



MID-YEAR FINANCIAL REPORT ENDED 31 DECEMBER 2024

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PART 1 – MID-YEAR FINANCIAL REPORT

1.1 CHAIRPERSON'S REPORT

Introduction

The purpose of this report is to inform the Board of Directors of the Entity's Mid-Year performance as at 31 December 2024 against the approved budget in compliance with Section 88 (1) of the MFMA and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009, by providing a statement on the implementation of the budget and financial state of affairs of the Entity to the Parent Municipality, as legislated.

Background

The entity's revenue sources have experienced a decline during the current and past few years. This downward movement is mainly attributed to the constraints on supply by Eskom as well as customers heeding to energy conservation. Factors impacting this downwards trend amongst others are the large tariff increases awarded to Eskom impact customers and is likely changing consumption patterns. Secondly, the discrepancy between the tariff increases awarded to Eskom and the tariff increases awarded to municipalities for their electricity sales addressing this complex interplay remains pivotal to ensure financial sustainability and customer satisfaction.

Furthermore, the ongoing challenges related to infrastructure vandalism present a significant threat to the infrastructure integrity of CENTLEC. These incidents not only cause immediate operational disruptions but also incur substantial financial implications for the repair and replacement of affected assets that becomes material costly and in which funding odd to be essential.

The mid-year budget performance assessment ended 31 December 2024 for CENTLEC is at 50% in-line with the norms and prescriptive guidelines of National Treasury. Reprioritisation of spending levels have been assessed and will be the baseline informing the Adjustment Budget 2024/25.

Section 88 (1) of the Municipal Finance Management Act indicate that:

The Accounting Officer of a municipal entity must by 20 January of each year –

- (a) Assess the performance of the entity during the first half of the financial year, taking into account-
 - (i) The monthly statements referred to in section 87 for the first half of the financial year and the targets set in the service delivery, business plan or other agreement with the entity's parent municipality; and
 - (ii) The entity's annual report for the past year and progress on resolving problems identified in the annual report; and
- (b) Submit a report on such assessment to –
 - (i) The board of directors of the entity; and
 - (ii) The parent municipality of the entity
- (c) A report referred to in subsection (1) must be made public

Overview

The summary below provides an overview of the budget and financial state of affairs of the Entity for the mid-year (six months).

Centlec - Table F1 Monthly Budget Statement Summary - M06 December

Description	2023/24	Current Year 2024/25						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Financial Performance								
Property rates	-	-	-	-	-	-	-	-
Service charges	3 297 640	4 145 552	216 741	1 824 324	2 072 776	(248)	-12%	4 145 552
Investment revenue	3 579	5 688	414	2 284	2 844	(1)	-20%	5 688
Transfers recognised - operational	-	-	-	-	-	-	-	-
Other own revenue	59 296	70 384	3 568	24 033	35 192	(11)	-32%	70 384
Total Revenue (excluding capital transfers and contributions)	3 360 515	4 221 624	220 723	1 850 642	2 110 812	(260 170)	-12%	4 221 624
Employee costs	524 568	503 860	45 612	268 560	251 931	16 629	7%	503 860
Remuneration of Board Members	-	1 277	-	625	639	(13)	-2%	1 277
Depreciation and asset impairment	233 630	411 062	44 876	270 128	205 531	64 596	31%	411 062
Interest	7 498	56	5	28	28	(0)	0%	56
Inventory consumed and bulk purchases	2 518 659	2 643 601	169 833	1 704 573	1 321 801	382 772	29%	2 640 651
Transfers and grants	-	120 000	-	-	60 000	(60 000)	-100%	120 000
Other expenditure	470 783	309 950	34 907	160 056	154 975	5 082	3%	312 900
Total Expenditure	3 755 139	3 989 806	295 233	2 403 970	1 994 904	409 067	21%	3 989 806
Surplus/(Deficit)	(394 623)	231 818	(74 510)	(553 329)	115 908	(669 237)	-577%	231 818
Transfers and subsidies - capital (monetary allocations)	80 613	50 618	480	2 138	25 309	(23 171)	-82%	50 618
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(314 010)	282 436	(74 031)	(551 191)	141 217	(692 408)	-490%	282 436
Income Tax	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(314 010)	282 436	(74 031)	(551 191)	141 217	(692 408)	-490%	282 436
Capital expenditure & funds sources								
Capital expenditure	155 271	278 845	39 775	110 887	139 422	(28 535)	-20%	278 845
Transfers recognised - capital	82 541	49 060	10 564	31 085	24 530	6 555	27%	49 060
Borrowing	-	-	-	-	-	-	-	-
Internally generated funds	72 731	229 785	29 211	79 802	114 892	(35 090)	-31%	229 785
Total sources of capital funds	155 271	278 845	39 775	110 887	139 422	(28 535)	-20%	278 845
Financial position								
Total current assets	877 586	756 793		883 805				756 793
Total non current assets	7 630 733	7 604 854		7 630 274				7 604 854
Total current liabilities	1 569 244	1 028 744		1 574 976				1 028 744
Total non current liabilities	1 422 482	1 532 185		1 422 510				1 532 185
Community wealth/Equity	5 516 593	5 800 717		5 516 593				5 800 717
Cash flows								
Net cash from (used) operating	180 591	246 347	23 479	66 425	123 173	(56 748)	-46%	246 347
Net cash from (used) investing	(157 641)	(230 360)	(11 722)	(20 777)	(115 180)	94 403	-82%	(230 360)
Net cash from (used) financing	(1 669)	(1 861)	-	-	(931)	931	-100%	(1 861)
Cash/cash equivalents at the year end	24 295	38 421	52 874	256 209	22 612	233 597	1033%	224 685
Debtors & creditors analysis	31-60 Days	61-90 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total
Debtors Age Analysis								
Total By Income Source	79 237	28 681	30 607	24 323	16 287	68 629	715 219	997 708
Creditors Age Analysis								
Total Creditors	205 870	-	1 132	-	-	-	-	207 002

Conclusion

Based on the details as outline above and in terms of the Section 88(1) of the MFMA, it is recommended that Council approves the Mid-Year Financial Report as contained herein, together with the resolutions as contained here below.

A handwritten signature in black ink, appearing to read "Mr. Mokithane".

Chairperson of the Board

1.2 RESOLUTIONS

In terms of Section 88 (1) of the MFMA the information for the Mid-Year Financial Report be tabled as set out in the following Budget Statement Tables:

- (a) Table F1 – Monthly Budget Statement Summary**
- (b) Table F2 – Financial Performance (Revenue and Expenditure)**
- (c) Table F3 – Capital Expenditure Budget by Vote and Funding**
- (d) Table F4 – Financial Position**
- (e) Table F5 – Cash flows Statements**

1.3 EXECUTIVE SUMMARY

The Mid-Year Financial Report is compiled in accordance with Section 88(1) and in the prescribed format required by the Act. This Report is based upon financial data as at 31 December 2024. All variances are calculated against the approved budget figures. The results for the six months ended 31 December 2024 are summarised as follows:

1.3.1 Statement of Financial Performance (*Table F2*)

The Statement of Financial Performance in **Table F2** is prepared on a similar basis to the prescribed budget format, detailing revenue by source (excluding capital transfers and contributions) and expenditure by type. The summary report indicates the following:

The actual performance for the mid-year on the operating budget can be summarised as follows:

Details	Original Budget	Mid-Year Budget Allocation	Mid-Year Actuals	Mid-Year Variance ('R)	Mid-Year %	YTD Actuals	YTD %	Notes
	R"000	R"000	R"000	R"000	R"000	R"000	R"000	
Revenue by Source	4 221 624	2 110 812	1 850 642	(260 170)	88%	1 850 642	44%	A
Expenditure by Type	3 989 806	1 994 904	2 403 970	409 067	121%	2 403 970	60%	B
Surplus / (Deficit)	231 818	115 908	(553 329)	(669 237)		(553 329)		

Notes:

A Unfavorable variance of R 260,170 million against the mid-year budget allocation mainly due to various factors such as customer conservativeness and customers seeking migrating to alternative energy sources.

B Unfavorable variance of R 409,067 million against the mid-year budget allocation. The major contributors are the Depreciation (non-cash) actuals exceeded the set budgetary allocation by the Parent Municipality, followed by Bulk Purchases that also includes two winter months under the reporting period of review.

Table F2: with the detailed cumulative year to date performance for the financial year outlined below:

Centlec - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December								
Description R thousands	2023/24	Current Year 2024/25						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Notes
Revenue								
Exchange Revenue								
Service charges - Electricity	3 297 640	4 145 552	216 741	1 824 324	2 072 776	(248 451)	-12.0%	1
Sale of Goods and Rendering of Services	8 634	12 398	37	2 291	6 199	(3 908)	-63.0%	2
Interest earned from Receivables	37 879	37 394	3 287	19 565	18 697	868	4.6%	3
Interest earned from Current and Non Current Assets	3 579	5 688	414	2 284	2 844	(560)	-19.7%	4
Operational Revenue	2 396	4 080	(24)	102	2 040	(1 938)	-95.0%	5
Non-Exchange Revenue								
Fines, penalties and forfeits	2 607	5 228	268	1 991	2 614	(623)	-23.8%	6
Gains on disposal of Assets	2 844	9 900	-	-	4 950	(4 950)	-100.0%	7
Other Gains	4 936	1 385	-	86	692	(607)	-87.6%	
Total Revenue (excluding capital transfers and contributions)	3 360 515	4 221 624	220 723	1 850 642	2 110 812	(260 170)	-12.3%	
Expenditure By Type								
Employee related costs	524 568	503 860	45 612	268 560	251 931	16 629	6.6%	8
Remuneration of board members		1 277		625	639	(13)	-2.1%	9
Bulk purchases - electricity	2 440 868	2 569 190	164 733	1 663 602	1 284 595	379 006	29.5%	10
Inventory consumed	77 792	74 411	5 100	40 971	37 205	3 766	10.1%	11
Debt impairment	1 242	317 562	26 464	158 781	158 781	-		
Depreciation and asset impairment	232 388	93 500	18 412	111 346	46 750	64 596	138.2%	12
Interest	7 498	56	5	28	28	(0)	0.0%	
Contracted services	130 004	164 761	20 266	82 236	82 381	(144)	-0.2%	13
Transfers and subsidies	-	120 000	-	-	60 000	(60 000)	-100.0%	
Irrecoverable debts written off	68 360	-	-	-	-	-		
Operational costs	261 484	145 188	14 642	77 814	72 594	5 220	7.2%	14
Losses on disposal of Assets	6 154	-	-	-	-	-		
Other Losses	4 781	-	-	6	-	6	100.0%	
Total Expenditure	3 755 139	3 989 806	295 233	2 403 970	1 994 904	409 067	20.5%	
Surplus/(Deficit)	(394 623)	231 818	(74 510)	(553 329)	115 908	(669 237)	-577.4%	
Transfers and subsidies - capital (monetary allocations)	80 613	50 618	480	2 138	25 309	(23 171)	-91.6%	
Transfers and subsidies - capital (in-kind)						-		
Surplus/(Deficit) before taxation	(314 010)	282 436	(74 031)	(551 191)	141 217	(692 408)	-490.3%	
Income Tax			-	-	-	-		
Surplus/(Deficit) for the year	(314 010)	282 436	(74 031)	(551 191)	141 217	(692 408)	-490.3%	

THE MAJOR REVENUE YTD VARIANCES AGAINST THE BUDGET ARE:

1. Service charges

1.1 Service Charged - Electricity Revenue

Unfavourable variance of R 248,451 million equivalent to (12.0%) of the year-to-date budget. The variance is due to customers seeking alternative electricity sources and the ripple effect of load shedding resulting in loss of customers. The impact on the customer base and debtor quality was higher than initially anticipated. High annual ESKOM tariff increases and weakening economic environment are also resulting in lower customer spending patterns.

1.2 Non-Service Charged – Electricity Revenue

The following table indicates other income and grants received for the mid-year ended 31 December 2024.

Description	Yearly Budget	Mid-Year Budget Allocation	Mid-Year Actuals	Mid-Year Variance (R)	Mid-Year %	YTD Actuals	%
FINES: ILLEGAL CONNECTIONS ELECTRICITY	5 227 910	2 613 955	1 990 557	623 398	76%	1 990 557	38%
SALE OF GOODS AND RENDERING OF SERVICES	12 397 593	6 198 797	2 290 757	3 908 040	37%	2 290 757	18%
INTEREST ON OUTSTANDING DEBTORS	37 394 257	18 697 129	19 564 740	-867 612	105%	19 564 740	52%
INTEREST EARNED FROM CURRENT AND NON CURRENT ASSETS	5 688 080	2 844 040	2 283 909	560 131	80%	2 283 909	40%
CONDITIONAL GRANT (USDG)	50 617 900	25 308 950	2 137 866	23 171 084	8%	2 137 866	4%
GAINS ON DISPOSAL OF PPE	9 899 800	4 949 900	-	4 949 900	0%	-	0%
OTHER INCOME	5 464 281	2 732 141	187 134	2 545 006	7%	187 134	3%
TOTAL OTHER REVENUE	126 689 821	63 344 911	28 454 964	34 889 947	45%	28 454 964	22%

2. Sales of goods and rendering of Services

Unfavourable variance of R 3,908 million equivalent to (63.0%) for the year to date. The variance is mainly due to the termination of services for Southern Free State Municipalities thus lower actual levels for Sale of goods and rending of services than initially anticipated.

