

# ELIAS MOTSOLEDI LOCAL MUNICIPALITY



## MONTHLY BUDGET STATEMENT REPORT

**DECEMBER 2023**

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## PART 1: IN - YEAR REPORT

### PURPOSE

To report to the Council and submit to National and Provincial Treasury on the monthly financial performance of the Municipality as required by Section 71 of the Municipal Finance Management Act.

### EXECUTIVE SUMMARY

Section 71 of the Municipal Finance Management Act deals with requirements for in-year reporting and further state that the Accounting Officer of the Municipality must by no later than 10 working days after end of each month submit to the December or and relevant Provincial Treasury, the monthly budget statement in the prescribed format on the state of the municipality's financial results. It must be noted that 2022-23 financial year audit final report is out the municipality received an unqualified audit opinion with issues.

### IN YEAR BUDGET STATEMENT TABLES

DESCRIPTION	2023/24			
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE ACTUAL	PERCENT AGE
OPERATING REVENUE	680 763 743	-	350 955 008	52%
OPERATING EXPENDITURE	654 216 898	-	277 494 031	42%
TRANSFER - CAPITAL	79 756 000	-	32 496 784	41%
SURPLUS/(DEFICIT)	106 302 845	-	105 977 355	100%
CAPITAL EXPENDITURE	84 156 000	-	28 447 469	34%

**Table C1 – Budget Statement Summary**

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Financial Performance</b>									
Property rates	54 993	63 025	–	5 735	29 696	31 512	(1 816)	-6%	63 025
Service charges	96 995	125 701	–	7 817	55 415	62 850	(7 435)	-12%	125 701
Investment revenue	2 996	2 306	–	334	3 544	727	2 817	388%	2 306
Transfers and subsidies	338 905	363 745	–	99 041	250 468	280 825	(30 357)	-11%	363 745
Other own revenue	26 828	125 987	–	1 768	11 831	64 816	(52 984)	-82%	125 987
<b>Total Revenue (excluding capital transfers and contribut</b>	<b>520 718</b>	<b>680 764</b>	<b>–</b>	<b>114 695</b>	<b>350 955</b>	<b>440 730</b>	<b>(89 775)</b>	<b>-20%</b>	<b>680 764</b>
Employee costs	162 017	194 460	–	22 391	91 747	100 344	(8 597)	-9%	194 460
Remuneration of Councillors	24 855	26 490	–	2 242	14 295	13 245	1 050	8%	26 490
Depreciation & asset impairment	60 629	65 402	–	5 187	30 688	31 505	(817)	-3%	65 402
Finance charges	1 623	931	–	–	696	533	163	31%	931
Materials and bulk purchases	129 936	153 791	–	13 185	70 113	72 477	(2 364)	-3%	153 791
Transfers and subsidies	4 495	3 176	–	747	2 568	527	2 041	387%	3 176
Other expenditure	151 158	209 967	–	11 271	67 388	63 266	4 122	7%	209 967
<b>Total Expenditure</b>	<b>534 713</b>	<b>654 217</b>	<b>–</b>	<b>55 022</b>	<b>277 494</b>	<b>281 896</b>	<b>(4 402)</b>	<b>-2%</b>	<b>654 217</b>
<b>Surplus/(Deficit)</b>	<b>(13 995)</b>	<b>26 547</b>	<b>–</b>	<b>59 674</b>	<b>73 461</b>	<b>158 834</b>	<b>(85 373)</b>	<b>-54%</b>	<b>26 547</b>
Transfers and subsidies - capital (monetary allocations)	91 816	79 756	–	13 087	32 497	64 016	(31 520)	-49%	79 756
Transfers and subsidies - capital (in-kind - all)	–	–	–	20	20	–	20	0%	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>77 820</b>	<b>106 303</b>	<b>–</b>	<b>72 780</b>	<b>105 977</b>	<b>222 850</b>	<b>(116 873)</b>	<b>-52%</b>	<b>106 303</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>77 820</b>	<b>106 303</b>	<b>–</b>	<b>72 780</b>	<b>105 977</b>	<b>222 850</b>	<b>(116 873)</b>	<b>-52%</b>	<b>106 303</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>98 645</b>	<b>84 156</b>	<b>–</b>	<b>8 185</b>	<b>28 447</b>	<b>38 437</b>	<b>(9 990)</b>	<b>-26%</b>	<b>84 156</b>
Capital transfers recognised	77 457	79 756	–	8 131	27 164	35 963	(8 800)	-24%	79 756
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	21 188	4 400	–	54	1 284	2 474	(1 190)	-48%	4 400
<b>Total sources of capital funds</b>	<b>98 645</b>	<b>84 156</b>	<b>–</b>	<b>8 185</b>	<b>28 447</b>	<b>38 437</b>	<b>(9 990)</b>	<b>-26%</b>	<b>84 156</b>
<b>Financial position</b>									
Total current assets	256 254	248 465	–		339 007				248 465
Total non current assets	1 239 934	1 379 378	–		1 378 858				1 379 378
Total current liabilities	169 725	124 219	–		188 997				124 219
Total non current liabilities	92 008	92 871	–		120 017				92 871
Community wealth/Equity	1 234 455	1 410 753	–		1 408 850				1 410 753
<b>Cash flows</b>									
Net cash from (used) operating	128 295	56 732	–	62 238	90 916	115 424	24 508	21%	56 732
Net cash from (used) investing	(98 645)	(71 634)	–	(8 185)	(28 447)	(28 490)	(42)	0%	(71 634)
Net cash from (used) financing	(7 251)	(7 009)	–	(10)	(3 151)	(3 500)	(349)	10%	(7 009)
<b>Cash/cash equivalents at the month/year end</b>	<b>32 939</b>	<b>19 757</b>	<b>–</b>	<b>–</b>	<b>100 985</b>	<b>125 102</b>	<b>24 117</b>	<b>19%</b>	<b>19 757</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
Debtors Age Analysis									
Total By Income Source	13 577	5 694	4 208	3 491	4 180	3 980	3 121	156 402	194 654
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	–	–

**The above C1 Sum table summarizes the following activities: -**

**Revenue:**

The actual year to date operational revenue as at end of December is R350, 955 million and the year to date budget of R440, 730 million and this reflects a negative variance of R89, 775 million which is mostly attributable to equitable shares received amounting to R248, 179 million. The following are the secondary revenue item categories reflecting a positive and negative material variance:

- Interest earned - external investments: 388% favorable variance,
- Interest earned – outstanding debtors: 15% favorable variance,
- Rental of Facilities and Equipment: 216% favorable variance,
- Fines, penalties and forfeits: 94% unfavorable variance
- Services Charges – electricity revenue: 15% unfavorable variance
- Services Charges – refuse revenue: 20% favorable variance
- Licenses and permits: 10% unfavorable variance
- Property rates: 6% unfavorable variance
- Other revenue: 288% unfavorable
- Transfer and subsidies: 11% unfavorable

**Operating Expenditure**

The year to date operational expenditure as at end of December amounts to R277, 494 million and the year to date budget is R281, 896 million. This reflects underspending variance of R4, 402 million that translates to 2% variance. The variance is attributed underspending variance on depreciation and asset impairment and debt impairment that the municipality is still facing a challenge regarding the computation of monthly movement of the two accounts.

All other expenditure line items are performing almost in line with the year to date budget since the variance thereof is less than 10% except for the following:

- Debt impairment: 100% under performance
- Finance charges: 31% over performance
- Bulk purchase: 13% under performance
- Other material:31% over performance
- Contracted services: 17% over performance
- Transfer and subsidies: 387% over performance
- Other expenditure: 15% over performance

The above material variances are explained more in detail on Supporting Tables SC 1

## **Capital Expenditure**

The year to date actual capital expenditure as at end of December 2023 amounts to R28, 447 million and the year to date budget amounts to R38, 437 million and this gives rise to R9, 990 million under performance.

## **Surplus/Deficit**

Taking the above into consideration, the net operating surplus for the month of December is R105, 977 million that is mainly attributed over performance on capital and operating expenditure in the reporting period.

## **Debtors**

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of December amounts to R194,654 million and this shows an increase of R9,127 million as compared to R185, 527 million as at end of 2022-23 financial year.

Consumer debtors is made up of service charges and property rates that amount to R119,239 million and other debtors amounting to R75, 415 million. Debtors such those relating to traffic fines are reported as other debtors as presented under current assets on Table C6 and as a result, the do not form part of consumer debtors.

## **Creditors**

All creditors are paid within 30 days of receipt of invoice in the month of December as required by MFMA and as a result.

