to complete due to outstanding environmental impact assessment processes as well funding approval from the Department of Water and Sanitation.

Restatement of corresponding figures

10. As disclosed in note 48 to the financial statements, the corresponding figures for 30 June 2024 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2025.

Other matters

11. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited disclosure notes

12. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, we do not express an opinion on it.

Unaudited supplementary schedules

13. The supplementary information set out on pages 96 to 103 do not form part of the financial statements and is presented as additional information. We have not audited these schedules and, accordingly, we do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

14. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP and the requirements of the MFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
15. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

16. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

17. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located on page 10, forms part of my auditor's report.

Report on the annual performance report

18. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

19. I selected the following material performance indicators related to Strategic objective 1: Improve and sustain basic service delivery and infrastructure development presented in the annual performance report for the year ended 30 June 2025. I selected those indicators that measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

- TL 9 The percentage of the municipal capital budget actually spent on capital projects as at 30 June 2025 (Actual amount spent on capital projects/Total amount budgeted for capital projects) X100
- TL 16 Number of formal residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2025
- TL 17 Number of residential account holders with electricity which are connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) (Excluding Eskom areas) and billed for the service as at 30 June 2025
- TL 18 Number of residential account holders with sanitation services which are connected to the municipal wastewater (sanitation/sewerage) network and are billed for sewerage service, irrespective of the number of water closets (toilets) as at 30 June 2025
- TL 19 Number of residential account holders for which refuse is removed once per week and billed for the service as at 30 June 2025
- TL 20 Provide free basic water to indigent households as per the requirements in the indigent policy as at 30 June 2025
- TL 21 Provide free basic electricity to indigent households as per the requirements in the indigent policy as at 30 June 2025
- TL 22 Provide free basic sanitation to indigent households as per the requirements in the indigent policy as at 30 June 2025

- TL 23 Provide free basic refuse removal to indigent households as per the requirements in the indigent policy as at 30 June 2025
- TL 29 Spend 90% of the approved maintenance budget for Technical Services (Water, Wastewater, Electricity, Roads and Stormwater) by 30 June 2025 $[(\text{Actual expenditure on maintenance} / \text{total approved maintenance budget}) \times 100]$
- TL 31 95% of the water samples comply with SANS 241 micro biological parameters $\{(\text{Number of water samples that comply with SANS 241 indicators} / \text{Number of water samples tested}) \times 100\}$
- TL 36 Spend 90% of the project budget to upgrade and refurbishment of the Clanwilliam Wastewater Treatment Works by 30 June 2025 $[(\text{Total actual expenditure on the project} / \text{Approved capital budget for the project}) \times 100]$
- TL 42 Spend 90 % of the project budget for the upgrade of roads and- stormwater Infrastructure in Graafwater by 30 June 2025 $[(\text{Total actual expenditure on the project} / \text{Approved capital budget for the project}) \times 100]$
- TL 46 Spend 90% of the approved ISUPG budget for the installation of water services of Clanwilliam Khayelitsha by 30 June 2025 $[(\text{Total actual expenditure on the project} / \text{Approved budget for the project}) \times 100]$
- TL 47 Spend 90% of the approved budget for the Water Treatment Works filters in Clanwilliam by 30 June 2025 $[(\text{Total actual expenditure on the project} / \text{Approved capital budget for the project}) \times 100]$
- TL 72 Spend 90% of the project budget for the upgrade of roads in Cederberg by 30 June 2025 $[(\text{Total Actual expenditure on the project} / \text{Approved capital budget for the project}) \times 100]$

20. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

21. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements

- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and measures taken to improve performance.

22. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

23. I did not identify any material findings on the reported performance information for the selected indicators.

Other matter

24. I draw attention to the matter below.

Achievement of planned targets

25. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.

26. The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages 11 to 20

Strategic objective 1: Improve and sustain basic service delivery and infrastructure development

<i>Targets achieved: 72.86%</i> <i>Budget spent: 57.14%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
TL 9 The percentage of the municipal capital budget actually spent on capital projects as at 30 June 2025 (Actual amount spent on capital projects/Total amount budgeted for capital projects) X100	90%	74.73%
TL 16 Number of formal residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2025	6 047	6 017

TL 18 Number of residential account holders with sanitation services which are connected to the municipal wastewater (sanitation/sewerage) network and are billed for sewerage service, irrespective of the number of water closets (toilets) as at 30 June 2025	5 172	5 150
TL 19 Number of residential account holders for which refuse is removed once per week and billed for the service as at 30 June 2025	6 001	5 983
TL 20 Provide free basic water to indigent households as per the requirements in the indigent policy as at 30 June 2025	2 244	1 663
TL 22 Provide free basic sanitation to indigent households as per the requirements in the indigent policy as at 30 June 2025	2 292	1 846
TL 23 Provide free basic refuse removal to indigent households as per the requirements in the indigent policy as at 30 June 2025	2 355	1 918
TL 29 Spend 90% of the approved maintenance budget for Technical Services (Water, Wastewater, Electricity, Roads and Stormwater) by 30 June 2025 [(Actual expenditure on maintenance/total approved maintenance budget) x100]	90%	82,95%
TL 36 Spend 90% of the project budget to upgrade and refurbishment of the Clanwilliam Wastewater Treatment Works by 30 June 2025 [(Total actual expenditure on the project/ Approved capital budget for the project x100]	90%	81,45%
TL 72 Spend 90% of the project budget for the upgrade of roads in Cederberg by 30 June 2025 [(Total Actual expenditure on the project/ Approved capital budget for the project) x 100]	90%	86,02%

Material misstatements

27. I identified preventable material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Strategic objective 1: Improve and sustain basic service delivery and infrastructure development. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

Report on compliance with legislation

28. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

29. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
30. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
31. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

32. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in strategic objective presented in the annual performance report that have been specifically reported on in this auditor's report.
33. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
34. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in strategic objective presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
35. I did not receive the other information prior to the date of this auditor's report. When I do receive and read the other information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

36. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation; however, my objective was not to express any form of assurance on it.

37. I did not identify any significant deficiencies in internal control.

Auditor-General
Cape Town

29 November 2025



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the International Standards on Auditing, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected material performance indicators and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause the municipality to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003 (MFMA)	Sections 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii) Sections 32(2)(b), 32(6)(a), 32(7), 33(1)(c)(ii), 53(1)(c)(ii), 53(1)(c)(iii)(bb), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 165(1), 165(2)(a), 165(2)(b)(ii), 165(2)(b)(iv), 165(2)(b)(v), 165(2)(b)(vii), 166(2)(b), 166(2)(a)(iv), 166(5), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(i), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulations 17, 25(7A)
Division of Revenue Act 24 of 2024	Sections 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Municipal Systems Act 32 of 2000 (MSA)	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 45(a), 54A(1)(a), 56(1)(a), 57(2)(a), 57(4B), 57(6)(a), 57A, 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)

Legislation	Sections or regulations
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 14(1)(b)(iii), 14(1)(c)(ii), 14(4)(a)(i), 14(4)(a)(iii), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3), 26(5), 27(4)(a)(i)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Municipal Staff Regulations, 2021	Regulations 7(1), 19, 31, 35(1)
MSA: Municipal Systems Regulations, 2001	Regulation 43
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)