3. Interest earned from Receivables

Favourable variance of R 868,000 equivalent to (4.6%) of the year-to-date budget. The variance is mainly due to actual interest charged on late payment by customers being higher than anticipated and the ripple effect of estimates charged.

4. Interest earned from Current & Non-current assets (Bank Accounts & Investments)

Unfavourable variance of R 560,000 equivalent to (19.7%) of the year-to-date budget. The amount received for interest on bank and investment was lower than the anticipated budget due to cash on hand being primarily used to settle operational obligations instead of investing.

5. Operational Revenue

Unfavourable variance of R 1,938 million equivalent to (95%) of the year-to-date budget. Majority of the budgeted operational revenue is only accounted (recognised) as part of financial year-end processes as accurately accrued income.

6. Fines

Unfavourable variance of R 623,398 equivalent to (23.8%) of the year-to-date budget. This line item is dependent on fines imposed which is customer behaviour driven. Comparison between the annual approved budget and the mid-year actual performance is at 38% expressing a favourable customer behaviour as less fines were issued for the period under review. More stringent credit control measures are put in place to ensure that levied fines are followed up and paid by defaulter consumers.

FINES	Yearly Budget	Mid-Year Budget Allocation	Mid-Year Actuals	Mid-Year Variance (R)	Mid-Year %	YTD Actuals	YTD %
FINES: ILLEGAL CONNECTIONS ELECTRICITY	5 227 910	2 613 955	1 990 557	623 398	76%	1 990 557	38%
TOTAL FINES	5 227 910	2 613 955	1 990 557	623 398	76%	1 990 557	38%

7. Gains on disposal of PPE

Unfavourable variance of R 607 000 equivalent to (87.6%) of the year-to-date budget. The actual proceeds will be realised when the annual auction takes place as per the policy framework towards the end of each financial year.

THE MAJOR EXPENDITURE YTD VARIANCES AGAINST THE BUDGET ARE:

8. Employee related Cost

Unfavourable variance of R 16,629 million equivalent to (6.6%) of the year-to-date budget. The main contributor relates to overtime due to the unforeseen climate changes such as storms, followed by annual increments on third parties and promotions in new remuneration notches.

9. Remuneration of Directors

Favourable variance of R 13,000 equivalent to (2.1%) of the year-to-date budget. The variance is due to the recovery process.

10. Bulk Purchases

Unfavourable variance of R 379,006 million equivalent to (29.5%) of the year-to-date budget. The variance is due to winter consumption charged for July and August measured against the straight lined budget and tariff increase. As this is the largest variance for expenditure the budgeted value will also be adjusted during the adjustment budget based on the current actual consumption patterns observed during the past 6 months.

11. Other material (Inventory)

Unfavourable variance of R 3,766 million equivalent to (10.1%) of the year-to-date budget. The variance is mainly due to increased repairs and maintenance as a result of increased vandalism and theft during the first 6 month period of the year. Unexpected network damages are also a contributing factor.

12. Depreciation & asset impairment

Unfavourable variance of R 64,596 million equivalent to (138.2%) of the year-to-date budget. The variance is due to the budget cut made to non-cash items by the Parent Municipality oppose to the actual depreciation captured/processed in the months under review.

13. Contracted Services

Favourable variance of R 144,000 equivalent to (0.2%) of the year-to-date budget. The variance results in the implementation of Cost Containment Measures as requirement by the MFMA Circular No. 82 published by National Treasury to consider and prioritise service delivery.

14. Operational Costs

Unfavourable variance of R 5,220 million equivalent to (7.2%) of the year-to-date budget. The increase is mainly due to more repairs & maintenance expenses incurred than initially budgeted for due to increased vandalism and theft during the first 6 months. Unexpected network damages are also a contributing factor.

1.3.1 REVENUE AND EXPENDITURE

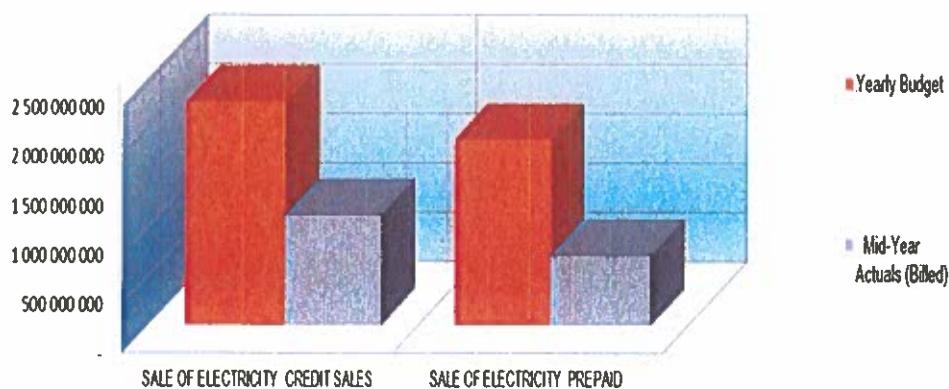
1.3.1.1 Revenue by Source for the mid-year ended 31 December 2024

An amount of R 1,824 billion (44%) was billed for the year to date compared to the annual budget of R 4,145 billion.

Details	Yearly Budget	Mid-Year Budget Allocation	Mid-Year Actuals (Billed)	Mid-Year Variance ('R)	Mid-Year %	YTD Actuals	YTD %
SALE OF ELECTRICITY: CREDIT SALES	2 263 692 632	1 131 846 316	1 116 218 276	-15 628 040	98.6%	1 116 218 276	49%
SALE OF ELECTRICITY: PREPAID	1 881 859 044	940 929 522	708 106 166	-232 823 356	75.3%	708 106 166	38%
TOTAL INCOME	4 145 551 676	2 072 775 838	1 824 324 443	-248 451 395	88.0%	1 824 324 443	44%

The following chart compares the mid-year actual revenue against the yearly budget:

Revenue by Source for the Mid-Year ending 31 December 2024



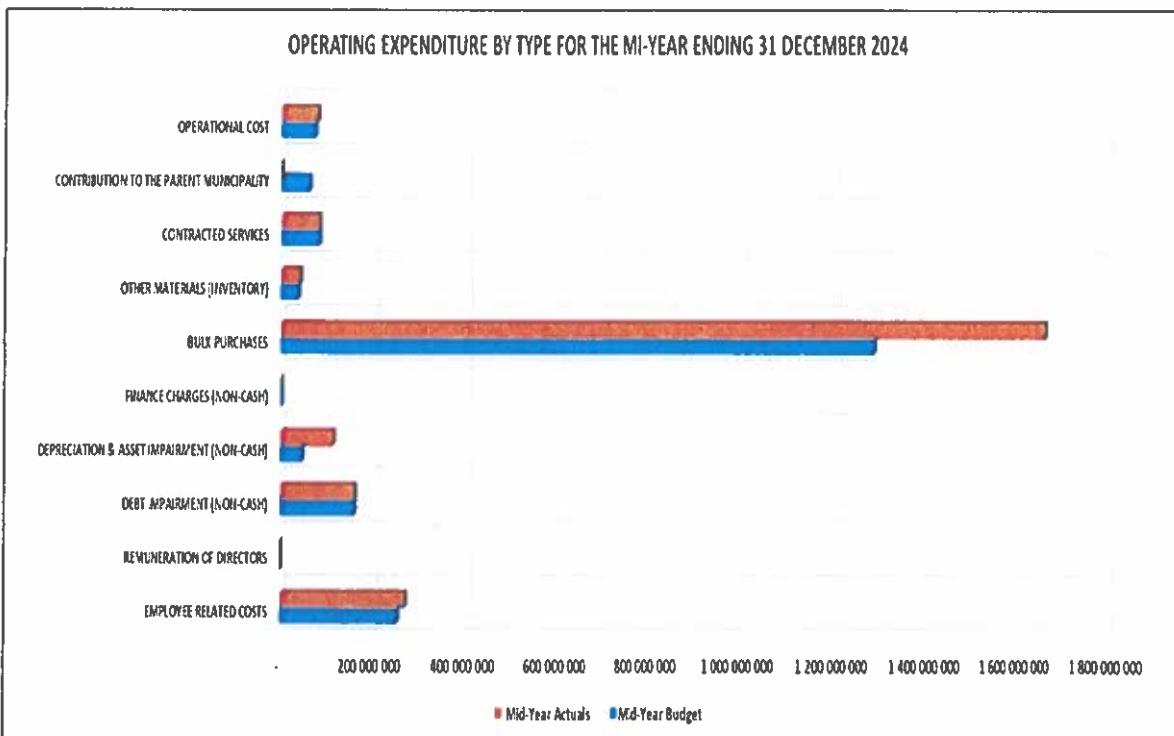
1.3.1.2 Expenditure by Type for the mid-year ended 31 December 2023

An amount of R 2,403 billion was expensed against an annual budget of R3, 989 billion.

Refer to the expenditure by type table below:

Detail	Yearly Budget	Mid-Year Budget Allocation	Mid-Year Actuals	Mid-Year Variance (R)	Mid-Year %	YTD Actuals	YTD %
EMPLOYEE RELATED COSTS	503 859 879	251 929 940	268 560 047	-16 630 107	107%	268 560 047	53%
REMUNERATION OF DIRECTORS	1 277 126	638 563	625 371	13 192	98%	625 371	49%
DEBT IMPAIRMENT (NON-CASH)	317 562 450	158 781 225	158 781 225	-	100%	158 781 225	50%
DEPRECIATION & ASSET IMPAIRMENT (NON-CASH)	93 500 000	46 750 000	111 346 328	-64 596 328	238%	111 346 328	119%
FINANCE CHARGES (NON-CASH)	55 645	27 823	27 822	0	100%	27 822	50%
BULK PURCHASES	2 569 190 283	1 284 595 142	1 663 601 556	-379 006 414	130%	1 663 601 556	65%
OTHER MATERIALS (INVENTORY)	74 410 739	37 205 370	40 971 448	-3 766 079	110%	40 971 448	55%
CONTRACTED SERVICES	164 761 337	82 380 669	82 236 357	144 312	100%	82 236 357	50%
CONTRIBUTION TO THE PARENT MUNICIPALITY	120 000 000	60 000 000	-	60 000 000	0%	-	0%
OPERATIONAL COST	145 188 254	72 594 127	77 813 952	-5 219 825	107%	77 813 952	54%
OTHER LOSSES	-	-	6 164	-6 164	0%	6 164	0%
TOTAL OPERATING EXPENDITURE	3 989 805 713	1 994 902 857	2 403 970 270	-409 067 414	121%	2 403 970 270	60%

The following chart compares the mid-year actual expenditure per type against the mid-year budget:



1.3.2 CASH FLOW FOR THE MID-YEAR ENDED 31 DECEMBER 2024 (Table F5)

Centlec - Table F5 Monthly Budget Statement - Cash Flows - M06 December									
Description R thousands	2023/24		Current Year 2024/25						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Service charges	2 974 169	3 566 165	305 564	2 165 174	1 783 082	382 092	21.4%	3 566 165	
Other revenue		21 567	660	6 222	10 784	(4 562)	-42.3%	21 567	
Transfers and Subsidies - Operational		70 598			35 299	(35 299)	-100.0%	70 598	
Transfers and Subsidies - Capital	63 120	-			-	-	-	-	
Interest	27 143	34 217	463	2 623	17 108	(14 485)	-84.7%	34 217	
Payments									
Suppliers and employees	(2 834 697)	(3 325 971)	(282 600)	(2 104 077)	(1 662 986)	(441 092)	26.5%	(3 325 971)	
Interest	(49 144)	(229)	(607)	(3 516)	(114)	(3 402)	2974.2%	(229)	
Dividends paid		(120 000)			(60 000)	60 000	-100.0%	(120 000)	
NET CASH FROM/(USED) OPERATING ACTIVITIES	180 591	246 347	23 479	66 425	123 173	(56 748)	-46.1%	246 347	
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	274	9 740			4 870	(4 870)	-100.0%	9 740	
Payments									
Capital assets	(157 914)	(240 100)	(11 722)	(20 777)	(120 050)	99 273	-82.7%	(240 100)	
NET CASH FROM/(USED) INVESTING ACTIVITIES	(157 641)	(230 360)	(11 722)	(20 777)	(115 180)	94 403	-82.0%	(230 360)	
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Increase (decrease) in consumer deposits	(1 669)	(1 861)			(931)	931	-100.0%	(1 861)	
NET CASH FROM/(USED) FINANCING ACTIVITIES	(1 669)	(1 861)	-	-	(931)	931	-100.0%	(1 861)	
NET INCREASE/ (DECREASE) IN CASH HELD	21 282	14 126	11 756	45 649	7 063	38 586	546.3%	14 126	
Cash/cash equivalents at the beginnig of year	3 013	24 295	41 118	210 560	15 549	195 010	1254.1%	210 560	
Cash/cash equivalents at the end of year	24 295	38 421	52 874	256 209	22 612	233 597	1033.1%	224 685	

1.3.2 COMMENTARY EXPLANATIONS ON CASH ACTIVITIES:

Cash flow from operating category (Bank Statement)

1.3.2.1 Ratepayers (Electricity Revenue)

Electricity revenue and other revenue reflect an actual of R 2,165 billion compared to the year-to-date budget of R 1,783 billion which results in an accrual favourable variance equivalent to (21.4%). An amount of R 382,092 million for the period more than anticipated against the cash-flow projections.