**Table C2 – Financial Performance (Standard Classification)**

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue - Functional</b>									
<b>Governance and administration</b>	<b>277 768</b>	<b>300 481</b>	<b>–</b>	<b>67 027</b>	<b>185 382</b>	<b>204 127</b>	<b>(18 745)</b>	<b>-9%</b>	<b>300 481</b>
Executive and council	43 728	55 444	–	13 303	25 476	36 476	(11 000)	-30%	55 444
Finance and administration	220 586	231 152	–	51 032	150 909	156 654	(5 745)	-4%	231 152
Internal audit	13 455	13 884	–	2 692	8 997	10 997	(2 000)	-18%	13 884
<b>Community and public safety</b>	<b>31 175</b>	<b>129 150</b>	<b>–</b>	<b>13 961</b>	<b>28 977</b>	<b>74 935</b>	<b>(45 958)</b>	<b>-61%</b>	<b>129 150</b>
Community and social services	10 947	11 327	–	4 484	7 706	7 734	(29)	0%	11 327
Sport and recreation	17 033	17 595	–	5 269	14 605	14 614	(9)	0%	17 595
Public safety	3 195	100 228	–	4 209	6 667	52 587	(45 920)	-87%	100 228
<b>Economic and environmental services</b>	<b>140 432</b>	<b>130 503</b>	<b>–</b>	<b>25 374</b>	<b>73 683</b>	<b>110 733</b>	<b>(37 050)</b>	<b>-33%</b>	<b>130 503</b>
Planning and development	21 669	22 674	–	8 782	20 046	18 116	1 930	11%	22 674
Road transport	117 952	106 992	–	16 380	52 931	91 911	(38 980)	-42%	106 992
Environmental protection	811	836	–	212	705	705	0	0%	836
<b>Trading services</b>	<b>163 158</b>	<b>200 386</b>	<b>–</b>	<b>21 440</b>	<b>95 429</b>	<b>114 952</b>	<b>(19 523)</b>	<b>-17%</b>	<b>200 386</b>
Energy sources	126 820	151 238	–	12 153	66 184	80 653	(14 470)	-18%	151 238
Waste management	36 339	49 148	–	9 287	29 245	34 299	(5 053)	-15%	49 148
<b>Total Revenue - Functional</b>	<b>612 533</b>	<b>760 520</b>	<b>–</b>	<b>127 802</b>	<b>383 471</b>	<b>504 747</b>	<b>(121 275)</b>	<b>-24%</b>	<b>760 520</b>
<b>Expenditure - Functional</b>									
<b>Governance and administration</b>	<b>215 448</b>	<b>227 933</b>	<b>–</b>	<b>21 647</b>	<b>116 009</b>	<b>112 040</b>	<b>3 970</b>	<b>4%</b>	<b>227 933</b>
Executive and council	40 873	45 702	–	4 493	23 716	22 734	983	4%	45 702
Finance and administration	162 605	170 758	–	14 796	85 479	82 560	2 920	4%	170 758
Internal audit	11 970	11 472	–	2 358	6 814	6 746	68	1%	11 472
<b>Community and public safety</b>	<b>39 658</b>	<b>118 872</b>	<b>–</b>	<b>4 590</b>	<b>20 291</b>	<b>24 757</b>	<b>(4 466)</b>	<b>-18%</b>	<b>118 872</b>
Community and social services	9 422	9 467	–	903	3 603	5 014	(1 412)	-28%	9 467
Sport and recreation	8 989	14 805	–	1 204	4 639	7 385	(2 746)	-37%	14 805
Public safety	21 246	94 601	–	2 482	12 049	12 358	(309)	-3%	94 601
<b>Economic and environmental services</b>	<b>120 504</b>	<b>127 771</b>	<b>–</b>	<b>14 353</b>	<b>60 694</b>	<b>63 277</b>	<b>(2 583)</b>	<b>-4%</b>	<b>127 771</b>
Planning and development	18 411	24 992	–	1 847	9 415	13 072	(3 656)	-28%	24 992
Road transport	102 093	102 085	–	12 505	51 279	49 859	1 420	3%	102 085
Environmental protection	–	695	–	–	–	347	(347)	-100%	695
<b>Trading services</b>	<b>159 103</b>	<b>179 641</b>	<b>–</b>	<b>14 432</b>	<b>80 500</b>	<b>81 822</b>	<b>(1 322)</b>	<b>-2%</b>	<b>179 641</b>
Energy sources	109 850	133 039	–	9 189	56 997	65 819	(8 822)	-13%	133 039
Waste management	49 253	46 602	–	5 243	23 502	16 003	7 500	47%	46 602
<b>Total Expenditure - Functional</b>	<b>534 713</b>	<b>654 217</b>	<b>–</b>	<b>55 022</b>	<b>277 494</b>	<b>281 896</b>	<b>(4 402)</b>	<b>-2%</b>	<b>654 217</b>
<b>Surplus/ (Deficit) for the year</b>	<b>77 820</b>	<b>106 303</b>	<b>–</b>	<b>72 780</b>	<b>105 977</b>	<b>222 850</b>	<b>(116 873)</b>	<b>-52%</b>	<b>106 303</b>



**Table C3 – Financial Performance (Revenue and Expenditure by vote)**

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Vote Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue by Vote</b>									
Vote 1 - Executive & Council	37 271	48 780	–	10 814	21 310	32 310	(11 000)	-34%	48 780
Vote 2 - Municipal Manager	46 531	48 017	–	14 300	37 187	37 187	(0)	0%	48 017
Vote 3 - Budget & Treasury	109 827	116 810	–	18 213	69 599	72 285	(2 686)	-4%	116 810
Vote 4 - Corporate Services	50 657	52 321	–	13 671	33 665	36 723	(3 058)	-8%	52 321
Vote 5 - Community Services	76 536	188 606	–	25 133	63 928	115 338	(51 410)	-45%	188 606
Vote 6 - Technical Services	263 115	276 162	–	36 560	134 837	187 888	(53 051)	-28%	276 162
Vote 7 - Developmental Planning	13 673	14 423	–	4 615	12 375	12 444	(70)	-1%	14 423
Vote 8 - Executive Support	14 925	15 401	–	4 495	10 570	10 570	(0)	0%	15 401
<b>Total Revenue by Vote</b>	<b>612 533</b>	<b>760 520</b>	<b>–</b>	<b>127 802</b>	<b>383 471</b>	<b>504 747</b>	<b>(121 275)</b>	<b>-24%</b>	<b>760 520</b>
<b>Expenditure by Vote</b>									
Vote 1 - Executive & Council	35 446	37 797	–	2 829	19 864	18 848	1 016	5%	37 797
Vote 2 - Municipal Manager	45 914	46 270	–	6 388	23 194	25 033	(1 840)	-7%	46 270
Vote 3 - Budget & Treasury	61 222	61 056	–	6 543	35 235	32 163	3 072	10%	61 056
Vote 4 - Corporate Services	27 772	41 928	–	1 931	15 260	19 407	(4 147)	-21%	41 928
Vote 5 - Community Services	97 515	175 066	–	11 077	48 834	45 448	3 386	7%	175 066
Vote 6 - Technical Services	230 159	254 734	–	21 954	115 503	121 785	(6 282)	-5%	254 734
Vote 7 - Developmental Planning	13 119	18 039	–	1 144	5 835	9 483	(3 649)	-38%	18 039
Vote 8 - Executive Support	23 567	19 327	–	3 200	13 991	9 728	4 263	44%	19 327
<b>Total Expenditure by Vote</b>	<b>534 713</b>	<b>654 217</b>	<b>–</b>	<b>55 066</b>	<b>277 716</b>	<b>281 896</b>	<b>(4 180)</b>	<b>-1%</b>	<b>654 217</b>
<b>Surplus/ (Deficit) for the year</b>	<b>77 820</b>	<b>106 303</b>	<b>–</b>	<b>72 736</b>	<b>105 755</b>	<b>222 850</b>	<b>(117 095)</b>	<b>-53%</b>	<b>106 303</b>

Table C2 and C3 measure the monthly actuals and year to date actuals against the year-to-date budget. The aforementioned budget tables are presented by standard classification and vote respectively for both revenue and expenditure. The variances are all reflected in the year-to-date variance column.

The financial results portrayed in the two tables are the same as those in other tables (i.e. it is only the description or basis of reporting that is based on financial or budget performance by vote or department, and National Treasury’s standard classification).



**Table C4: Financial Performance by Revenue Source and Expenditure Type**

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue By Source</b>									
Property rates	54 993	63 025	–	5 735	29 696	31 512	(1 816)	-6%	63 025
Service charges - electricity revenue	87 458	115 903	–	6 753	49 543	57 951	(8 408)	-15%	115 903
Service charges - refuse revenue	9 537	9 798	–	1 064	5 872	4 899	973	20%	9 798
Rental of facilities and equipment	1 039	913	–	93	1 276	404	872	216%	913
Interest earned - external investments	2 996	2 306	–	334	3 544	727	2 817	388%	2 306
Interest earned - outstanding debtors	14 200	14 686	–	620	7 436	6 484	952	15%	14 686
Fines, penalties and forfeits	3 300	100 528	–	451	2 911	52 737	(49 826)	-94%	100 528
Licences and permits	6 062	7 176	–	503	3 222	3 588	(366)	-10%	7 176
Transfers and subsidies	338 905	363 745	–	99 041	250 468	280 825	(30 357)	-11%	363 745
Other revenue	2 227	2 684	–	102	(3 013)	1 602	(4 615)	-288%	2 684
Gains							–		
<b>Total Revenue (excluding capital transfers and contribut</b>	<b>520 718</b>	<b>680 764</b>	<b>–</b>	<b>114 695</b>	<b>350 955</b>	<b>440 730</b>	<b>(89 775)</b>	<b>-20%</b>	<b>680 764</b>
<b>Expenditure By Type</b>									
Employee related costs	162 017	194 460	–	22 391	91 747	100 344	(8 597)	-9%	194 460
Remuneration of councillors	24 855	26 490	–	2 242	14 295	13 245	1 050	8%	26 490
Debt impairment	19 063	95 607	–	–	–	5 111	(5 111)	-100%	95 607
Depreciation & asset impairment	60 629	65 402	–	5 187	30 688	31 505	(817)	-3%	65 402
Finance charges	1 623	931	–	–	696	533	163	31%	931
Bulk purchases	93 194	113 017	–	7 592	49 237	56 508	(7 271)	-13%	113 017
Other materials	36 742	40 774	–	5 592	20 876	15 969	4 907	31%	40 774
Contracted services	75 840	61 720	–	5 624	36 955	31 630	5 325	17%	61 720
Transfers and subsidies	4 495	3 176	–	747	2 568	527	2 041	387%	3 176
Other expenditure	56 254	52 641	–	5 647	30 433	26 525	3 908	15%	52 641
Losses	–	–	–	–	–	–	–	–	–
<b>Total Expenditure</b>	<b>534 713</b>	<b>654 217</b>	<b>–</b>	<b>55 022</b>	<b>277 494</b>	<b>281 896</b>	<b>(4 402)</b>	<b>-2%</b>	<b>654 217</b>
<b>Surplus/(Deficit)</b>	<b>(13 995)</b>	<b>26 547</b>	<b>–</b>	<b>59 674</b>	<b>73 461</b>	<b>158 834</b>	<b>(85 373)</b>	<b>-54%</b>	<b>26 547</b>
Transfers and subsidies - capital (monetary allocations)	91 816	79 756	–	13 087	32 497	64 016	(31 520)	-49%	79 756
Transfers and subsidies - capital (monetary allocations)							–		–
Transfers and subsidies - capital (in-kind - all)	–	–	–	20	20	–	20	#DIV/0!	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>77 820</b>	<b>106 303</b>	<b>–</b>	<b>72 780</b>	<b>105 977</b>	<b>222 850</b>			<b>106 303</b>
Taxation							–		
<b>Surplus/(Deficit) after taxation</b>	<b>77 820</b>	<b>106 303</b>	<b>–</b>	<b>72 780</b>	<b>105 977</b>	<b>222 850</b>			<b>106 303</b>
Attributable to minorities									
<b>Surplus/(Deficit) attributable to municipality</b>	<b>77 820</b>	<b>106 303</b>	<b>–</b>	<b>72 780</b>	<b>105 977</b>	<b>222 850</b>			<b>106 303</b>
Share of surplus/ (deficit) of associate									
<b>Surplus/ (Deficit) for the year</b>	<b>77 820</b>	<b>106 303</b>	<b>–</b>	<b>72 780</b>	<b>105 977</b>	<b>222 850</b>			<b>106 303</b>