1.3.2.2 Transfers and Subsidies

There is an unfavourable variance due to no actual receipts during the mid-term. The actual receipts will reflect once payments are received from the parent municipality upon invoicing them for progress made on the conditional funding.

Cash flow regarding payments

1.3.2.3 Suppliers and Employee Related Costs

Suppliers and Employee Related payments reflect an actual of R 2,104 billion compared to the year-to-date budget allocation of R 1,662 billion, which result to an unfavourable variance of R 441,092 million which is equivalent to (26.5%). This is mainly due to higher than anticipated ESKOM bulk purchases and the 2 winter month ESKOM payments which form part of the mid-term period.

1.3.2.3 Capital Payments

Capital payments reflect a year to date actual of R 20,777 million compared to the yearly budget of R 120,050 million. This results to a variance of R 99,273 million which is equivalent to (82.7%). This is mainly due to the progress of projects including commitments for the remainder of the fiscal year.

1.3.3 FINANCIAL IMPLICATIONS

The Mid-Year Budget Performance Assessment Report for the period ending 31 December 2024 indicates various financial risks which require monitoring:

- Irrecoverable debtors >120 days equals to 83% of the debt book.
- Limited Grant Funding to achieve strategic objective as set in the approved Service Delivery and Budget Implementation Plan (SDBIP) for the current financial period.
- The conditions for the Eskom Debt Relief Program.

1.3.3.1 Overall Performance of the Operating Expenditure and Revenue Budget:

The Mid-Year Assessment Report for the period ending 31 December 2024 indicates an accrual deficit of R 551,191 million (on accrual basis as per the financial system including non-cash transactions) that indicates various financial risks which require monitoring of:

- Revenue Collection from long outstanding debtors in particular Government
- Strict management of cash flow considering additional funding
- Maximize collection rate on monthly bills in particular Government
- Finalisation of the Disputes on the Eskom bills

1.3.3.2 Overall Performance of the Capital Expenditure Budget:

The actual year to date capital expenditure until 31 December 2024 represents only 40% (R 110,887 million) when compared to the year-to-date budget allocation of R 278,845 million.

1.3.4 CONCLUSION

This report complies with Section 88(1) of the MFMA, by providing a statement to the Board containing certain financial details. Based on the indicated performance above:

- ✓ The entity must tighten controls on Expenditure and prioritize expenditure on core functions to remain within the budgeted thresholds.
- ✓ Alternative revenue sources to be explored.
- ✓ Revenue collection efforts to be accelerated.

1.3.5 RECOMMENDATIONS

It is therefore recommended that, in compliance with Section 88(1) of the MFMA the—

13.5.1 Council should note and evaluate the reported assessed Mid-Year financial performance report against the approved annual budget for the 2024/25 financial year;

13.5.2 Council consider a submission for an Adjustment Budget based the mid-term performance assessment.

13.5.3 Council approved the Section 88 Report.

1.4 MID-YEAR BUDGET STATEMENT TABLES

F1: Monthly Budget Summary

Centlec - Table F1 Monthly Budget Statement Summary - M06 December								
Description	2023/24	Current Year 2024/25						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Financial Performance								
Property rates	-	-	-	-	-	-	-	-
Service charges	3 297 640	4 145 552	216 741	1 824 324	2 072 776	(248)	-12%	4 145 552
Investment revenue	3 579	5 688	414	2 284	2 844	(1)	-20%	5 688
Transfers recognised - operational	-	-	-	-	-	-	-	-
Other own revenue	59 296	70 384	3 568	24 033	35 192	(11)	-32%	70 384
Total Revenue (excluding capital transfers and contributions)	3 360 515	4 221 624	220 723	1 850 642	2 110 812	(260 170)	-12%	4 221 624
Employee costs	524 568	503 860	45 612	268 560	251 931	16 629	7%	503 860
Remuneration of Board Members	-	1 277	-	625	639	(13)	-2%	1 277
Depreciation and asset impairment	233 630	411 062	44 876	270 128	205 531	64 596	31%	411 062
Interest	7 498	56	5	28	28	(0)	0%	56
Inventory consumed and bulk purchases	2 518 659	2 643 601	169 833	1 704 573	1 321 801	382 772	29%	2 640 651
Transfers and grants	-	120 000	-	-	60 000	(60 000)	-100%	120 000
Other expenditure	470 783	309 950	34 907	160 056	154 975	5 082	3%	312 900
Total Expenditure	3 755 139	3 869 806	295 233	2 403 970	1 984 904	409 067	21%	3 869 806
Surplus/(Deficit)	(394 623)	231 818	(74 510)	(553 329)	115 908	(669 237)	-577%	231 818
Transfers and subsidies - capital (monetary allocations)	80 613	50 618	480	2 138	25 309	(23 171)	-92%	50 618
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(314 010)	282 436	(74 031)	(551 191)	141 217	(692 408)	-490%	282 436
Income Tax	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(314 010)	282 436	(74 031)	(551 191)	141 217	(692 408)	-490%	282 436
Capital expenditure & funds sources								
Capital expenditure	155 271	278 845	39 775	110 887	139 422	(28 535)	-20%	278 845
Transfers recognised - capital	82 541	49 060	10 564	31 085	24 530	6 555	27%	49 060
Borrowing	-	-	-	-	-	-	-	-
Internally generated funds	72 731	229 785	29 211	79 802	114 892	(35 090)	-31%	229 785
Total sources of capital funds	155 271	278 845	39 775	110 887	139 422	(28 535)	-20%	278 845
Financial position								
Total current assets	877 586	756 793		883 805				756 793
Total non current assets	7 630 733	7 604 854		7 630 274				7 604 854
Total current liabilities	1 569 244	1 028 744		1 574 976				1 028 744
Total non current liabilities	1 422 482	1 532 185		1 422 510				1 532 185
Community wealth/Equity	5 516 593	5 800 717		5 516 593				5 800 717
Cash flows								
Net cash from (used) operating	180 591	246 347	23 479	66 425	123 173	(56 748)	-46%	246 347
Net cash from (used) investing	(157 641)	(230 360)	(11 722)	(20 777)	(115 180)	94 403	-82%	(230 360)
Net cash from (used) financing	(1 669)	(1 861)	-	-	(931)	931	-100%	(1 861)
Cash/cash equivalents at the year end	24 295	38 421	52 874	256 209	22 612	233 597	1033%	224 685
Debtors & creditors analysis	31-60 Days	61-90 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total
Debtors Age Analysis								
Total By income Source	79 237	28 681	30 607	24 323	16 287	68 629	715 219	997 708
Creditors Age Analysis								
Total Creditors	205 870	-	1 132	-	-	-	-	207 002

F2: Financial Performance (Revenue & Expenditure)

Centlec - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December								
Description R thousands	2023/24	Current Year 2024/25						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue								
Exchange Revenue								
Service charges - Electricity	3 297 640	4 145 552	216 741	1 824 324	2 072 776	(248 451)	-12.0%	4 145 552
Sale of Goods and Rendering of Services	8 634	12 398	37	2 291	6 199	(3 908)	-63.0%	12 398
Interest earned from Receivables	37 879	37 394	3 287	19 565	18 697	868	4.6%	37 394
Interest earned from Current and Non Current Assets	3 579	5 688	414	2 284	2 844	(560)	-19.7%	5 688
Operational Revenue	2 396	4 080	(24)	102	2 040	(1 938)	-95.0%	4 080
Non-Exchange Revenue								
Fines, penalties and forfeits	2 607	5 228	268	1 991	2 614	(623)	-23.8%	5 228
Gains on disposal of Assets	2 844	9 900	-	-	4 950	(4 950)	-100.0%	9 900
Other Gains	4 936	1 385	-	86	692	(607)	-87.6%	1 385
Total Revenue (excluding capital transfers and contributions)	3 360 515	4 221 624	220 723	1 850 642	2 110 812	(260 170)	-12.3%	4 221 624
Expenditure By Type								
Employee related costs	524 568	503 860	45 612	268 560	251 931	16 629	6.6%	503 860
Remuneration of board members		1 277		625	639	(13)	-2.1%	1 277
Bulk purchases - electricity	2 440 868	2 569 190	164 733	1 663 602	1 284 595	379 006	29.5%	2 569 190
Inventory consumed	77 792	74 411	5 100	40 971	37 205	3 766	10.1%	71 461
Debt impairment	1 242	317 562	26 464	158 781	158 781	-		317 562
Depreciation and asset impairment	232 388	93 500	18 412	111 346	46 750	64 596	138.2%	93 500
Interest	7 498	56	5	28	28	(0)	0.0%	56
Contracted services	130 004	164 761	20 266	82 236	82 381	(144)	-0.2%	167 711
Transfers and subsidies	-	120 000	-	-	60 000	(60 000)	-100.0%	120 000
Irrecoverable debts written off	68 360	-	-	-	-	-		-
Operational costs	261 484	145 188	14 642	77 814	72 594	5 220	7.2%	145 188
Losses on disposal of Assets	6 154	-	-	-	-	-		-
Other Losses	4 781	-	-	6	-	6	100.0%	-
Total Expenditure	3 755 139	3 989 806	295 233	2 403 970	1 994 904	409 067	20.5%	3 989 806
Surplus/(Deficit)	(394 623)	231 818	(74 510)	(553 329)	115 908	(669 237)	-577.4%	231 818
Transfers and subsidies - capital (monetary allocations)	80 613	50 618	480	2 138	25 309	(23 171)	-91.6%	50 618
Transfers and subsidies - capital (in-kind)						-		
Surplus/(Deficit) before taxation	(314 010)	282 436	(74 031)	(551 191)	141 217	(692 408)	-490.3%	282 436
Income Tax								
Surplus/(Deficit) for the year	(314 010)	282 436	(74 031)	(551 191)	141 217	(692 408)	-490.3%	282 436

F3: Capital Expenditure

Centlec - Table F3 Monthly Budget Statement - Capital Expenditure - M06 December								
Description R thousands	2023/24	Current Year 2024/25						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Capital expenditure by Asset Class/Sub-class</u>								
<u>Infrastructure</u>	133 315	222 145	27 270	90 825	105 072	14 247	13.6%	210 145
Electrical Infrastructure	133 315	222 145	27 270	90 825	105 072	14 247	13.6%	210 145
Power Plants	-	5 000	-	-	-	-	-	-
HV Substations	1 318	15 800	6 447	6 742	7 900	1 158	14.7%	15 800
HV Transmission Conductors	754	10 000	-	1 060	2 500	1 440	57.6%	5 000
MV Networks	13 203	27 000	4 835	10 584	11 500	916	8.0%	23 000
LV Networks	118 040	164 345	15 989	72 439	83 172	10 734	12.9%	166 345
Community Assets	175	34 300	1 478	5 936	17 150	11 214	65.4%	34 300
Community Facilities	175	33 500	1 478	5 936	16 750	10 814	64.6%	33 500
Centres	175	33 500	1 478	5 936	16 750	10 814	64.6%	33 500
Sport, Training and Recreation Facilities	-	800	-	-	400	400	100.0%	800
Outdoor Facilities	-	800	-	-	400	400	100.0%	800
Computer Equipment	7 658	4 500	545	2 405	2 250	(155)	-6.9%	4 500
Computer Equipment	7 658	4 500	545	2 405	2 250	(155)	-6.9%	4 500
Furniture and Office Equipment	14 124	7 700	10 482	11 174	12 350	1 176	9.5%	24 700
Furniture and Office Equipment	14 124	7 700	10 482	11 174	12 350	1 176	9.5%	24 700
Machinery and Equipment	-	1 200	-	546	600	54	9.0%	1 200
Machinery and Equipment	-	1 200	-	546	600	54	9.0%	1 200
Transport Assets	-	9 000	-	-	2 000	2 000	100.0%	4 000
Transport Assets	-	9 000	-	-	2 000	2 000	100.0%	4 000
Total Capital Expenditure	155 271	278 845	39 775	110 887	139 422	28 535	20%	278 845
<u>Funded by:</u>								
National Government	72 174	35 060	10 193	28 812	17 530	(11 282)	-64.4%	35 060
Provincial Government						-		
Parent Municipality	10 367	14 000	371	2 273	7 000	4 727	67.5%	14 000
District Municipality						-		
Transfers recognised - capital	82 541	49 060	10 564	31 085	24 530	(6 555)	3%	49 060
Borrowing						-		
Internally generated funds	72 731	229 785	29 211	79 802	114 892	35 090	31%	229 785
Total Capital Funding	155 271	278 845	39 775	110 887	139 422	28 535	34%	278 845

F4: Financial Position

Centlec - Table F4 Monthly Budget Statement - Financial Position - M06 December				
Vote Description R thousands	2023/24	Current Year 2024/25		
	Audited Outcome	Original Budget	YearTD actual	Full Year Forecast
ASSETS				
Current assets				
Cash and cash equivalents	11 111	32 529	46 048	32 529
Trade and other receivables from exchange transactions	449 346	429 432	376 044	429 432
Current portion of non-current receivables	66	-	66	-
Inventory	221 628	108 058	266 211	108 058
Other current assets	195 435	186 774	195 435	186 774
Total current assets	877 586	756 793	883 805	756 793
Non current assets				
Property, plant and equipment	5 998 987	6 191 959	5 998 913	6 191 959
Intangible assets	97 327	74 254	96 942	74 254
Other non-current assets	1 534 419	1 338 640	1 534 419	1 338 640
Total non current assets	7 630 733	7 604 854	7 630 274	7 604 854
TOTAL ASSETS	8 508 319	8 361 647	8 514 079	8 361 647
LIABILITIES				
Current liabilities				
Bank overdraft	-	-	-	-
Financial liabilities	6 554	28 982	6 554	28 982
Consumer deposits	158 707	127 751	157 192	127 751
Trade and other payables from exchange transactions	1 128 897	830 356	1 156 997	830 356
Provision	22 702	41 654	22 702	41 654
VAT	252 383	-	231 531	-
Total current liabilities	1 569 244	1 028 744	1 574 976	1 028 744
Non current liabilities				
Provision	111 197	119 773	111 225	119 773
Other non-current liabilities	1 311 285	1 412 413	1 311 285	1 412 413
Total non current liabilities	1 422 482	1 532 185	1 422 510	1 532 185
TOTAL LIABILITIES	2 991 726	2 560 930	2 997 486	2 560 930
NET ASSETS	5 516 593	5 800 717	5 516 593	5 800 717
COMMUNITY WEALTH/EQUITY				
Accumulated Surplus/(Deficit)	(442 397)	1 353 940	(551 191)	1 353 940
Reserves	4 109 506	4 446 777	4 109 506	4 446 777
Other	1 849 483	-	1 958 278	-
TOTAL COMMUNITY WEALTH/EQUITY	5 516 593	5 800 717	5 516 593	5 800 717

F5: Cash Flows

Centlec - Table F5 Monthly Budget Statement - Cash Flows - M06 December

Description R thousands	2023/24	Current Year 2024/25						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Service charges	2 974 169	3 566 165	305 564	2 165 174	1 783 082	382 092	21.4%	3 566 165
Other revenue		21 567	660	6 222	10 784	(4 562)	-42.3%	21 567
Transfers and Subsidies - Operational		70 598			35 299	(35 299)	-100.0%	70 598
Transfers and Subsidies - Capital	63 120	-			-	-	-	-
Interest	27 143	34 217	463	2 623	17 108	(14 485)	-84.7%	34 217
Payments								
Suppliers and employees	(2 834 697)	(3 325 971)	(282 600)	(2 104 077)	(1 662 986)	(441 092)	26.5%	(3 325 971)
Interest	(49 144)	(229)	(607)	(3 516)	(114)	(3 402)	2974.2%	(229)
Dividends paid		(120 000)			(60 000)	60 000	-100.0%	(120 000)
NET CASH FROM/(USED) OPERATING ACTIVITIES	180 591	246 347	23 479	66 425	123 173	(56 748)	-46.1%	246 347
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	274	9 740			4 870	(4 870)	-100.0%	9 740
Payments								
Capital assets	(157 914)	(240 100)	(11 722)	(20 777)	(120 050)	99 273	-82.7%	(240 100)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(157 641)	(230 360)	(11 722)	(20 777)	(115 180)	94 403	-82.0%	(230 360)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Increase (decrease) in consumer deposits	(1 669)	(1 861)			(931)	931	-100.0%	(1 861)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(1 669)	(1 861)	-	-	(931)	931	-100.0%	(1 861)
NET INCREASE/ (DECREASE) IN CASH HELD	21 282	14 126	11 756	45 649	7 063	38 586	546.3%	14 126
Cash/cash equivalents at the beginning of year	3 013	24 295	41 118	210 560	15 549	195 010	1254.1%	210 560
Cash/cash equivalents at the end of year	24 295	38 421	52 874	256 209	22 612	233 597	1033.1%	224 685

PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtors' Analysis (*Supporting Table SF3*)

The debtors report been prepared on the basis of the prescribed format required to be submitted to the Parent Municipality. This format provides an extended aged analysis (per group and per type). **Table SF3.** The net debtors balance for the mid-year period ended 31 December 2024 is R 997,708 million.

Centlec (Soc) Ltd- Debtors Age Analysis by Revenue Source as at 31 December 2024:

Centlec - Supporting Table F3 Entity Aged debtors - M06 December											
Detail R thousands	NT Code	Current Year 2024/25									
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	Total over 90 days
Debtors Age Analysis By Income Source	1100										
Trade and Other Receivables from Exchange Transactions - Electricity	1300	79 237	28 681	34 725	30 607	24 323	16 287	68 629	9715 219	997 708	855 066
Total By Income Source	2000	79 237	28 681	34 725	30 607	24 323	16 287	68 629	9715 219	997 708	855 066
2024/25 - totals only										-	-
Debtors Age Analysis By Customer Group	2100										
Organs of State	2200	37 449	17 456	21 909	19 651	15 400	9 706	51 118	6521 397	694 086	617 271
Commercial	2300	37 949	10 357	12 389	10 612	8 638	6 318	15 900	170 046	172 208	111 513
Households	2400	3 838	868	427	345	285	263	1 611	1123 777	131 413	126 281
Other	2500									-	-
Total By Customer Group	2600	79 237	28 681	34 725	30 607	24 323	16 287	68 629	9715 219	997 708	855 066

Commentary on the Outstanding Debtors account (Table SF3)

- The Table F3 illustrates that the major debt is in the debtors bucket over one year category with a figure of R 715,219 million outstanding, of which R 521,397 million attributes to the organs of state.
- In addition, the total outstanding debtors over >90 days as at 31 December 2024 amounts to R 855,066 million which is monitored and managed within the prescripts of the approved applicable policies.

2.2 Creditors' Analysis (*Supporting Table SF4*)

The Creditors report has been prepared on the basis of the prescribed format required to be submitted to the Parent Municipality. This format provides an extended aged analysis (per type). **Table SF4** The total creditors amounted to R 207 million for the mid-year period ended 31 December 2024.

Centlec - Supporting Table F4 Entity Aged creditors - M06 December											
Detail R thousands	NT Code	Current Year 2024/25									Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	204 937								204 937	
PAYE deductions	0300									-	
VAT (output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Trade Creditors	0700	934				1 132				2 066	
Auditor General	0800									-	
Total By Customer Type	1000	205 870	-	-	1 132	-	-	-	-	207 002	

Commentary on the Outstanding Creditors account (Table SF4)

- The total outstanding creditors over >91 days as at 31 December 2024 amounts to R 1,132 million. The majority of this relates to on-going disputes.
- In addition the major contributor of creditors in current (0-31days) is the Eskom bill.

2.3 Investment Portfolio Analysis (*Annexure B: SF5*)

The investment report has been prepared on the basis of the prescribed format required to be submitted to the Parent Municipality. This format provides an extended aged analysis (per type). **Table SF5** The closing balance amounted to R 50,921 million for the mid-year period ended 31 December 2024.

Investments by maturity Name of institution & investment ID	Period of Investment R thousands	Type of Investment Yrs/Months	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Total Up	Closing Balance
Entity								
ABSA - 1 Day Account	February 2013	Call Account	n/a	26 211	256	(60 500)	84 954	50 921
Total investments				26 211	256	(60 500)	84 954	50 921

Commentary on the Closing Bank Balance (Table SF5)

- The table above indicates the status of the investment portfolio and details of the funds invested in the financial instruments which amounts to R 50.921 million as at 31 December 2024.
- The interest received for the month ending 31 December 2024 for all investment accounts amounts to R 256 249.

2.4 Capital Programme Performance

The Capital expenditure report shown in F3 has been prepared based on the prescribed format required to be submitted to the Parent Municipality and is categorized into major output “type”. The actual spending to date is R 110,887 million (40%) on the year to date budget allocation of R 278,845 million.

Summary Statement of Capital Expenditure – Financing

Description	Yearly Budget	YTD Actuals	YTD Variance	YTD %
USDG & ISUPG	35 060	28 812	(6 248)	82%
Public Contributions	14 000	2 273	(11 727)	16%
Internal Generated funds from Surplus	229 785	79 802	(149 983)	35%
Total Financing	278 845	110 887	(167 958)	40%

The status of the year-to-date capital expenditure, compared to the standard classification for the key infrastructure items as indicated in *Table F3* are:

Centlec - Table F3 Monthly Budget Statement - Capital Expenditure - M06 December								
Description R thousands	2023/24	Current Year 2024/25						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Capital expenditure by Asset Class/Sub-class</u>								
Infrastructure	133 315	222 145	27 270	90 825	105 072	14 247	13.6%	210 145
Electrical Infrastructure	133 315	222 145	27 270	90 825	105 072	14 247	13.6%	210 145
Power Plants	-	5 000	-	-	-	-	-	-
HV Substations	1 318	15 800	6 447	6 742	7 900	1 158	14.7%	15 800
HV Transmission Conductors	754	10 000	-	1 060	2 500	1 440	57.6%	5 000
MV Networks	13 203	27 000	4 835	10 584	11 500	916	8.0%	23 000
LV Networks	118 040	164 345	15 989	72 439	83 172	10 734	12.9%	166 345
Community Assets	175	34 300	1 478	5 936	17 150	11 214	65.4%	34 300
Community Facilities	175	33 500	1 478	5 936	16 750	10 814	64.6%	33 500
Centres	175	33 500	1 478	5 936	16 750	10 814	64.6%	33 500
Sport, Training and Recreation Facilities	-	800	-	-	400	400	100.0%	800
Outdoor Facilities	-	800	-	-	400	400	100.0%	800
Computer Equipment	7 658	4 500	545	2 405	2 250	(155)	-6.9%	4 500
Computer Equipment	7 658	4 500	545	2 405	2 250	(155)	-6.9%	4 500
Furniture and Office Equipment	14 124	7 700	10 482	11 174	12 350	1 176	9.5%	24 700
Furniture and Office Equipment	14 124	7 700	10 482	11 174	12 350	1 176	9.5%	24 700
Machinery and Equipment	-	1 200	-	546	600	54	9.0%	1 200
Machinery and Equipment	-	1 200	-	546	600	54	9.0%	1 200
Transport Assets	-	9 000	-	-	2 000	2 000	100.0%	4 000
Transport Assets	-	9 000	-	-	2 000	2 000	100.0%	4 000
Total Capital Expenditure	155 271	278 845	39 775	110 887	139 422	28 535	20%	278 845
Funded by:								
National Government	72 174	35 060	10 193	28 812	17 530	(11 282)	-64.4%	35 060
Provincial Government	10 367	14 000	371	2 273	7 000	4 727	67.5%	14 000
Parent Municipality							-	
District Municipality							-	
Transfers recognised - capital	82 541	49 060	10 564	31 085	24 530	(6 555)	3%	49 060
Borrowing							-	
Internally generated funds	72 731	229 785	29 211	79 802	114 892	35 090	31%	229 785
Total Capital Funding	155 271	278 845	39 775	110 887	139 422	28 535	34%	278 845

2.5 Other Supporting Tables

- Supporting Table SF1 – Material variance explanation
- Supporting Table SF2 – Financial and Non-Financial Indicators
- Supporting Table SF5 – Investment Portfolio
- Supporting Table SF6 – Board member allowances and staff benefits
- Supporting Table SF7 – Monthly Actuals & revised targets
- Supporting Table SF8(a) – Capital expenditure on new assets
- Supporting Table SF8(b) – Capital expenditure on existing assets by asset category
- Supporting Table SF8'(c) – Expenditure on Repairs & Maintenance by asset category
- Supporting Table SF8'(d) – Expenditure on Depreciation by asset category
- Supporting Table SF8'(e) – Expenditure on upgrading of Existing by asset category