Table C4 provides budget performance details for revenue by source and expenditure by type. For revenue, the main deviations from budget projections are on property rates, service charges – electricity, refuse, rental of facilities and equipment, interest earned – external investments, interest on outstanding debtors, fines, penalties and forfeits, licenses and permits and other revenue.

In the case of expenditure, the following line items reflect material variance; Remuneration of councilors, Bulk purchases, other expenditure, debt impairment, depreciation and asset impairment, finance charges, employee related costs, other materials, and transfer and subsidies.

Reasons for deviations will only be provided for material variances and a variance is deemed to be material if it is 10% and more.

**Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding**

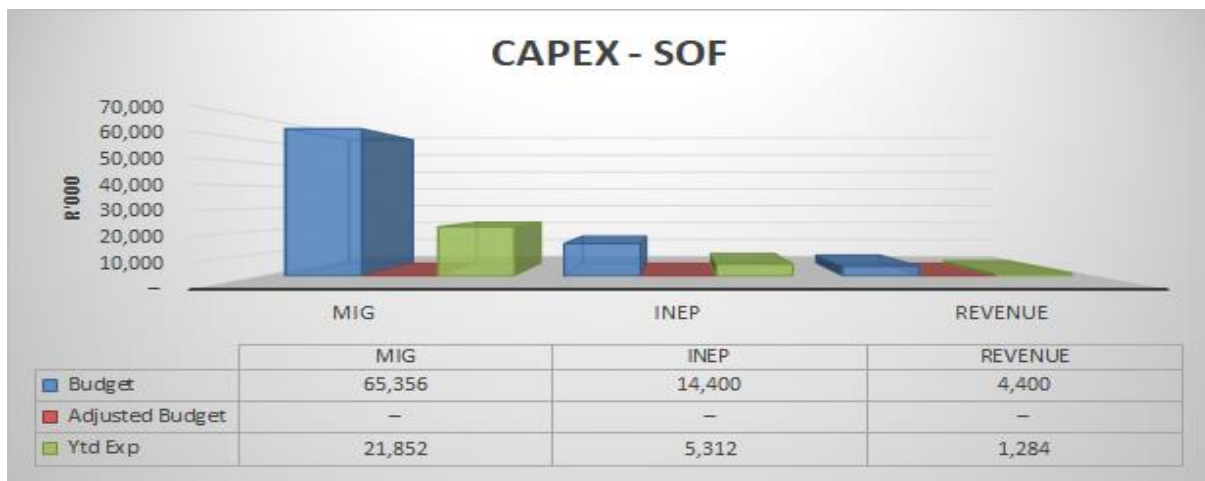
Vote Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>	2 663	1 000	–	68	859	611	248	41%	1 000
Executive and council	–	–	–	–	–	–	–	–	–
Finance and administration	2 663	1 000	–	68	859	611	248	41%	1 000
Internal audit	–	–	–	–	–	–	–	–	–
<b>Community and public safety</b>	2 450	100	–	–	97	61	35	58%	100
Community and social services	1 455	–	–	–	–	–	–	–	–
Sport and recreation	550	100	–	–	97	61	35	58%	100
Public safety	445	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Health	–	–	–	–	–	–	–	–	–
<b>Economic and environmental services</b>	75 671	66 256	–	7 409	21 909	29 683	(7 774)	-26%	66 256
Planning and development	1 075	–	–	–	–	–	–	–	–
Road transport	74 596	66 256	–	7 409	21 909	29 683	(7 774)	-26%	66 256
Environmental protection	–	–	–	–	–	–	–	–	–
<b>Trading services</b>	17 861	16 800	–	708	5 582	8 082	(2 500)	-31%	16 800
Energy sources	16 001	15 000	–	682	5 556	6 726	(1 170)	-17%	15 000
Waste management	1 860	1 800	–	26	26	1 356	(1 330)	-98%	1 800
Other	–	–	–	–	–	–	–	–	–
<b>Total Capital Expenditure - Functional Classification</b>	<b>98 645</b>	<b>84 156</b>	<b>–</b>	<b>8 185</b>	<b>28 447</b>	<b>38 437</b>	<b>(9 990)</b>	<b>-26%</b>	<b>84 156</b>
<b>Funded by:</b>									
National Government	77 457	79 756	–	8 131	27 164	35 963	(8 800)	-24%	79 756
Provincial Government	–	–	–	–	–	–	–	–	–
District Municipality	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations)	–	–	–	–	–	–	–	–	–
<b>Transfers recognised - capital</b>	<b>77 457</b>	<b>79 756</b>	<b>–</b>	<b>8 131</b>	<b>27 164</b>	<b>35 963</b>	<b>(8 800)</b>	<b>-24%</b>	<b>79 756</b>
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	21 188	4 400	–	54	1 284	2 474	(1 190)	-48%	4 400
<b>Total Capital Funding</b>	<b>98 645</b>	<b>84 156</b>	<b>–</b>	<b>8 185</b>	<b>28 447</b>	<b>38 437</b>	<b>(9 990)</b>	<b>-26%</b>	<b>84 156</b>

**Table C5C: Monthly Capital Expenditure by Vote**

Vote Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Multi-Year expenditure appropriation</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	2 663	700	-	68	608	411	196	48%	700
Vote 5 - Community Services	4 063	1 000	-	-	-	586	(586)	-100%	1 000
Vote 6 - Technical Services	40 032	73 356	-	7 862	24 733	33 016	(8 284)	-25%	73 356
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>46 759</b>	<b>75 056</b>	<b>-</b>	<b>7 930</b>	<b>25 340</b>	<b>34 014</b>	<b>(8 674)</b>	<b>-26%</b>	<b>75 056</b>
<b>Single Year expenditure appropriation</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	300	-	-	252	200	52	26%	300
Vote 5 - Community Services	247	900	-	26	123	831	(709)	-85%	900
Vote 6 - Technical Services	50 564	7 900	-	229	2 733	3 392	(659)	-19%	7 900
Vote 7 - Developmental Planning	1 075	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	<b>51 886</b>	<b>9 100</b>	<b>-</b>	<b>255</b>	<b>3 107</b>	<b>4 423</b>	<b>(1 316)</b>	<b>-30%</b>	<b>9 100</b>
<b>Total Capital Expenditure</b>	<b>98 645</b>	<b>84 156</b>	<b>-</b>	<b>8 185</b>	<b>28 447</b>	<b>38 437</b>	<b>(9 990)</b>	<b>-26%</b>	<b>84 156</b>

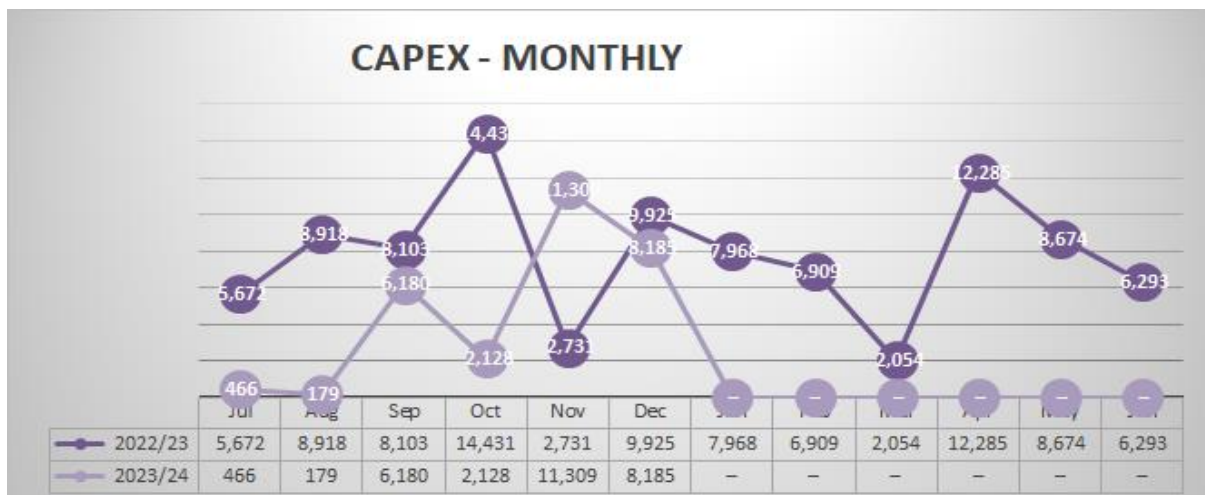
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of December 2023, R8,185 spending is incurred and the year-to-date expenditure amounts to R28, 447 whilst the year to date budget is R38, 437 million and this gave rise to under spending variance of R9, 990 million that translates to 26%.