Supporting Table SF 1 – Material variances explanations

Centlec - Supporting Table F1 Entity Material variance explanation : M06 December			
Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps / remarks
Revenue items			
Fines, penalties and forfeits	(623)	YTD unfavourable variance against the YTD Budget. The variance is mainly due to effective credit control resulting in a reduction of tamperings and subsequent fines.	None
Interest earned from Receivables	868	YTD favourable variance against the YTD Budget. The interest charged on long outstanding debtors is higher than originally anticipated due to debtors' erratic payment patterns.	None
Interest earned from Current and Non Current Assets	(560)	YTD unfavourable variance against the YTD Budget. Actual interest on investments is slightly lower than anticipated due to the need to use invested funds for operational activities during the month.	None
Operational Revenue	(1 938)	YTD unfavourable variance against the YTD budget is due to year end accrual transactions which is only fully accrued at year end compared to a straightlined budget.	Full accrual can only be recognised at year end when full year information is available
Expenditure items			
Employee related costs	16 629	YTD unfavourable variance against the YTD Budget. The variance is due to salary increment, third party increase, long services payments and annual bonus payments made at different periods during the year measured against a straightlined budget.	Monitoring and trend analysis
Bulk purchases - electricity	379 006	YTD unfavourable variance against the YTD Budget. The variance is mainly due to the winter month purchases reflecting as part of the actual expenditure compared to the straightlined budget.	Monitoring and trend analysis
Contracted services	(144)	YTD favourable variance (Savings) against the YTD budget is due to actual spending on contracted services being less than anticipated due to cost containment.	None
Operational costs	5 220	YTD favourable variance against the YTD budget is due to actual spending on operational costs being less than anticipated due to enhanced resource management.	None
Capital Expenditure items			
Capital Expenditure Projects	28 535	The cumulative December variance is lower than the October & November variances indicating the end of the planning phases and upward trend of expenditure as was expected.	Monitor spending on Capital Projects and prioritising expenditure on grant related capex projects
Cash flow items			
Service charges	382 092	YTD unfavourable variance against the YTD Budget. The variance is due to cash collection being lower than anticipated. Low government collection is also a factor.	None
Suppliers and employees	(441 092)	YTD unfavourable variance against the YTD Budget. The expenditure was higher than the anticipated budget due to Eskom actual account for the month.	Take impact of late cash payments into consideration when budgeting
Capital assets	99 273	YTD favourable variance is due to initial planning activities which carry little costs but results in delays in physical implementation and finalisation of Capital projects. Due to this projects usually near completion in the later half of the year with increased cash outflows expected later in the year.	Monitor spending on Capital Projects and prioritising expenditure on grant related capex projects

Supporting Table SF 2 – Financial and Non-Financial Indicators

Centlec - Supporting Table F2 Entity Financial and non-financial indicators - M06 December

Description of financial indicator	Basis of calculation	2023/24	Current Year 2024/25		
		Audited Outcome	Original Budget	YearTD actual	Full Year Forecast
Borrowing Management					
Borrowing to Asset Ratio	Total Long-term Borrowing/ Total Assets	0.0%	0.0%	0.0%	0.0%
Capital Charges to Operating Expenditure	Interest & Depreciation /Operating Expenditure	6.4%	2.3%	6.2%	4.6%
Safety of Capital					
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	25.8%	26.4%	25.8%	26.4%
Gearing	Long Term Borrowing/ Funds & Reserves				
Liquidity					
Current Ratio	Current assets/current liabilities	55.9%	73.6%	56.1%	73.6%
Current Ratio adjusted for debtors	Current assets/current liabilities less debtors > 90 days	54.2%	70.2%	55.9%	70.2%
Liquidity Ratio	Monetary Assets/Current Liabilities	0.7%	3.2%	2.9%	3.2%
Revenue Management					
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing	0.0%	0.0%	103.2%	0.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	13.4%	10.2%	170.4%	23.2%
Longstanding Debtors Reduction Due To Recovery	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%
Other Indicators					
Electricity Distribution Losses	% Volume (Total units purchased + generated less total units sold)/Total units purchased + generated	7.7%	7.7%	10.27%	7.7%
Employee costs	Employee costs/Total Revenue - capital revenue	15.6%	11.9%	14.5%	11.9%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue	7.1%	2.2%	8.3%	6.0%
Financial viability indicators					
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)				
		12380.9%	12337.9%	8414.4%	5408.6%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	13.6%	10.3%	20.6%	10.3%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	8.5%	13.3%	72.0%	78.0%

Supporting Table SF5 – Investment Portfolio

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands	Yrs/Months							
Entity								
ABSA - 1 Day Account	February 2013	Call Account	n/a	26 211	256	(60 500)	84 954	50 921
Total investments				26 211	256	(60 500)	84 954	50 921

Supporting Table SF6 – Board member allowances & staff benefits

Centlec - Supporting Table F6 Entity Board member allowances & staff benefits - M06 December								
Summary of Employee and Board Member remuneration R thousands	2023/24	Current Year 2024/25						
	Audited Outcome A	Original Budget B	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast D
Remuneration								
Board Members of Entities								
Basic Salaries and Wages	1 138	1 277	-	625	639	(13)	-2.1%	1 277
Sub Total - Board Members of Entities	1 138	1 277	-	625	639	(13)	-2.1%	1 277
% increase			12.2%					
Senior Managers of Entities								
Basic Salaries and Wages	6 477	14 149	336	2 015	7 075	(5 060)	-71.5%	14 149
Pension and UIF Contributions	10	-	0	2	-	2	0.0%	
Motor Vehicle Allowance	1 476	-	-	-	-	-		
Cellphone Allowance	73	162	4	25	81	(56)	-68.9%	162
Other benefits and allowances	0	-	0	0	-	0	0.0%	
Sub Total - Senior Managers of Entities	8 035	14 311	340	2 042	7 156	(5 113)	-71.5%	14 311
% increase			78.1%					
Other Staff of Entities								
Basic Salaries and Wages	284 612	288 448	27 398	158 737	144 224	14 513	10.1%	288 448
Pension and UIF Contributions	53 309	51 158	4 820	28 784	25 579	3 205	12.5%	51 158
Medical Aid Contributions	44 147	46 240	2 680	16 125	23 120	(6 994)	-30.3%	46 240
Overtime	58 448	37 872	4 058	24 968	18 936	6 032	31.9%	37 872
Performance Bonus	22 514	20 567	2 269	13 045	10 284	2 761	26.8%	20 567
Motor Vehicle Allowance	28 379	23 673	2 929	17 296	11 836	5 459	46.1%	23 673
Cellphone Allowance	789	1 808	135	769	904	(135)	-14.9%	1 808
Housing Allowances	1 968	10 993	178	1 076	5 496	(4 420)	-80.4%	10 993
Other benefits and allowances	11 142	8 790	636	5 141	4 395	746	17.0%	8 790
Payments in lieu of leave	5 235	-	-	-	-	-		
Long service awards	4 448	-	-	13	-	13	0.0%	
Scarcity	404	-	167	563	-	563	0.0%	
Sub Total - Other Staff of Entities	515 394	489 549	45 272	266 518	244 775	21 742	8.9%	489 549
% increase			-5.0%					(0)
Total Municipal Entities remuneration	524 568	505 137	45 612	269 185	252 569	16 616	6.6%	505 137

Supporting Table SF7 – Monthly actuals & revised targets

Centlec - Supporting Table F7 Entity monthly actuals & revised targets - M06 December														Medium Term Revenue and Expenditure Framework		
Description R thousands	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework			
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	
Cash Receipts By Source	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
Service charges - electricity revenue	401 064	486 650	384 755	324 747	262 393	305 564							(2 165 174)			
Interest earned - external investments	326	536	470	425	403	463							(2 623)			
Other revenue	975	533	1 712	1 072	1 271	660							(6 222)			
Cash Receipts by Source	402 365	487 719	386 937	326 244	264 067	306 686	-	-	-	-	-	-	(2 174 019)	-	-	
Cash Payments by Type																
Employee related costs	34 581	21 368	49 609	36 583	37 795	37 726							(217 662)			
Remuneration of councillors	14	68	1 277	90	110	-							(1 559)			
Bulk purchases - electricity	260 543	355 610	309 242	168 655	153 314	125 564							(1 372 928)			
Contracted services	10 885	4 981	11 334	12 912	14 970	18 235							(73 296)			
Other expenditure	45 062	52 983	72 430	76 514	53 105	101 458							(401 552)			
Cash Payments by Type	351 085	434 990	443 891	294 754	259 294	282 983	-	-	-	-	-	-	(2 066 998)	-	-	
Other Cash Flows/Payments by Type																
Capital assets	6 751	30	32	1 763	478	11 722							(20 777)			
Other Cash Flows/Payments	16 536	10 003	8 821	4 852	159	225							(40 596)			
Total Cash Payments by Type	374 373	445 023	452 744	301 370	259 930	294 930	-	-	-	-	-	-	(2 128 370)	-	-	
NET INCREASE/(DECREASE) IN CASH HELD	27 992	42 696	(65 807)	24 874	4 137	11 756	-	-	-	-	-	-	(45 643)	-	-	
Cash/cash equivalents at the month/year begin:	7 225	35 217	77 913	12 106	36 981	41 118	52 874	52 874	52 874	52 874	52 874	52 874	52 874	7 225	7 225	
Cash/cash equivalents at the month/year end:	35 217	77 913	12 106	36 981	41 118	52 874	52 874	52 874	52 874	52 874	52 874	52 874	7 225	7 225	7 225	

Supporting Table S8 (a) – Capital expenditure on new assets

Centlec - Supporting Table F8a Entity capital expenditure on new assets by asset class - M06 December

Description R thousands	2023/24		Current Year 2024/25						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	112 727	176 410	171 220	26 206	79 033	85 610	6 577	7.7%	171 220
Electrical Infrastructure	112 727	176 410	171 220	26 206	79 033	85 610	6 577	7.7%	171 220
Power Plants	–	5 000	–	–	–	–	–	–	–
HV Substations	–	14 300	14 300	6 447	6 742	7 150	408	5.7%	14 300
MV Networks	1 124	6 000	6 000	4 068	5 725	3 000	(2 725)	-90.8%	6 000
LV Networks	111 602	151 110	150 920	15 691	66 566	75 460	8 894	11.8%	150 920
Community Assets	175	34 300	34 300	1 478	5 936	17 150	11 214	65.4%	34 300
Community Facilities	175	33 500	33 500	1 478	5 936	16 750	10 814	64.6%	33 500
Centres	175	33 500	33 500	1 478	5 936	16 750	10 814	64.6%	33 500
Sport and Recreation Facilities	–	800	800	–	–	400	400	100.0%	800
Outdoor Facilities	–	800	800	–	–	400	400	100.0%	800
Computer Equipment	7 658	4 500	4 500	545	2 405	2 250	(155)	-6.9%	4 500
Computer Equipment	7 658	4 500	4 500	545	2 405	2 250	(155)	-6.9%	4 500
Furniture and Office Equipment	14 124	7 700	24 700	10 482	11 174	12 350	1 176	9.5%	24 700
Furniture and Office Equipment	14 124	7 700	24 700	10 482	11 174	12 350	1 176	9.5%	24 700
Machinery and Equipment	–	1 200	1 200	–	546	600	54	9.0%	1 200
Machinery and Equipment	–	1 200	1 200	–	546	600	54	9.0%	1 200
Transport Assets	–	9 000	4 000	–	–	2 000	2 000	100.0%	4 000
Transport Assets	–	9 000	4 000	–	–	2 000	2 000	100.0%	4 000
Total Capital Expenditure on new assets	21 781	22 400	34 400	11 026	14 126	17 200	3 074	17.9%	34 400

Supporting Table SF8 (b) – Capital expenditure on existing assets by asset category

- Supporting Table F8b Entity capital expenditure on the renewal of existing assets by asset class - M06 December

Description R thousands	2023/24		Current Year 2024/25						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	13 777	21 705	18 705	625	4 797	9 353	4 555	48.7%	18 705
Electrical Infrastructure	13 777	21 705	18 705	625	4 797	9 353	4 555	48.7%	18 705
HV Substations	1318	1 500	1 500	–	–	750	750	100.0%	1 500
MV Networks	11 240	15 000	11 000	328	3 109	5 500	2 391	43.5%	11 000
LV Networks	1219	5 205	6 205	298	1 689	3 103	1 414	45.6%	6 205
Total Capital Expenditure on renewal of existing assets	13 777	21 705	18 705	625	4 797	9 353	4 555	48.7%	18 705

Supporting Table SF8 (c) – Expenditure on Repairs & Maintenance by asset category

- Supporting Table F8c Entity expenditure on repairs and maintenance by asset class - M06 December

Description R thousands	2023/24		Current Year 2024/25						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure									
Electrical Infrastructure	103 950	6 121	6 121	8 442	52 094	3 061	(49 033)	-1602.0%	6 121
Power Plants	103 950	6 121	6 121	8 442	52 094	3 061	(49 033)	-1602.0%	6 121
HV Substations	98 266	2 687	2 687	8 030	49 406	1 344	(48 063)	-3577.0%	2 687
LV Networks	5 684	3 284	3 284	412	2 687	1 642	(1 045)	-63.7%	3 284
Other assets	–	150	150	–	–	75	75	100.0%	150
Operational Buildings	7 676	19 908	20 408	1 095	6 445	10 204	3 760	36.8%	20 408
Municipal Offices	7 676	19 908	20 408	1 095	6 445	10 204	3 760	36.8%	20 408
Machinery and Equipment									
Machinery and Equipment	929	2 047	2 047	45	386	1 023	638	62.3%	2 047
Transport Assets									
Transport Assets	9 105	17 110	17 110	1 084	6 374	8 555	2 181	25.5%	17 110
Total Repairs and Maintenance Expenditure	121 660	45 187	45 687	10 666	65 298	22 844	(42 454)	-185.8%	45 687

Supporting Table SF8 (d) – Expenditure on Depreciation by asset category

- Supporting Table F8d Entity Depreciation by asset class - M06 December

Description R thousands	2023/24		Current Year 2024/25						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Depreciation by Asset Class/Sub-class									
Infrastructure									
Electrical Infrastructure	201 321	62 902	62 902	16 777	100 829	31 451	(69 378)	-220.6%	62 902
LV Networks	201 321	62 902	62 902	16 777	100 829	31 451	(69 378)	-220.6%	62 902
Community Assets									
Community Facilities	3 566	1 806	1 806	297	1 783	903	(880)	-97.4%	1 806
Halls	3 566	1 806	1 806	297	1 783	903	(880)	-97.4%	1 806
Intangible Assets									
Licences and Rights	8 370	6 587	6 587	–	709	3 293	2 585	78.5%	6 587
Computer Software and Applications	8 370	6 587	6 587	–	709	3 293	2 585	78.5%	6 587
Furniture and Office Equipment									
Furniture and Office Equipment	9 732	7 413	7 413	557	3 274	3 706	432	11.7%	7 413
Machinery and Equipment									
Machinery and Equipment	–	59	59	–	–	29	29	100.0%	59
Transport Assets									
Transport Assets	9 401	14 733	14 733	781	4 751	7 367	2 615	35.5%	14 733
Total Depreciation	232 368	93 500	93 500	18 412	111 346	46 750	(64 596)	-138.2%	93 500

Supporting Table SF8 (e) – Expenditure on Upgrading of Existing by asset class

- Supporting Table F8e Entity capital expenditure on the upgrading of existing assets by asset class - M06 December									
R thousands	Description	2023/24	Current Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class									
Infrastructure		6 812	24 030	20 220	439	6 994	10 110	3 116	30.8%
Electrical Infrastructure		6 812	24 030	20 220	439	6 994	10 110	3 116	30.8%
HV Transmission Conductors		754	10 000	5 000	-	1 060	2 500	1 440	57.6%
MV Networks		839	6 000	6 000	439	1 751	3 000	1 249	41.6%
LV Networks		5 219	8 030	9 220	-	4 183	4 610	426	9.2%
Total Capital Expenditure on upgrading of existing assets		6 812	24 030	20 220	439	6 994	10 110	3 116	30.8%
									20 220

CERTIFICATION

Print Name ZSN WILLIAMS

CHIEF FINANCIAL OFFICER OF CENTLEC (SOC) LTD

Signature 

Date 20 January 2025

Accounting Officer's certification:

I , Chief Executive Officer of Centlec (SOC) Ltd, hereby certify that the

- Mid-Year Budget Performance Assessment Section 88 Report

For the period ended 31 December 2024 has been prepared in accordance with the Section 88 (1) of the Municipal Finance Management Act, 2003.

Signature 

Date 20 /01 /2025

Preparation Instructions

Municipality Name: MAN Mangaung

Municipal Entity Name: Centlec (SOC) LTD

CFO Name: ZOE WILLIAMS

Tel: 0514122663 Fax:

E-Mail: zoe.williams@yahoo.com

Date of Adjustment: 31/12/2024

MTREF: 2024

Budget Year: 2024/25

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Submission of Data

[Preparing Data File for Submission](#)

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Centlec - Table E1 Adjustments Budget Summary - 31/12/2024

Description	Budget Year +1 2024/25								Budget Year +1 2025/26	Budget Year +1 2026/27
	Original Budget	Prior Adjusted	Downward / Upward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		1	2	3	4	5	6	7	G	H
R thousands										
<u>Financial Performance</u>										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	4 145 552	-	131 960	-	-	-	131 960	4 277 512	4 330 773	4 525 658
Investment revenue	5 688	-	-	-	-	-	-	5 688	5 950	6 217
Transfers recognised - operational	-	-	-	-	-	-	-	-	-	-
Other own revenue	70 384	-	210 019	-	-	-	210 019	280 403	78 865	82 906
	4 221 624	-	341 979	-	-	-	341 979	4 563 603	4 415 588	4 614 781
<u>Total Revenue (excluding capital transfers and contributions)</u>										
Employee costs	503 860	-	-	-	-	-	-	503 860	527 037	550 754
Remuneration of Board Members	1 277	-	-	-	-	-	-	1 277	1 336	1 396
Depreciation and debt impairment	411 062	-	-	-	-	-	-	411 062	435 020	460 253
Finance charges	56	-	-	-	-	-	-	56	58	61
Inventory consumed and bulk purchases	2 643 601	-	265 151	-	-	(2 950)	262 201	2 905 802	2 765 133	2 889 564
Transfers and subsidies	-	-	-	-	-	-	-	-	120 000	120 000
Other expenditure	429 950	-	40 028	-	-	2 950	42 978	472 928	324 291	338 895
	3 989 806	-	305 179	-	-	-	305 179	4 294 985	4 172 676	4 360 923
<u>Total Expenditure</u>										
<u>Surplus/(Deficit)</u>										
Transfers and subsidies - capital (monetary allocations)	231 618	-	36 800	-	-	-	36 800	268 618	242 712	253 859
Transfers and subsidies - capital (in-kind - all)	50 618	-	61 000	-	-	-	61 000	111 618	50 710	53 260
	282 436	-	97 800	-	-	-	97 800	380 236	293 421	307 118
<u>Surplus/(Deficit) after capital transfers & contributions</u>										
Income Tax	-	-	-	-	-	-	-	-	-	-
	282 436	-	97 800	-	-	-	97 800	380 236	293 421	307 118
<u>Capital expenditure & funds sources</u>										
<u>Capital expenditure</u>										
Transfers recognised - capital	278 845	-	97 800	-	-	-	97 800	376 645	289 435	302 728
Borrowing	49 060	-	61 000	-	-	-	61 000	110 060	49 080	51 557
Internally generated funds	-	-	-	-	-	-	-	-	-	-
	229 785	-	36 800	-	-	-	36 800	266 585	240 355	251 171
<u>Total sources of capital funds</u>										
	278 845	-	97 800	-	-	-	97 800	376 645	289 435	302 728
<u>Financial position</u>										
Total current assets	854 416	-	-	-	-	-	-	854 416	893 719	937 512
Total non current assets	7 604 854	-	-	-	-	-	-	7 604 854	7 631 874	8 005 836
Total current liabilities	1 126 367	-	-	-	-	-	-	1 126 367	1 178 180	1 235 911
Total non current liabilities	1 532 185	-	-	-	-	-	-	1 532 185	1 603 631	1 682 209
Community wealth/Equity	5 800 717	-	-	-	-	-	-	5 800 717	5 743 783	6 025 228
<u>Cash flows</u>										
Net cash from (used) operating	240 455	-	36 800	-	-	-	36 800	277 255	244 400	255 501
Net cash from (used) investing	(230 360)	-	(36 800)	-	-	-	(36 800)	(267 160)	(240 956)	(251 799)
Net cash from (used) financing	(1 861)	-	-	-	-	-	-	(1 861)	(1 947)	(2 034)
'cash equivalents at the year end	32 529	-	0	-	-	-	0	32 529	34 026	35 693

Centlec - Table E2 Adjustments Budget - Financial Performance (revenue and expenditure) - 31/12/2024

Description R thousands	Ref	Budget Year +1 2024/25								Budget Year +1 2025/26	Budget Year +1 2026/27		
		Original Budget	Prior Adjusted	Downward / Upward adjust.	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget		
		1	2	3	4	5	6	7	A	B	C	D	E
Exchange Revenue													
Service charges - Electricity		4 145 552	-	131 960	-	-	-	131 960	4 277 512	4 330 773	4 525 658		
Sale of Goods and Rendering of Services		12 398	-	-	-	-	-	-	12 398	4 697	4 908		
Interest earned from Receivables		37 394	-	-	-	-	-	-	37 394	38 643	40 639		
Interest earned from Current and Non Current Assets		5 688	-	-	-	-	-	-	5 688	5 950	6 217		
Operational Revenue		4 080	-	-	-	-	-	-	4 080				
Non-Exchange Revenue													
Fines, penalties and forfeits		5 228	-	-	-	-	-	-	5 228	5 468	5 714		
Gains on disposal of Assets		9 900	-	-	-	-	-	-	9 900	18 252	19 309		
Other Gains		1 385	-	210 019	-	-	-	210 019	211 404	11 804	12 335		
Total Revenue (excluding capital transfers and contributions)		4 221 624	-	341 979	-	-	-	341 979	4 563 603	4 415 588	4 614 781		
Expenditure By Type													
Employee related costs		503 860	-	-	-	-	-	-	503 860	527 037	550 754		
Remuneration of Directors		1 277	-	-	-	-	-	-	1 277	1 336	1 396		
Bulk purchases - electricity		2 569 190	-	233 000	-	-	-	233 000	2 802 190	2 687 373	2 808 305		
Inventory consumed		74 411	-	32 151	-	-	(2 950)	29 201	103 612	77 760	81 259		
Debt impairment		317 562	-	-	-	-	-	-	317 562	332 170	347 118		
Depreciation & asset impairment		93 500	-	-	-	-	-	-	93 500	102 850	113 135		
Finance charges		56	-	-	-	-	-	-	56	58	61		
Contracted services		164 761	-	20 451	-	-	(2 050)	18 401	183 163	172 414	180 173		
Transfers and subsidies		-	-	-	-	-	-	-	-	120 000	120 000		
Operational costs		265 188	-	19 577	-	-	5 000	24 577	289 765	151 877	158 722		
Total Expenditure		3 869 806	-	305 179	-	-	-	305 179	4 294 985	4 172 876	4 360 923		
Surplus/(Deficit)		231 818	-	36 800	-	-	-	36 800	268 618	242 712	253 059		
Transfers and subsidies - capital (monetary allocations)		50 618	-	61 000	-	-	-	61 000	111 618	50 710	53 260		
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-		
Surplus/ (Deficit) for the year		282 436	-	97 800	-	-	-	97 800	380 236	293 421	307 118		

Centlec - Table E3 Adjustments Capital Expenditure Budget by asset class and funding - 31/12/2024

Description	Ref	Budget Year +1 2024/25								Budget Year +1 2025/26	Annual target 2026/27
		Original Budget	Prior Adjusted	Downward / Upward adjusts	Parent muni.	Unfore. Unavail.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		1	A	A1	B	C	D	E	F	G	
R thousands											
<u>Capital expenditure by Asset Class/Sub-class</u>											
<u>Infrastructure</u>		222 145	-	86 200	-	-	(12 000)	74 200	296 345	230 127	240 768
Electrical Infrastructure		222 145	-	86 200	-	-	(12 000)	74 200	296 345	230 127	240 768
Power Plants		5 000	-	-	-	-	(5 000)	(5 000)	-	-	-
HV Substations		15 800	-	1 500	-	-	-	1 500	17 300	3 661	3 826
HV Transmission Conductors		10 000	-	-	-	-	(5 000)	(5 000)	5 000	10 460	10 931
MV Networks		27 000	-	6 200	-	-	(4 000)	2 200	29 200	33 472	35 016
LV Networks		164 345	-	78 500	-	-	2 000	80 500	244 845	182 534	181 016
<u>Community Assets</u>		34 300	-	2 200	-	-	-	2 200	36 500	35 876	37 455
Community Facilities		33 500	-	3 000	-	-	-	3 000	36 500	35 041	36 618
Centres		33 500	-	3 000	-	-	-	3 000	36 500	35 041	36 618
Sport and Recreation Facilities		800	-	(800)	-	-	-	(800)	-	837	837
Outdoor Facilities		800	-	(800)	-	-	-	(800)	-	837	837
<u>Computer Equipment</u>		4 500	-	10 000	-	-	-	10 000	14 500	4 707	4 919
Computer Equipment		4 500	-	10 000	-	-	-	10 000	14 500	4 707	4 919
<u>Furniture and Office Equipment</u>		7 700	-	500	-	-	17 000	17 500	25 200	8 159	8 526
Furniture and Office Equipment		7 700	-	500	-	-	17 000	17 500	25 200	8 159	8 526
<u>Machinery and Equipment</u>		1 200	-	900	-	-	-	900	2 100	1 151	1 202
Machinery and Equipment		1 200	-	900	-	-	-	900	2 100	1 151	1 202
<u>Transport Assets</u>		9 000	-	(2 000)	-	-	(5 000)	(7 000)	2 000	9 414	9 838
Transport Assets		9 000	-	(2 000)	-	-	(5 000)	(7 000)	2 000	9 414	9 838
Total Capital Expenditure to be adjusted	1	278 845	-	97 800	-	-	-	97 800	376 645	289 435	302 728
Funded by:											
National Government		35 060	-	61 000	-	-	-	61 000	96 060	34 436	36 254
Provincial Government		14 000	-	-	-	-	-	-	-	14 000	14 644
Parent Municipality		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		49 060	-	61 000	-	-	-	61 000	110 060	49 080	51 557
Borrowing	3										
Internally generated funds		229 785	-	36 800	-	-	-	36 800	266 585	240 355	251 171
Total Capital Funding	4	278 845	-	97 800	-	-	-	97 800	376 645	289 435	302 728