**Figure 1: Capital expenditure by source**



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R84, 156 million, R65, 356 million is funded from Municipal Infrastructure grant, R14, 400 million from Integrated National Electrification Programme and R4, 400 million from own revenue and the spending per source of finance is presented in the above graph.

**Figure 2: Monthly capital expenditure**



The above graph compares the 2022-23 and 2023/24 monthly capital expenditure performance.

**Table C6: Monthly Budget Statement Financial Position**

Description	2022/23	Budget Year 2023/24			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	7 479	18 804	–	9 686	18 804
Call investment deposits	25 460	–	–	91 300	–
Consumer debtors	109 709	178 921	–	123 512	178 921
Other debtors	88 862	12 169	–	85 028	12 169
Current portion of long-term receivables	–	–	–	–	–
Inventory	24 743	38 571	–	29 481	38 571
<b>Total current assets</b>	<b>256 254</b>	<b>248 465</b>	<b>–</b>	<b>339 007</b>	<b>248 465</b>
<b>Non current assets</b>					
Long-term receivables	–	–	–	–	–
Investments	17 149	18 499	–	–	18 499
Investment property	96 399	48 884	–	103 831	48 884
Investments in Associate	–	–	–	–	–
Property, plant and equipment	1 123 988	1 310 538	–	1 271 715	1 310 538
Biological	463	463	–	–	463
Intangible	7	606	–	1 384	606
Other non-current assets	1 928	388	–	1 928	388
<b>Total non current assets</b>	<b>1 239 934</b>	<b>1 379 378</b>	<b>–</b>	<b>1 378 858</b>	<b>1 379 378</b>
<b>TOTAL ASSETS</b>	<b>1 496 188</b>	<b>1 627 843</b>	<b>–</b>	<b>1 717 864</b>	<b>1 627 843</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft	–	–	–	–	–
Borrowing	4 650	7 246	–	4 415	7 246
Consumer deposits	5 757	5 937	–	5 480	5 937
Trade and other payables	158 176	108 287	–	169 348	108 287
Provisions	1 142	2 750	–	9 754	2 750
<b>Total current liabilities</b>	<b>169 725</b>	<b>124 219</b>	<b>–</b>	<b>188 997</b>	<b>124 219</b>
<b>Non current liabilities</b>					
Borrowing	7 288	5 456	–	9 357	5 456
Provisions	84 720	87 415	–	110 660	87 415
<b>Total non current liabilities</b>	<b>92 008</b>	<b>92 871</b>	<b>–</b>	<b>120 017</b>	<b>92 871</b>
<b>TOTAL LIABILITIES</b>	<b>261 733</b>	<b>217 091</b>	<b>–</b>	<b>309 014</b>	<b>217 091</b>
<b>NET ASSETS</b>	<b>1 234 455</b>	<b>1 410 753</b>	<b>–</b>	<b>1 408 850</b>	<b>1 410 753</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	1 234 455	1 410 753	–	1 408 850	1 410 753
Reserves	–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>1 234 455</b>	<b>1 410 753</b>	<b>–</b>	<b>1 408 850</b>	<b>1 410 753</b>

The above table shows that community wealth amounts to R1, 408 billion, total liabilities R309, million and the total assets R1, 717 billion. Non-current liabilities are mainly made up of borrowing and provisions for long service award, landfill site. Taking the current liabilities and current assets together, the municipality has current ratio of 1.8:1 that is below the acceptable norm of 2:1. The municipality still needs to keep the current liabilities low and increase the current assets to strengthen the liquidity ratio.

**Table C7: Monthly Budget Statement Cash Flow**

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates	37 194	54 392	-	3 558	22 127	26 260	(4 134)	-16%	54 392
Service charges	89 721	124 873	-	10 589	47 458	52 375	(4 917)	-9%	124 873
Other revenue	53 816	21 801	-	3 219	27 537	24 632	2 905	12%	21 801
Transfers and Subsidies - Operational	333 406	363 745	-	98 796	252 785	273 448	(20 664)	-8%	363 745
Transfers and Subsidies - Capital	111 606	79 756	-	16 776	58 676	58 676	-		79 756
Interest	5 365	1 455	-	358	3 432	3 212	220	7%	1 455
<b>Payments</b>									
Suppliers and employees	(499 712)	(585 183)	-	(70 312)	(318 135)	(320 125)	(1 990)	1%	(585 183)
Finance charges	(1 314)	(931)	-	-	(396)	(401)	(6)	1%	(931)
Transfers and Grants	(1 787)	(3 176)	-	(747)	(2 568)	(2 655)	(87)	3%	(3 176)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>128 295</b>	<b>56 732</b>	<b>-</b>	<b>62 238</b>	<b>90 916</b>	<b>115 424</b>	<b>24 508</b>	<b>21%</b>	<b>56 732</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	851	-	-	-	-	-	-	851
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Capital assets	(98 645)	(72 485)	-	(8 185)	(28 447)	(28 490)	(42)	0%	(72 485)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(98 645)</b>	<b>(71 634)</b>	<b>-</b>	<b>(8 185)</b>	<b>(28 447)</b>	<b>(28 490)</b>	<b>(42)</b>	<b>0%</b>	<b>(71 634)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	237	-	(10)	56	42	14	33%	237
<b>Payments</b>									
Repayment of borrowing	(7 251)	(7 246)	-	-	(3 207)	(3 542)	(335)	9%	(7 246)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(7 251)</b>	<b>(7 009)</b>	<b>-</b>	<b>(10)</b>	<b>(3 151)</b>	<b>(3 500)</b>	<b>(349)</b>	<b>10%</b>	<b>(7 009)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>22 400</b>	<b>(21 911)</b>	<b>-</b>	<b>54 043</b>	<b>59 317</b>	<b>83 434</b>			<b>(21 911)</b>
Cash/cash equivalents at beginning:	10 539	41 668	-		41 668	41 668			41 668
Cash/cash equivalents at month/year end:	32 939	19 757	-		100 985	125 102			19 757

Table C7 presents details pertaining to cash flow performance. As at end of December 2023, the net cash inflow from operating activities is R90, 916 million whilst net cash outflow from investing activities is R28, 447 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R3, 151 million. The cash and cash equivalent held at end of December 2023 amounted to R100, 985 million and the net effect of the above cash flows is cash inflow movement of R59, 317 million. The cash and cash equivalent at end of the reporting period of R100, 985 million, is mainly made up of cash in the primary bank account amounting to R9, 686 million with a short term investment amounting to R91, 300 million at the end of December 2023.



## PART 2: SUPPORTING TABLES

**Supporting Table: SC 1 Material Variance Explanations**

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<b>Revenue By Source</b>			
Property rates	-6%	The projected monthly revenue appears to be higher in light of the actual revenue performance	The municipality should improve on the revenue collection and strategise on collection revenue
Service charges - electricity revenue	-15%	The projected monthly revenue appear to be higher in light of the actual revenue performance	The municipality should introduce cut off measurements as means to enforce customers to pay their accounts when due.
Service charges - refuse revenue	20%	The actual revenue generated is higher than the projected monthly revenue	The municipality should ensure revenue is collected in all business areas where skips are located
Rental of facilities and equipment	216%	The actual revenue generated is higher than the projected monthly revenue and the majority of the rented assets are not at arm's length transactions	No remedial action since the actual revenue is performing well.
Interest earned - external investments	388%	The municipality has invested in five different investment portfolios with ABSA and Standard bank, and the actual interest generated is more budgeted revenue	The municipality should draft cash flow projections plan which will assist if there is a need to invest during the budget preparations to avoice variances.
Interest earned - outstanding debtors	15%	The actual revenue generated is slightly more than the projected monthly revenue.	The municipality should encourage customers to pay the accounts on time to avoid incurring interest.
Fines, penalties and forfeits	-94%	The actual revenue issued on speed cameras is less that the pojections. The contract of the speed fine cameras has been appointed, however there still slow collection in terms of revenue collection.	The municipality should strategies on how to speed up the revenue collection under this item. There should be road blocks in the goblersdal entrences where cashiers are available to collection on outstanding traffic fines.
Licences and permits	-10%	The actual revenue generated is slightly less than the projected monthly revenue	No remedial action is needed since the variance is immeterial.
Transfers and subsidies	-11%	The equitable share trenches received is slightly lower than the projections thereof.	The budget team should request LPT DORA to guide in the projections during the final budget preparations.
Other revenue	-288%	The actual revenue generated is less than the projected monthly revenue.	The municipality should ensure that all write offs on the outstanding debts are true reflections of what should be wrtten off.
<b>Expenditure By Type</b>			
Employee related costs	-9%	The actual expenditure incurred on employee related costs is less than the projections thereof	Majority of the positions are vacant, improvements should show once are the positions are filled.
Remuneration of councillors	8%	The actual expenditure incurred on remuneration of councillors is more than the projected monthly expenditure	No remedial action is needed.
Debt impairment	-100%	Debt impairment has not been calculated for the month of beginning of the year.	The municipality should introduce the method of calculating debt impairment on monthly basis to avoid the the variances.
Depreciation & asset impairment	-3%	projections.	No remedial action is needed
Finance charges	31%	Finance charges is mainly for finance lease and the municipality has a lease contract with Afirent pty ltd.	The municipality should encourages the service provider to submit invoices before month end sytem closure so payments are processed and captured on the system to avoid variances.
Bulk purchases	-13%	The municipal licenced electrification areas have increased and the projections are more than the actual expenditure, however the monthly payments are usually captured after the month end hence the actuals are less than the projections.	The municipality should encourages the service provider (Eskom) to submit invoices before month end sytem closure so payments are processed and captured on the system to avoid variances.
Other materials	31%	The projected expenditure is more than the actual expenditure thereof.	The municipality should have establish a clear maintenance plan policy to ensure all their vehicles and other assets are maintained to avoid their assets depreciated quickly than their lifes span.
Contracted services	17%	The actual expenditure incurred is more than the projected monthly expenditure	Majority of contractors are paid after month end. The municipality should encourage contractors to submit invoices on time to avoid variances and ultimately improves cash flow management.
Transfers and subsidies	387%	The actual expenditure incurred is more than the projected monthly expenditure	No remedial action is needed
Other expenditure	15%	The actual expenditure incurred is more than the projected monthly expenditure	The municipality should identify expenditure lead to significant variances and improve on those items to avoid the variances.



## Supporting Table: SC 1 Material Variance Explanations (Continuation)

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<b>Capital Expenditure</b>			
National Government	-24%	The projections on capital grants is more than the spending thereof.	Majority of projects are moving slowly, the municipality should ensure all projects are performing according to planned schedule.
Internally generated funds	-48%	The actual spending on internally generated funds is less than the projections thereof.	The municipality should implement all the internal projects to ensure service delivery is achieved.
<b>Cash Flow</b>			
Property rates	-16%	The actual collection rate on property rates is less than the projected rate	The municipality should keep on improving on the actual collection on residential and business areas and encourage customers to pay their accounts when they are due.
Service charges	-9%	The collection rate on service charges is less than the projected rate	The municipality should come up strategies of collection methods in licenced municipal areas on electricity billings and refuse removal.
Other revenue	12%	The collection rate on leased assets is slightly over projected	The municipality should come up with strategies to ensure that all leased municipal assets are rented out as projected
Government - operating	-8%	The receipted trenches of operational grants are not in line with the projections thereof.	The municipality should make use of DORA during the draft and final budget preparations.
Government - Capital		The receipted trenches of capital grants are in line with the projections however there is slow implementations of the capital projects.	The municipality should make use of DORA during the draft and final budget preparations.
Interest	7%	Interest on other revenue is under projected to the under collection from other debtors	No remedial action is needed
Suppliers and employees	1%	The actual costs incurred is less than the projected costs and the variance is caused by overspending on contracted services, other materials and other expenditure.	The variance is caused by outstanding payment on Contracted services. Other materials and general expenses therefore the municipality should avoid closing the year end with outstanding creditors
Finance charges	1%	The finance costs which is for finance lease contracts has outstanding payments due to late payments submissions.	The municipality should encourages Afirent to send invoices on time and the fleet unit should prepare invoices on time to avoid the material variances.
Transfers and Grants	3%	The payments relating to this account are slightly less than the projections thereof	No remedial action is needed
Capital assets	0%	The projected capital expenditure on capex is more than the actual spending thereof.	The municipality should fast track implementation of all capital projects.
Increase (decrease) in consumer deposits	0%	The actual payments on consumer deposit is less than the projections thereof	No remedial action is needed
Repayment of borrowing	9%	The projections is not in line with the amortisation schedule	The municipality should make use of amortisation during budget preparations and ensure the payments are inline with the amortisation schedule.

## Supporting Table: SC 3 - Debtors Age Analysis

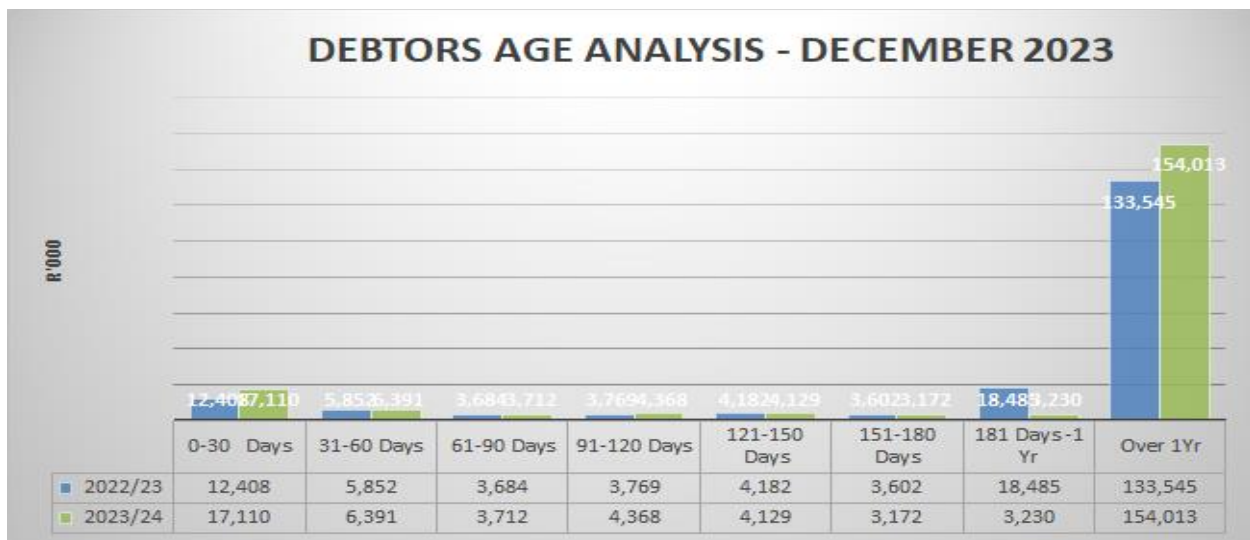
Description	Budget Year 2023/24											
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Bad Debts Written Off	Impairment Bad Debts
<b>Debtors Age Analysis By Income Source</b>												
Trade and Other Receivables from Exchange Transactions - Electricity	6,404	1,093	138	178	148	102	111	3,645	11,819	4,185	-	-
Receivables from Non-exchange Transactions - Property Rates	4,996	2,457	2,120	1,948	1,821	1,764	1,658	62,533	79,297	69,725	-	-
Receivables from Exchange Transactions - Waste Management	1,042	734	661	648	622	610	386	23,419	28,123	25,687	-	-
Receivables from Exchange Transactions - Property Rental Debtors	71	55	44	44	270	1	16	1,534	2,034	1,864	-	-
Interest on Arrear Debtor Accounts	718	1,325	1,289	1,260	1,230	1,202	1,178	61,089	69,291	65,959	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Other	346	30	(42)	(586)	89	300	(228)	4,181	4,090	3,756	-	-
<b>Total By Income Source</b>	<b>13,577</b>	<b>5,694</b>	<b>4,208</b>	<b>3,491</b>	<b>4,180</b>	<b>3,980</b>	<b>3,121</b>	<b>156,402</b>	<b>194,654</b>	<b>171,175</b>	<b>-</b>	<b>-</b>
<b>2022/23 - totals only</b>	<b>12,408</b>	<b>5,852</b>	<b>3,684</b>	<b>3,769</b>	<b>4,182</b>	<b>3,602</b>	<b>18,485</b>	<b>133,545</b>	<b>185,527</b>	<b>163,584</b>		
<b>Debtors Age Analysis By Customer Group</b>												
Organs of State	1,405	964	1,021	988	1,056	1,152	632	44,464	51,681	48,291	-	-
Commercial	6,930	1,283	547	567	594	358	333	10,660	21,273	12,512	-	-
Households	5,342	3,270	2,529	2,442	2,406	2,359	2,034	98,912	119,296	108,154	-	-
Other	(100)	176	111	(505)	124	110	122	2,366	2,404	2,218	-	-
<b>Total By Customer Group</b>	<b>13,577</b>	<b>5,694</b>	<b>4,208</b>	<b>3,491</b>	<b>4,180</b>	<b>3,980</b>	<b>3,121</b>	<b>156,402</b>	<b>194,654</b>	<b>171,175</b>	<b>-</b>	<b>-</b>

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of December amount to R194, 654 million. The debtors' book is made up as follows:

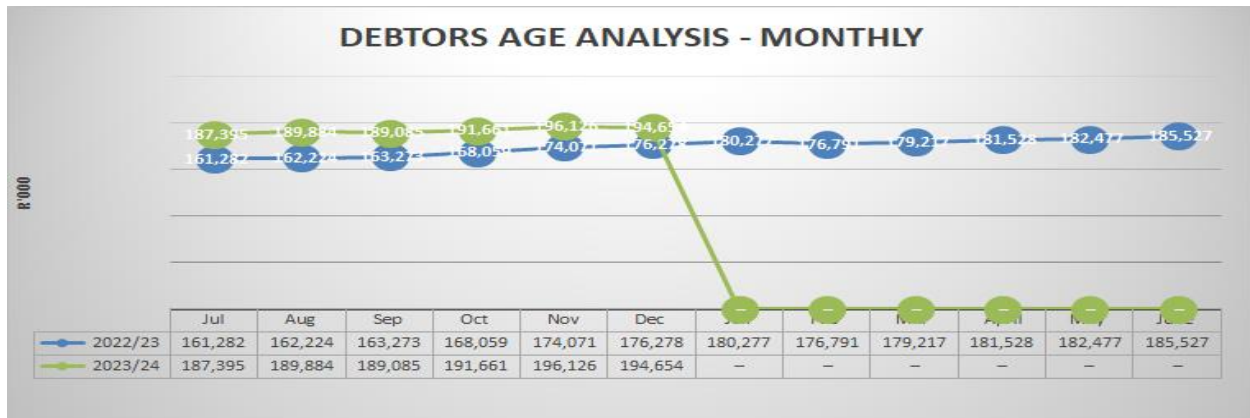
- Rates 41%
- Electricity 6%
- Rental 1%
- Refuse removal 14%
- Interest on Debtors 36%
- Other 2%

The debtors' age analysis is graphically presented below.