Centlec - Table E4 Adjustments Budget - Financial Position - 31/12/2024

Description	Ref	Budget Year +1 2024/25							Budget Year +1 2025/26	Budget Year +1 2026/27	
		Original Budget	Prior Adjusted	Downward / Upward adjusts	Parent muni.	Unfore. Unavold.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
		1 A	2 A1	3 B	4 C	5 D	6 E	7 F	G		
R thousands											
ASSETS											
Current assets											
Cash and cash equivalents	1	32 529	-	-	-	-	-	-	32 529	34 026	35 693
Trade and other receivables from exchange transactions	1	616 205	-	-	-	-	-	-	616 205	644 551	676 134
Receivables from non-exchange transactions		97 623	-	-	-	-	-	-	97 623	102 114	107 117
Inventory	2	108 058	-	-	-	-	-	-	108 058	113 029	118 567
Total current assets		854 416	-	-	-	-	-	-	854 416	893 719	937 512
Non current assets											
Property, plant and equipment		6 191 959	-	-	-	-	-	-	6 191 959	6 168 932	6 471 210
Intangible assets	1	74 254	-	-	-	-	-	-	74 254	62 838	65 917
Other non-current assets		1 338 640	-	-	-	-	-	-	1 338 640	1 400 104	1 468 709
Total non current assets		7 604 854	-	-	-	-	-	-	7 604 854	7 631 874	8 005 836
TOTAL ASSETS		8 459 270	-	-	-	-	-	-	8 459 270	8 525 594	8 943 348
LIABILITIES											
Current liabilities											
Financial liabilities		28 982	-	-	-	-	-	-	28 982	30 316	31 801
Consumer deposits		128 808	-	-	-	-	-	-	128 808	134 733	141 335
Trade and other payables from exchange transactions	4	926 922	-	-	-	-	-	-	926 922	969 561	1 017 069
Provision		41 654	-	-	-	-	-	-	41 654	43 571	45 706
Total current liabilities		1 126 367	-	-	-	-	-	-	1 126 367	1 178 180	1 235 911
Non current liabilities											
Provision	7	1 532 185	-	-	-	-	-	-	1 532 185	1 603 631	1 682 209
Total non current liabilities		1 532 185	-	-	-	-	-	-	1 532 185	1 603 631	1 682 209
TOTAL LIABILITIES		2 658 553	-	-	-	-	-	-	2 658 553	2 781 811	2 918 120
NET ASSETS	2	5 800 717	-	-	-	-	-	-	5 800 717	5 743 783	6 025 228
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	1 353 940	-	-	-	-	-	-	1 353 940	1 326 069	1 391 047
Reserves and funds	9	4 446 777	-	-	-	-	-	-	4 446 777	4 417 714	4 634 181
TOTAL COMMUNITY WEALTH/EQUITY	2	5 800 717	-	-	-	-	-	-	5 800 717	5 743 783	6 025 228

Centlec - Table E5 Adjustments Budget - Cash Flows - 31/12/2024

Description R thousands	Ref	Budget Year +1 2024/25								Budget Year +1 2025/26	Budget Year +1 2026/27
		Original Budget	Prior Adjusted	Downward / Upward adjust.	Parent muni.	Unfore. Unavail.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G		
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Service charges		3 566 165		131 960				131 960	3 698 125	3 730 208	3 898 068
Other revenue		21 567		210 019				210 019	231 586	22 559	23 574
Transfers and Subsidies - Operational		70 598							70 598	73 845	77 168
Transfers and Subsidies - Capital		-							-	-	-
Interest		34 217							34 217	35 791	37 401
Dividends									-	-	-
Payments											
Suppliers and employees		(3 325 971)		(305 179)				(305 179)	(3 631 150)	(3 486 082)	(3 642 853)
Finance charges		(240)							-	(240)	(251)
Transfers and Subsidies		(125 880)							-	(125 880)	(131 670)
NET CASH FROM/(USED) OPERATING ACTIVITIES		240 455	-	36 800	-	-	-	36 800	277 255	244 400	255 501
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		9 740							9 740	10 188	10 646
Payments											
Capital assets		(240 100)		(36 800)				(36 800)	(276 900)	(251 144)	(262 446)
CASH FROM/(USED) INVESTING ACTIVITIES		(230 360)	-	(36 800)	-	-	-	(36 800)	(267 160)	(240 956)	(251 799)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Increase (decrease) in consumer deposits		(1 861)							-	(1 861)	(1 947)
Payments									-	-	-
Repayment of borrowing											
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1 861)	-	-	-	-	-	-	(1 861)	(1 947)	(2 034)
NET INCREASE/ (DECREASE) IN CASH HELD		8 234	-	0	-	-	-	0	8 234	1 496	1 667
Cash/cash equivalents at the year begin	8	24 295	-	-	-	-	-	-	24 295	32 529	34 026
Cash/cash equivalents at the year end:	8	32 529	-	0	-	-	-	0	32 529	34 026	35 693

Centlec - Supporting Table SE2 Adjustments Budget - financial and non-financial indicators - 31/12/2024

Description of financial indicator	Basis of calculation	Ref	Budget Year 2024/25		Budget Year +1 2025/26	Budget Year +2 2026/27
			Original Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & Depreciation /Operating Expenditure		2%	2%	2%	3%
Borrowed funding of capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions		0%	0%	0%	0%
Safety of Capital						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		46%	46%	48%	48%
Gearing	Long Term Borrowing/ Funds & Reserves		0%	0%	0%	0%
Liquidity						
Current Ratio	Current assets/current liabilities		76%	76%	76%	76%
Current Ratio adjusted for debtors	Current assets/current liabilities less debtors > 90 days		31%	31%	31%	35%
Liquidity Ratio	Monetary Assets/Current Liabilities		3%	3%	3%	3%
Revenue Management						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing		95%	95%	86%	86%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		17%	16%	16%	16%
Longstanding Debtors Reduction Due To Recovery	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0%	0%	0%	0%
Other Indicators						
Electricity Distribution Losses	% Volume (Total units purchased + generated less total units sold)/Total units purchased + generated	1	8%	8%	9%	9%
Employee costs	Employee costs/Total Revenue - capital revenue		12%	11%	12%	12%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		1%	4%	3%	3%
Interest & Depreciation	I&D/Total Revenue - capital revenue		2%	2%	2%	2%
Financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		455%	492%	455%	498%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		15%	0%	17%	17%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		11%	10%	3.0	3.0

Centlec - Supporting Table SE4 Adjustments Budget - Board member allowances and staff benefits - 31/12/2024

Summary of Employee and Board Member remuneration	Ref	Budget Year +1 2024/25								Budget Year +1 2025/26	Budget Year +1 2026/27	
		Original Budget	Prior Adjusted	Downward / Upward adjusts	Parent muni.	Unfore. Unavold.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
		3	4	5	6	7	8	9				
		A	A1	B	C	D	E	F	G			
R thousands												
Remuneration												
Board Members of Entities												
Basic Salaries		1 277	-	-	-	-	-	-	1 277	1 336	1 396	
Sub Total - Board Members of Entities		1 277	-	-	-	-	-	-	1 277	1 336	1 396	
% increase										0.0%	4.6%	4.5%
Senior Managers of Entities	2											
Basic Salaries		14 149	-	-	-	-	-	-	14 149	14 800	15 466	
Cell phone allowance		162	-	-	-	-	-	-	162	169	177	
Sub Total - Senior Managers of Entities		14 311	-	-	-	-	-	-	14 311	14 969	15 643	
% Increase										0.0%	4.6%	4.5%
Other Staff of Entities												
Basic Salaries		288 448	-	-	-	-	-	-	288 448	301 716	315 293	
Pension Contributions		51 158	-	-	-	-	-	-	51 158	51 165	53 467	
Medical Aid Contributions		46 240	-	-	-	-	-	-	46 240	48 367	50 543	
Motor vehicle allowance		23 673	-	-	-	-	-	-	23 673	49 604	51 836	
Cell phone allowance		1 808	-	-	-	-	-	-	1 808	21 514	22 482	
Housing allowance		10 993	-	-	-	-	-	-	10 993	24 761	25 876	
Overtime		37 872	-	-	-	-	-	-	37 872	1 892	1 977	
Annual Bonus		20 567	-	-	-	-	-	-	20 567	11 498	12 016	
Other benefits or allowances		8 790	-	-	-	-	-	-	8 790	-	-	
Payments in lieu of leave	1											
Sub Total - Other Staff of Entities		489 549	-	-	-	-	-	-	489 549	512 068	535 111	
% increase										0.0%	4.6%	0.0%
Total Municipal Entities remuneration		505 137	-	-	-	-	-	-	505 137	528 373	552 150	

Centlec - Supporting Table SE5 Adjustments Budget - monthly cash and revenue/expenditure - 31/12/2024

Description	Budget Year +1 2024/25												Medium Term Revenue and Expenditure Framework			
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year +1 2024/25	Budget Year +2 2025/26	Budget Year +2 2026/27	
	R thousands	Outcome	Outcomes	Outcomes	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget						
Operating Revenue By Source																
Exchange Revenue																
Service charges - Electricity	355 612	395 626	346 351	263 686	246 309	216 741	408 865	408 865	408 865	408 865	408 865	408 865	4 277 512	4 330 773	4 525 658	
Sale of Goods and Rendering of Services	643	829	632	87	63	37	1 684	1 684	1 684	1 684	1 684	1 684	12 398	4 697	4 908	
Interest earned from Receivables	3 257	3 208	3 225	3 237	3 351	3 287	2 972	2 972	2 972	2 972	2 972	2 972	37 394	5 950	6 217	
Interest earned from Current and Non Current Assets	326	452	408	332	352	414	567	567	567	567	567	567	5 688	38 643	40 639	
Operational Revenue	(122)	(24)	(24)	323	(27)	(24)	663	663	663	663	663	663	4 180	-	-	
Non-Exchange revenue																
Fines, penalties and forfeits	344	279	483	312	304	268	540	540	540	540	540	540	5 228	5 468	5 714	
Gains on disposal of Assets	-	-	-	-	-	-	1 650	1 650	1 650	1 650	1 650	1 650	9 900	11 804	12 335	
Other Gains	-	-	86	-	-	-	35 220	35 220	35 220	35 220	35 220	35 220	211 404	18 252	19 309	
Total Revenue (excluding capital transfers and contributions)	350 060	400 371	351 160	267 976	250 351	220 723	452 160	452 160	452 160	452 160	452 160	452 160	4 563 603	4 415 588	4 614 781	
Operating Expenditure By Type																
Employee related costs	42 411	43 008	46 040	45 329	46 786	45 612	39 112	39 112	39 112	39 112	39 112	39 112	503 860	527 037	550 754	
Remuneration of councillors							213	213	213	213	213	213	1 277	1 336	1 396	
Bulk purchases - electricity	349 943	346 666	189 988	393 982	218 290	164 733	189 765	189 765	189 765	189 765	189 765	189 765	2 802 190	2 687 373	2 808 305	
Inventory consumed	2 908	6 350	5 599	11 476	9 538	5 100	10 440	10 440	10 440	10 440	10 440	10 440	103 612	77 760	81 259	
Debt impairment	26 464	26 464	26 464	26 464	26 464	26 464	26 464	26 464	26 464	26 464	26 464	26 464	317 562	332 170	347 118	
Depreciation and asset impairment	19 286	(15 141)	(15 141)	85 519	18 412	18 412	(2 974)	(2 974)	(2 974)	(2 974)	(2 974)	(2 974)	93 500	102 850	113 135	
Finance charges	5	5	5	5	5	5	5	5	5	5	5	5	56	58	61	
Contracted services	10 478	6 940	11 083	17 427	16 043	20 266	16 821	16 821	16 821	16 821	16 821	16 821	183 163	172 414	180 173	
Transfers and subsidies							-	-	-	-	-	-	120 000	120 000	120 000	
Operational costs	11 404	15 012	10 430	14 319	12 008	14 642	35 325	35 325	35 325	35 325	35 325	35 325	289 765	151 877	158 722	
Total Expenditure	462 838	429 303	274 473	594 519	347 545	295 233	315 170	315 170	315 170	315 170	315 170	315 170	4 294 985	4 172 876	4 360 923	
Capital expenditure by Asset Class/Sub-class																
Infrastructure																
Electrical Infrastructure	8 777	2 889	4 375	26 412	21 102	27 270	34 253	34 253	34 253	34 253	34 253	34 253	296 345	230 127	240 788	
Power Plants	8 777	2 889	4 375	26 412	21 102	27 270	34 253	34 253	34 253	34 253	34 253	34 253	296 345	230 127	240 788	
HV Substations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
HV Transmission Conductors	278	-	18	-	-	6 447	1 760	1 760	1 760	1 760	1 760	1 760	17 300	3 661	3 826	
MV Networks	-	-	-	-	-	1 060	-	657	657	657	657	657	5 000	10 460	10 931	
LV Networks	741	540	720	2 393	1 356	4 835	3 103	3 103	3 103	3 103	3 103	3 103	31 03	29 200	33 472	
Community Assets	7 758	2 349	3 638	24 019	18 686	15 989	28 734	28 734	28 734	28 734	28 734	28 734	244 845	182 534	191 016	
Community Facilities	3 159	-	-	-	1 299	1 478	5 094	5 094	5 094	5 094	5 094	5 094	36 500	35 878	37 455	
Centres	3 159	-	-	-	1 299	1 478	5 094	5 094	5 094	5 094	5 094	5 094	36 500	35 041	36 618	
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-	837	837	
Outdoor Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-	837	837	
Computer Equipment	-	2	100	1 662	96	545	2 016	2 016	2 016	2 016	2 016	2 016	2 016	14 500	4 707	4 919
Computer Equipment	-	2	100	1 662	96	545	2 016	2 016	2 016	2 016	2 016	2 016	2 016	14 500	4 707	4 919
Furniture and Office Equipment	23	13	19	598	40	10 482	2 338	2 338	2 338	2 338	2 338	2 338	2 338	25 200	8 159	8 526
Furniture and Office Equipment	23	13	19	598	40	10 482	2 338	2 338	2 338	2 338	2 338	2 338	2 338	25 200	8 159	8 526
Machinery and Equipment	-	-	-	-	546	-	259	259	259	259	259	259	259	2 100	1 151	1 202
Machinery and Equipment	-	-	-	-	546	-	259	259	259	259	259	259	259	2 100	1 151	1 202
Transport Assets	-	-	-	-	-	-	333	333	333	333	333	333	333	2 000	9 414	9 838
Transport Assets	-	-	-	-	-	-	333	333	333	333	333	333	333	2 000	9 414	9 838
Total capital expenditure	11 960	2 904	4 494	28 671	23 084	39 775	44 293	44 293	44 293	44 293	44 293	44 293	376 645	289 435	302 728	