**Figure 3: Debtors age analysis**



**Figure 4: Monthly debtors book**



The initial graph compares debtors' age analysis for 2022-23 financial year and 2023/24 (as at end of December 2023) whilst the latter shows monthly movement of debtors for both the current financial year and the 2022-23 financial year. The debtors book is materially less than the 2023/24 monthly figures and this is an indication that the municipality is not performing well in terms of collection.

Below is list of top twenty debtors that contribute significantly to the ever-growing debt book.

**TOP TWENTY DEBTORS**

ACCOUNT NO	ACCOUNT HOLDER NAME	ACCOUNT STATUS	OCC/OWN	OUTSTANDING
9012345	BREED J & OOSTHUIZEN J F	ACTIVE	OCCUPIER	1 551 395
9005301	TWIN CITY TRADING PTY LTD 0000 PLUS 1 OTHER	ACTIVE	OWNER	1 266 606
6000908	DEPARTMENT OF EDUCATION	ACTIVE	OCCUPIER	1 252 470
1200062	GREAT NORTH TRANSPORT	ACTIVE	OCCUPIER	584 387
9001667	NDEBELE MAHLANGU TRIBE	ACTIVE	OWNER	540 820
9001668	NDEBELE MAHLANGU TRIBE	ACTIVE	OWNER	540 472
9001763	TSHEHLA TRUST MAMAILE GEORGE	ACTIVE	OWNER	522 276
911906	TAFELKOP MALL (PTY) LTD	ACTIVE	OWNER	497 949
7000918	MATHEBULA JABULANI JACK TITUS	ACTIVE	OCCUPIER	480 283
9002327	LEMONS EMANUEL MARQUES DE	ACTIVE	OWNER	478 312
9002503	GOUWS BOERDERY TRUST 1999/022459/07	ACTIVE	OWNER	449 505
1501364	JAN JOUBERT TRUST (JO JO TANKS)	ACTIVE	OCCUPIER	437 386
9019006	TIGER STRIPES INVESTMENTS (PTY)	ACTIVE	OWNER	431 236
9001714	KWAMAQHUZE COMMUNAL PROP ASSOC	ACTIVE	OWNER	398 663
2200691	EHLERS JA	ACTIVE	OWNER	396 168
9002065	GOVERNMENT OF KWANDEBELE	ACTIVE	OWNER	391 824
72010812	PROVINCIAL GOVERNMENT OF THE PROVINCE OF MPUMALANGA	ACTIVE	OWNER	385 343
5000305	ELIAS MOTSOLEDI LOCAL MUNICIPALITY	ACTIVE	OWNER	370 084
9000207	GROMAR TRUST	ACTIVE	OWNER	365 288
9001550	LEHLAKONG COMMUNAL PROP ASSOC	ACTIVE	OWNER	361 782
<b>TOTAL</b>				<b>11 702 250</b>

## Supporting Table: SC 4 - Creditors Age Analysis

Description	Budget Year 2023/24								Prior year totals for chart	
	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		
<b>Creditors Age Analysis By Customer Type</b>										
Bulk Electricity										-
Bulk Water										-
PAYE deductions										-
VAT (output less input)										-
Pensions / Retirement deductions										-
Loan repayments										-
Trade Creditors										-
Auditor General										-
Other										-
<b>Total By Customer Type</b>	-	-	-	-	-	-	-	-	-	-

Supporting table SC4 provides creditors age analysis. In terms of section 65 of the MFMA all creditors must be paid within 30 days of receiving an invoice.

The contracted services are to be paid through order system payments and that should feed the age analysis module every month.

## Supporting Table: SC 5 - Investment Portfolio

Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Commission Paid	Expiry Date	Opening balance	Interest Erned	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
ABSA (9381052783)	1 Month	Current Investment	8.9%		31-Dec-23	20,965,787	182,862	-	10,000,000	31,148,649
STANDARD BANK (03882352013)		Current Investment	9.1%		22-Mar-24	-	50,685		20,000,000	20,050,685
STANDARD BANK (038823527014)		Current Investment	9.2%		22-Jan-24	-	50,000		20,000,000	20,050,000
ABSA (2081371923)		Current Investment	9.3%		20-Feb-24	-	50,274	-	20,000,000	20,050,274
<b>TOTAL INVESTMENTS AND INTEREST</b>						<b>20,965,787</b>		<b>-</b>	<b>70,000,000</b>	<b>91,299,608</b>

The Municipality had short investment portfolios during the month of December 2023 with an opening balance of R20, 965 million in various investment portfolios. An total amount R333 thousand was earned as an interest, investment top up of R70, 000 million closed off with R91, 299 million at the end of December 2023.

## Supporting Table: SC 6 - Transfers and Grant Receipts

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	<b>338 905</b>	<b>363 745</b>	<b>-</b>	<b>98 796</b>	<b>252 692</b>	<b>280 825</b>	<b>(28 133)</b>	<b>-10%</b>	<b>363 745</b>
Local Government Equitable Share	334 259	358 519	-	98 796	248 179	276 310	(28 131)	-10%	358 519
Finance Management	2 850	2 850	-	-	2 850	2 850	-		2 850
EPWP Incentive	1 796	2 376	-	-	1 663	1 664	(1)	0%	2 376
<b>Other grant providers:</b>	<b>358</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46</b>	<b>-</b>	<b>46</b>	<b>#DIV/0!</b>	<b>-</b>
LGSETA Learnership and Development	358	-	-	-	46	-	46	#DIV/0!	-
<b>Total Operating Transfers and Grants</b>	<b>339 263</b>	<b>363 745</b>	<b>-</b>	<b>98 796</b>	<b>252 738</b>	<b>280 825</b>	<b>(28 086)</b>	<b>-10%</b>	<b>363 745</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	<b>111 606</b>	<b>79 756</b>	<b>-</b>	<b>16 776</b>	<b>58 676</b>	<b>64 016</b>	<b>(5 340)</b>	<b>-8%</b>	<b>79 756</b>
Municipal Infrastructure Grant (MIG)	94 606	65 356	-	16 776	49 776	56 393	(6 617)	-12%	65 356
Integrated National Electrification Grant	17 000	14 400	-	-	8 900	7 624	1 276	17%	14 400
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Coghsta - Development	-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A									
<b>Total Capital Transfers and Grants</b>	<b>111 606</b>	<b>79 756</b>	<b>-</b>	<b>16 776</b>	<b>58 676</b>	<b>64 016</b>	<b>(5 340)</b>	<b>-8%</b>	<b>79 756</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANT</b>	<b>450 869</b>	<b>443 501</b>	<b>-</b>	<b>115 572</b>	<b>311 414</b>	<b>344 841</b>	<b>(33 427)</b>	<b>-10%</b>	<b>443 501</b>

Supporting tables SC6 provides details of grants received. The year-to-date actual receipts amounts to R311, 414 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R248, 179 million; Financial Management Grant amounting to R2, 850 million; LGSETA amounting to R46 hundred, Municipal Infrastructure Grant amounting to R49 776 million; Integrated National Energy Grant R8, 900 million and Expanded Public Works Programme R1, 663 million were received. All the tranches of the grants allocated for the current financial year have been received in line with National Treasury payment schedule.

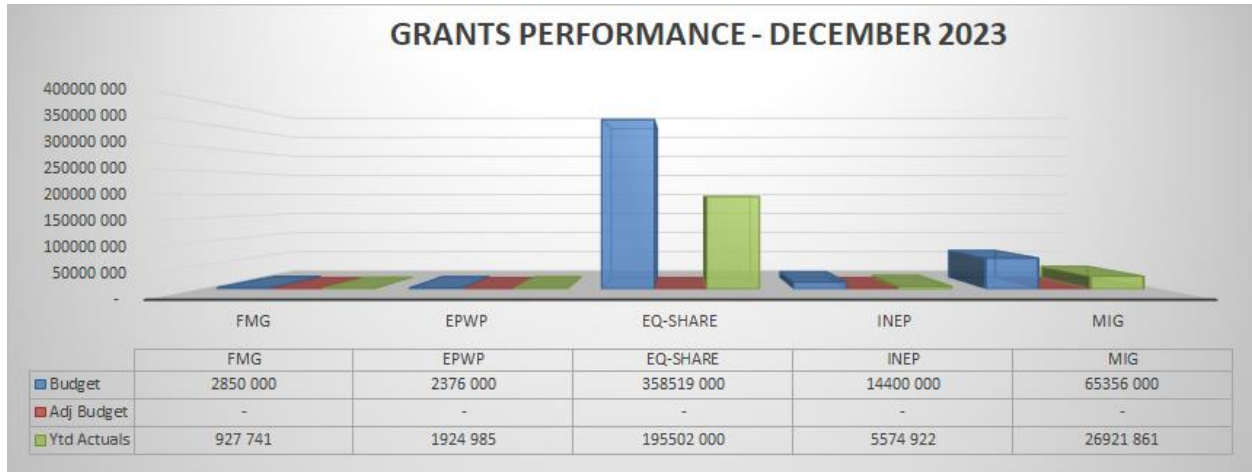
## Supporting Table: SC 7 Transfers and grants – Expenditure