Centlec - Supporting Table SE6a Adjustments capital expenditure on new assets by asset category - 31/12/2024

Budget Year +1 2024/25										Budget Year +1 2025/26	Budget Year +2 2026/27			
Description	Ref	Original Budget	Prior Adjusted	Downward Adjusts	Parent muni.	Unfore. Unavail.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget			
		1	2	3	4	5	6	7						
		A	A1	B	C	D	E	F	G					
R thousands														
Capital expenditure on new assets by Asset Class/Sub-class														
Infrastructure		176 410	-	75 500	-	-	(5 180)	70 310	246 720	161 368	168 896			
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-			
Electrical Infrastructure		176 410	-	75 500	-	-	(5 190)	70 310	246 720	161 368	168 896			
Power Plants		5 000	-	-	-	-	(5 000)	(5 000)	-	-	-			
HV Substations		14 300	-	1 500	-	-	-	1 500	15 800	2 092	2 186			
MV Networks		6 000	-	-	-	-	-	-	6 000	11 506	12 024			
LV Networks		151 110	-	74 000	-	-	(190)	73 810	224 920	147 770	154 688			
Capital Spares		34 300	-	2 200	-	-	-	2 200	36 500	35 878	37 492			
Community Assets		33 500	-	3 000	-	-	-	3 000	36 500	35 041	36 618			
Community Facilities		33 500	-	3 000	-	-	-	3 000	36 500	35 041	36 618			
Centres		800	-	(800)	-	-	-	(800)	-	837	874			
Sport and Recreation Facilities		800	-	(800)	-	-	-	(800)	-	837	874			
Indoor Facilities		4 500	-	10 000	-	-	-	10 000	14 500	4 707	4 919			
Outdoor Facilities		4 500	-	10 000	-	-	-	10 000	14 500	4 707	4 919			
Computer Equipment		7 700	-	500	-	-	17 000	17 500	25 200	8 159	8 526			
Computer Equipment		7 700	-	500	-	-	17 000	17 500	25 200	8 159	8 526			
Furniture and Office Equipment		1 200	-	900	-	-	-	900	2 100	1 151	1 202			
Furniture and Office Equipment		1 200	-	900	-	-	-	900	2 100	1 151	1 202			
Machinery and Equipment		9 000	-	(2 000)	-	-	(5 000)	(7 000)	2 000	9 414	9 638			
Machinery and Equipment		9 000	-	(2 000)	-	-	(5 000)	(7 000)	2 000	9 414	9 638			
Transport Assets		233 110	-	67 100	-	-	8 810	93 910	327 020	220 677	230 875			
Total Capital Expenditure on new assets to be adjusted	1	233 110	-	67 100	-	-	8 810	93 910	327 020	220 677	230 875			

Centiec - Supporting Table SE6d Adjustments Depreciation by asset category - 31/12/2024

Description		Ref	Budget Year +1 2024/25							Budget Year +1 2025/26	Budget Year +2 2026/27				
			Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget			
			1	2	3	4	5	6	7	A	B	C	D	E	F
R thousands	1														
<u>Depreciation by Asset Class/Sub-class</u>															
<u>Infrastructure</u>															
Electrical Infrastructure			62 902	-	-	-	-	-	-	62 902		70 844		79 689	
LV Networks			62 902	-	-	-	-	-	-	62 902		70 844		79 689	
Capital Spares			62 902	-	-	-	-	-	-	62 902		70 844		79 689	
<u>Community Assets</u>															
Community Facilities			1 806	-	-	-	-	-	-	1 806		1 889		1 974	
Halls			1 806	-	-	-	-	-	-	1 806		1 889		1 974	
<u>Intangible Assets</u>															
Servitudes			6 587	-	-	-	-	-	-	6 587		6 890		7 200	
Licences and Rights			6 587	-	-	-	-	-	-	6 587		6 890		7 200	
Computer Software and Applications			6 587	-	-	-	-	-	-	6 587		6 890		7 200	
<u>Furniture and Office Equipment</u>															
Furniture and Office Equipment			7 413	-	-	-	-	-	-	7 413		7 754		8 103	
Furniture and Office Equipment			7 413	-	-	-	-	-	-	7 413		7 754		8 103	
<u>Machinery and Equipment</u>															
Machinery and Equipment			59	-	-	-	-	-	-	59		62		64	
Machinery and Equipment			59	-	-	-	-	-	-	59		62		64	
<u>Transport Assets</u>															
Transport Assets			14 733	-	-	-	-	-	-	14 733		15 411		16 104	
Transport Assets			14 733	-	-	-	-	-	-	14 733		15 411		16 104	
Total Depreciation to be adjusted	1		93 500	-	-	-	-	-	-	93 500		102 850		113 135	

Centlec - Supporting Table SE6e Adjustments capital expenditure on upgrading of existing assets by asset category - 31/12/2024

Description	Ref	Budget Year +1 2024/25							Budget Year +1 2025/26	Budget Year +2 2026/27	
		Original Budget	Prior Adjusted	Downward adjusts	Parent muni.	Unfore. Unavoid.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
		1 R thousands	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class											
Infrastructure		24 030	-	1 200	-	-	(3 810)	(2 610)	21 420	33 503	35 011
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		24 030	-	1 200	-	-	(3 810)	(2 610)	21 420	33 503	35 011
HV Transmission Conductors		10 000		-	-	-	(5 000)	(5 000)	5 000	10 450	10 931
MV Substations									-	-	-
MV Switching Stations									-	-	-
MV Networks		6 000		1 200	-	-	-	1 200	7 200	6 276	6 558
LV Networks		8 030		-	-	-	1 190	1 190	9 220	16 767	17 521
Capital Spares								-	-		
Total Capital Expenditure on upgrading of existing assets to be adjusted	1	24 030	-	1 200	-	-	(3 810)	(2 610)	21 420	33 503	35 011

Centlec - Supporting Table SE7 List of capital projects affected by Adjustments Budget - 31/12/2024

R thousands	Function	Project Description	Type	Asset Sub-Class	Budget Year 2024/25			
					Budget Year +1 2024/25	Adjusted Budget	Budget Year +2 2025/26	Budget Year +2 2026/27
Electricity	Remedial Work 132kv Southern Lines	UPGRADING	Hv Transmission Conductors		10 000	5 000	10 460	10 931
Electricity	Extension And Upgrading Of The 11kv Netw	UPGRADING	Mv Networks		4 000	4 000	4 184	4 372
Electricity	Refur Protec & Scada Systems Dist Centr	UPGRADING	Mv Networks		1 000	2 200	1 046	1 093
Electricity	Replacement Of Oil Plant	UPGRADING	Mv Networks		1 000	1 000	1 046	1 093
Electricity	Refurbishment Of High Mast Lights	UPGRADING	Lv Networks		5 030	6 220	5 261	5 498
Electricity	Upgrading And Extention Of Lv Network	UPGRADING	Lv Networks		3 000	3 000	3 138	3 279
Electricity	Establishment Of New 30mwp Solar Farm	NEW	Power Plants		5 000		5 230	5 465
Electricity	Security Equipment (CCTV)	NEW	Hv Substations		2 000	3 500	2 092	2 186
Electricity	Botshabelo:Establishment of 123KV (Indu)	NEW	Hv Substations		12 300	12 300	12 866	13 445
Electricity	Electrification Internal Projects	NEW	Mv Networks		6 000	6 000	6 276	6 558
Electricity	Bloem: C/Y-Est 33/11kv 20mva Firm Supdc	NEW	Lv Networks		21 000	34 000	21 966	22 954
Electricity	Bloem: N/Stad-Upg 132/11kv 20mva Firm Dc	NEW	Lv Networks		5 000	20 000	5 230	5 465
Electricity	Botsh: Upg Sub W (C/Work B/W 2nd Tra S/D	NEW	Lv Networks		15 000		15 690	16 396
Electricity	Electricity (Usdg Grant)	NEW	Lv Networks		10 360	30 360	8 600	9 255
Electricity	Electrification Projects (Isupg)	NEW	Lv Networks		24 700	54 700	25 836	26 999
Electricity	DSM	NEW	Lv Networks			11 000		
Electricity	Install Prepaid Meters	NEW	Lv Networks		500	500	523	547
Electricity	Installation Of Public Lighting	NEW	Lv Networks		6 000	6 000	6 276	6 558
Electricity	Meter Project	NEW	Lv Networks		30 000	36 000	31 380	32 792
Electricity	Public Electricity Connections	NEW	Lv Networks		14 000	14 000	14 644	15 303
Electricity	Rep Brittle Overhead Connections	NEW	Lv Networks		850	850	889	929
Electricity	Replace Decrypt Cables Mv-Hv	NEW	Lv Networks		7 000	7 000	7 322	7 651
Electricity	Replace Decrypt Cables Mv-Hv	NEW	Lv Networks		5 000	3 810	5 230	5 465
Electricity	S/Lights Replace Pole Trns Poles Section	NEW	Lv Networks		3 000	6 000	3 138	3 279
Electricity	Servitudes Land (Incl Invest Remune Reg	NEW	Lv Networks		700	700	732	765
Electricity	Upgrade 132/11kv 20mva Dc Shannon B	NEW	Lv Networks		8 000		8 368	8 745
Electricity	Implem Business Cont Disaster Recov Inf	NEW	Computer Equipment		500	10 000	523	547
Electricity	Upgrade & Refurb Computer Network	NEW	Computer Equipment		4 000	4 500	4 184	4 372
Electricity	Furniture And Office Equipment	NEW	Furniture And Office Equipment		1 700	2 200	1 778	1 858
Electricity	Vending Back Office	NEW	Furniture And Office Equipment		6 000	23 000	6 276	6 558
Electricity	Digital Radio System	NEW	Machinery And Equipment		1 100	2 100	1 151	1 202
Electricity	Equipment Disabled Persons	NEW	Machinery And Equipment		100		105	109
Electricity	Protection Test Unit	NEW	Transport Assets		2 000	2 000	2 092	2 186
Electricity	Vehicles	NEW	Transport Assets		7 000		7 322	7 651
Electricity	Replacement Of 110v Batteries	RENEWAL	Hv Substations		1 500	1 500	1 569	1 640
Electricity	Replacement Of 11kv Switchgears	RENEWAL	Mv Networks		2 000	4 000	2 092	2 186
Electricity	Replacement Of 32v Batteries	RENEWAL	Mv Networks		1 500	1 500	1 569	1 640
Electricity	Transformer Replace & Other Related Equi	RENEWAL	Mv Networks		11 500	10 500	12 029	12 570
Electricity	Installation Of High Voltage Test Equipm	RENEWAL	Lv Networks		2 500	4 500	2 615	2 733
Electricity	Rep Low Volt Decrepit 2/4/8 Way Boxes	RENEWAL	Lv Networks		700	4 200	732	765
Electricity	Shifting Of Connection And Replacement S	RENEWAL	Lv Networks		2 005	2 005	2 098	2 192
Electricity	Repair Mmm Dist Dist Centre	NEW	Centres		2 500	2 500	2 615	2 733
Electricity	Repair Vista Dist Dist Centre	NEW	Centres		26 000	26 000	27 196	28 420
Electricity	Office Building	NEW	Centres		5 000	8 000	5 230	5 465
Electricity	Training & Development	NEW	Outdoor Facilities		800		837	874
Total Capital expenditure					278 845	376 645	289 435	302 728