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>338 905</b>	<b>363 745</b>	<b>-</b>	<b>41 912</b>	<b>198 355</b>	<b>167 961</b>	<b>30 393</b>	<b>18%</b>	<b>363 745</b>
Local Government Equitable Share	334 259	358 519	-	41 103	195 502	165 666	29 836	18%	358 519
Finance Management	2 850	2 850	-	492	928	1 107	(179)	-16%	2 850
EPWP Incentive	1 796	2 376	-	318	1 925	1 188	737	62%	2 376
<b>Other grant providers:</b>	<b>358</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
LGSETA Learnership and Development	358						-		
<b>Total operating expenditure of Transfers and Grants</b>	<b>339 263</b>	<b>363 745</b>	<b>-</b>	<b>41 912</b>	<b>198 355</b>	<b>167 961</b>	<b>30 393</b>	<b>18%</b>	<b>363 745</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>90 896</b>	<b>79 756</b>	<b>-</b>	<b>13 087</b>	<b>32 497</b>	<b>35 963</b>	<b>(3 466)</b>	<b>-10%</b>	<b>79 756</b>
Municipal Infrastructure Grant (MIG)	73 896	65 356	-	10 359	26 922	29 388	(2 466)	-8%	65 356
Intergrated National Electrification Grant	17 000	14 400	-	2 728	5 575	6 576	(1 001)	-15%	14 400
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Coghsta - Development		-					-		
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
N/A							-		
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
N/A							0		
<b>Total capital expenditure of Transfers and Grants</b>	<b>90 896</b>	<b>79 756</b>	<b>-</b>	<b>13 087</b>	<b>32 497</b>	<b>35 963</b>	<b>(3 466)</b>	<b>-10%</b>	<b>79 756</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>430 159</b>	<b>443 501</b>	<b>-</b>	<b>54 999</b>	<b>230 852</b>	<b>203 924</b>	<b>26 927</b>	<b>13%</b>	<b>443 501</b>

An amount of R54, 999 million has been spent on grants during the month of December 2023 and the year-to-date actuals is R230, 852 million whilst the year to date budget amounts to R203, 924 million and this results in an over spending variance of R26 927 million that translates to 13%. Of the total spending amounting to 230, 924 million, 198, 355 million is spent on operational grants whilst capital grants spent R32, 497 million.



**Figure 5: Grants performance**



The above graph depicts the gazetted and budgeted amounts for all the grants and the expenditure thereof as at end of December 2023. The grants expenditure are shown below in percentages:

- Financial Management Grant 32.55%
- Expanded Public Work Programme 81.02%
- Equitable Share 54.53%
- Integrated National Electrification Grant 38.71%
- Municipal Infrastructure Grant 41.19%

## Supporting Table: SC8 - Councilor Allowances and Employee Related Costs

Summary of Employee and Councilor remuneration	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Councillors (Political Office Bearers plus Other)</b>									
Basic Salaries and Wages	14 631	16 222	–	1 327	8 210	8 111	99	1%	16 222
Pension and UIF Contributions	2 008	2 060	–	181	1 064	1 030	33	3%	2 060
Medical Aid Contributions	91	89	–	8	47	44	3	7%	89
Motor Vehicle Allowance	5 376	5 399	–	467	3 017	2 700	317	12%	5 399
Cellphone Allowance	2 511	2 489	–	239	1 812	1 244	568	46%	2 489
Other benefits and allowances	239	230	–	20	145	115	30	26%	230
<b>Sub Total - Councillors</b>	<b>24 855</b>	<b>26 490</b>	<b>–</b>	<b>2 242</b>	<b>14 295</b>	<b>13 245</b>	<b>1 050</b>	<b>8%</b>	<b>26 490</b>
<b>% increase</b>		<b>7%</b>							<b>7%</b>
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	1 798	4 877	–	118	936	2 439	(1 503)	-62%	4 877
Pension and UIF Contributions	97	366	–	5	178	183	(5)	-3%	366
Medical Aid Contributions	109	211	–	4	45	105	(61)	-58%	211
Motor Vehicle Allowance	200	545	–	23	165	272	(107)	-39%	545
Cellphone Allowance	58	168	–	5	35	84	(49)	-58%	168
Other benefits and allowances	97	361	–	84	133	180	(47)	-26%	361
Payments in lieu of leave	–	–	–	–	–	–	–	–	–
<b>Sub Total - Senior Managers of Municipality</b>	<b>2 358</b>	<b>6 527</b>	<b>–</b>	<b>239</b>	<b>1 491</b>	<b>3 264</b>	<b>(1 772)</b>	<b>-54%</b>	<b>6 527</b>
<b>% increase</b>		<b>177%</b>							<b>177%</b>
<b>Other Municipal Staff</b>									
Basic Salaries and Wages	105 415	124 064	–	9 183	55 210	62 032	(6 822)	-11%	124 064
Pension and UIF Contributions	20 535	25 011	–	1 809	10 863	12 506	(1 642)	-13%	25 011
Medical Aid Contributions	5 908	6 133	–	551	3 269	3 066	203	7%	6 133
Overtime	312	1 232	–	32	198	616	(418)	-68%	1 232
Motor Vehicle Allowance	14 071	15 907	–	1 275	7 670	7 953	(283)	-4%	15 907
Cellphone Allowance	1 919	1 830	–	181	1 011	915	96	11%	1 830
Housing Allowances	255	268	–	23	141	134	7	5%	268
Other benefits and allowances	10 609	12 655	–	8 780	9 852	9 444	408	4%	12 655
Payments in lieu of leave	(177)	35	–	146	837	3	835	32777%	35
Long service awards	812	797	–	172	1 202	412	790	192%	797
Post-retirement benefit obligations		–	–	–	–	–	–	–	–
<b>Sub Total - Other Municipal Staff</b>	<b>159 659</b>	<b>187 932</b>	<b>–</b>	<b>22 152</b>	<b>90 255</b>	<b>97 080</b>	<b>(6 825)</b>	<b>-7%</b>	<b>187 932</b>
<b>% increase</b>		<b>18%</b>							<b>18%</b>
<b>Total Parent Municipality</b>	<b>186 872</b>	<b>220 949</b>	<b>–</b>	<b>24 632</b>	<b>106 042</b>	<b>113 589</b>	<b>(7 547)</b>	<b>-7%</b>	<b>220 949</b>
<b>% increase</b>		<b>18%</b>							<b>18%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>186 872</b>	<b>220 949</b>	<b>–</b>	<b>24 632</b>	<b>106 042</b>	<b>113 589</b>	<b>(7 547)</b>	<b>-7%</b>	<b>220 949</b>
<b>% increase</b>		<b>18%</b>							<b>18%</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>162 017</b>	<b>194 460</b>	<b>–</b>	<b>22 391</b>	<b>91 747</b>	<b>100 344</b>	<b>(8 597)</b>	<b>-9%</b>	<b>194 460</b>

Table SC8 provides details for Remuneration of Councilors and Employee related cost. The total salaries, allowances and benefits paid as at end of December 2023 amounts to R106, 042 million and the year-to-date budget is R113, 589 million and the expenditure for remuneration of councilors amounts to R14, 295 million while the year-to-date budget is R13, 245 million. The year-to-date actual expenditure for senior managers is R1, 491 million and the year-to-date budget thereof is R3, 264 million. There are three senior managerial vacant positions (Budget and Treasury, Corporate services, and Planning) but for budget and treasury senior the municipality has been appointed commencing on the first of February and this is causing an underspending variance on budget performance for senior management. The year-to-date actual for other municipal staff is R90, 255 million and the year-to-date budget is R97, 080 million. The remuneration of councilors has overspending variance, and senior managers and other municipal staff category has under spending variance, and there are three vacant positions in the senior management level and the positions should be filled in the new financial year 2023/24.

## Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts

Description	Budget Year 2023/24												2023/24 Medium Term Revenue & Expenditure Framework			
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget	Budget	Budget	
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Year	Year +1	Year +2	
<b>Cash Receipts By Source</b>																
Property rates	4 158	3 574	4 299	3 361	3 176	3 558	4 538	4 538	4 538	4 538	4 538	9 576	54 392	58 227	62 147	
Service charges - electricity revenue	6 586	6 734	6 655	7 489	7 076	10 108	7 560	7 491	6 533	11 620	13 585	20 569	112 005	130 679	153 686	
Service charges - refuse	494	468	413	472	481	482	516	683	516	627	795	1 266	7 213	7 791	8 385	
Rental of facilities and equipment	42	61	33	29	30	35	164	99	31	37	57	296	913	958	1 003	
Interest earned - external investments	573	429	197	273	296	162	123	-	-	150	-	(750)	1 455	1 600	1 659	
Interest earned - outstanding debtors	272	286	210	356	181	196	642	635	675	680	514	1 009	5 655	5 864	5 965	
Fines, penalties and forfeits	436	449	525	565	485	451	1 003	1 003	1 003	1 003	1 003	3 104	11 028	11 568	12 112	
Licences and permits	428	593	555	653	491	503	652	652	652	652	652	692	7 176	7 528	7 882	
Transfers and Subsidies - Operational	150 023	2 896	-	-	1 069	98 796	-	713	89 630	-	-	20 617	363 745	387 608	378 480	
Other revenue	1 480	-	5 017	1 550	10 897	2 230	-	-	-	-	-	(18 491)	2 684	2 816	2 948	
<b>Cash Receipts by Source</b>	<b>164 492</b>	<b>15 489</b>	<b>17 905</b>	<b>14 748</b>	<b>24 182</b>	<b>116 521</b>	<b>15 198</b>	<b>15 813</b>	<b>103 578</b>	<b>19 306</b>	<b>21 144</b>	<b>37 888</b>	<b>566 266</b>	<b>614 639</b>	<b>634 268</b>	
<b>Other Cash Flows by Source</b>																
Transfers and subsidies - capital (monetary allocat	17 200	-	-	-	24 700	16 776	-	4 000	17 080	-	-	-	79 756	76 283	79 692	
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Increase (decrease) in consumer deposits	-	(12)	9	(68)	138	(10)	27	52	13	-	94	(5)	237	305	320	
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Decrease (increase) in non-current investments	-	-	-	-	-	-	95	105	106	108	0	437	851	891	935	
<b>Total Cash Receipts by Source</b>	<b>181 692</b>	<b>15 477</b>	<b>17 914</b>	<b>14 681</b>	<b>49 020</b>	<b>133 286</b>	<b>15 320</b>	<b>19 971</b>	<b>120 778</b>	<b>19 414</b>	<b>21 238</b>	<b>38 319</b>	<b>647 110</b>	<b>692 118</b>	<b>715 215</b>	
<b>Cash Payments by Type</b>																
Employee related costs	13 630	13 725	13 964	13 686	14 351	22 391	15 517	15 505	15 505	15 516	15 508	23 042	192 340	198 267	207 585	
Remuneration of councillors	2 079	2 079	3 532	2 182	2 182	2 242	2 237	2 237	2 237	2 237	2 237	1 420	26 900	28 218	29 544	
Interest paid	-	-	-	315	81	-	74	67	64	57	53	220	931	471	100	
Bulk purchases - Electricity	83	12 020	12 021	9 159	8 361	7 592	9 347	9 347	9 347	9 347	9 347	17 045	113 017	127 505	150 074	
Other materials	901	1 930	3 842	2 991	5 619	5 592	1 623	3 703	2 579	2 346	2 193	(1)	33 319	34 942	36 575	
Contracted services	2 593	5 361	10 775	3 222	9 380	5 624	5 721	5 279	4 868	4 643	4 376	1 678	63 520	67 294	70 501	
Grants and subsidies paid - other	145	331	362	578	406	747	270	151	66	66	66	(11)	3 176	3 417	3 671	
General expenses	6 459	8 672	6 171	2 512	5 996	26 871	4 287	4 193	4 781	3 651	4 146	(28 980)	48 758	49 202	51 469	
<b>Cash Payments by Type</b>	<b>25 889</b>	<b>44 117</b>	<b>50 667</b>	<b>34 645</b>	<b>46 376</b>	<b>71 059</b>	<b>39 076</b>	<b>40 482</b>	<b>39 447</b>	<b>37 863</b>	<b>37 926</b>	<b>14 414</b>	<b>481 961</b>	<b>509 316</b>	<b>549 519</b>	
<b>Other Cash Flows/Payments by Type</b>																
Capital assets	466	179	6 180	2 128	11 309	8 185	4 530	12 018	7 104	5 871	5 364	9 151	72 485	77 363	77 492	
Repayment of borrowing	-	-	-	1 522	1 685	-	606	611	615	620	625	962	7 246	5 456	-	
Other Cash Flows/Payments	34 953	402	-	12 990	-	-	-	40 000	-	-	-	18 984	107 329	67 329	67 329	
<b>Total Cash Payments by Type</b>	<b>61 309</b>	<b>44 699</b>	<b>56 847</b>	<b>51 284</b>	<b>59 371</b>	<b>79 244</b>	<b>44 212</b>	<b>93 111</b>	<b>47 166</b>	<b>44 354</b>	<b>43 915</b>	<b>43 511</b>	<b>669 022</b>	<b>659 465</b>	<b>694 340</b>	
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>120 384</b>	<b>(29 222)</b>	<b>(38 932)</b>	<b>(36 604)</b>	<b>(10 351)</b>	<b>54 043</b>	<b>(28 892)</b>	<b>(73 140)</b>	<b>73 612</b>	<b>(24 940)</b>	<b>(22 677)</b>	<b>(5 191)</b>	<b>(21 911)</b>	<b>32 654</b>	<b>20 875</b>	
Cash/cash equivalents at the month/year beginning	41 668	162 052	132 830	93 897	57 294	46 943	100 985	72 094	(1 046)	72 565	47 625	24 948	41 668	19 757	52 411	
Cash/cash equivalents at the month/year end:	162 052	132 830	93 897	57 294	46 943	100 985	72 094	(1 046)	72 565	47 625	24 948	19 757	19 757	52 411	73 286	

Supporting table SC9 provides detailed monthly cash flow statement that spells out the receipts by source and payments by type. The monthly cash receipts reflect an amount of R133, 286 million and the total cash payment for the month were R79, 244 million and this resulted in net decrease in cash held amounting to R54, 043 million. With cash and cash equivalent of R46, 943 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting of R100, 98 million. This is a supporting table for table C7 – Cash Flow Statement.

### Supporting Table: SC 12 Capital Expenditure Trend

Month	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
<b>Monthly expenditure performance trend</b>									
July	5 672	1 718	–	466	466	1 718	1 251	73%	1%
August	8 918	4 713	–	179	646	6 431	5 785	90%	1%
September	8 103	4 390	–	6 180	6 825	10 821	3 995	37%	8%
October	14 431	8 295	–	2 128	8 953	19 115	10 162	53%	11%
November	2 731	6 262	–	11 309	20 262	25 378	5 115	20%	24%
December	9 925	13 059	–	8 185	28 447	38 437	9 990	26%	34%
January	7 968	5 318	–	–	–	43 755	–		
February	6 909	4 512	–	–	–	48 266	–		
March	2 054	9 195	–	–	–	57 462	–		
April	12 525	4 478	–	–	–	61 940	–		
May	7 513	9 027	–	–	–	70 967	–		
June	11 895	13 189	–	–	–	84 156	–		
<b>Total Capital expenditure</b>	<b>98 645</b>	<b>84 156</b>	<b>–</b>	<b>28 447</b>					

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table the capital expenditure for the month of December amounts to R8, 185 million. The year-to-date actual expenditure incurred is R28, 447 million whilst the year to date budget is R38, 437 million, that gives rise to over spending variance of R9, 990 million that translate to 26%.

## Supporting Table: SC 13(a) Capital Expenditure on New Assets

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on new assets by Asset Class</b>									
<b>Infrastructure</b>	16 629	15 800	-	682	5 556	6 951	1 395	20%	15 800
<b>Roads Infrastructure</b>	-	-	-	-	-	-	-		-
Roads		-	-	-	-	-	-		-
Road Structures									
Storm water Infrastructure	-	800	-	-	-	225	225	100%	800
Drainage Collection		800	-	-	-	225	225	100%	800
<b>Electrical Infrastructure</b>	15 895	15 000	-	682	5 556	6 726	1 170	17%	15 000
Power Plants	2 230		-	-	-	-	-		-
MV Substations	-	-	-	-	-	-	-		-
MV Networks	13 665	14 800	-	682	5 556	6 676	1 120	17%	14 800
Capital Spares	-	200	-	-	-	50	50	100%	200
<b>Solid Waste Infrastructure</b>	734	-	-	-	-	-	-		-
Landfill Sites									
Waste Transfer Stations									
Capital Spares	734	-	-	-	-	-	-		-
<b>Community Assets</b>	-	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
<b>Other assets</b>	-	-	-	-	-	-	-		-
Operational Buildings	-	-	-	-	-	-	-		-
Stores	-	-	-	-	-	-	-		-
<b>Intangible Assets</b>	-	-	-	-	-	-	-		-
Servitudes									
Computer Software and Applications		-	-	-	-	-	-		-
<b>Computer Equipment</b>	1 930	700	-	68	608	411	(196)	-48%	700
Computer Equipment	1 930	700	-	68	608	411	(196)	-48%	700
<b>Furniture and Office Equipment</b>	1 036	1 100	-	26	278	970	692	71%	1 100
Furniture and Office Equipment	1 036	1 100	-	26	278	970	692	71%	1 100
<b>Machinery and Equipment</b>	2 227	200	-	(40)	154	131	(23)	-17%	200
Machinery and Equipment	2 227	200	-	(40)	154	131	(23)	-17%	200
<b>Transport Assets</b>	-	-	-	-	-	-	-		-
Transport Assets	-	-	-	-	-	-	-		-
<b>Total Capital Expenditure on new assets</b>	21 822	17 800	-	736	6 596	8 464	1 868	22%	17 800

## Supporting Table: SC 13(b) Capital Expenditure on Renewal of Existing Assets

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>									
Infrastructure	29 802	-	-	-	-	-	-	-	-
Roads Infrastructure	26 455	-	-	-	-	-	-	-	-
Roads	26 294	-	-	-	-	-	-	-	-
Road Furniture	161	-	-	-	-	-	-	-	-
<b>Electrical Infrastructure</b>	-	-	-	-	-	-	-	-	-
MV Substations									
MV Networks	-								
<b>Solid Waste Infrastructure</b>	<b>3 347</b>	-	-	-	-	-	-	-	-
Landfill Sites	3 347	-	-	-	-	-	-	-	-
Capital Spares									
Community Assets	1 376	-	-	-	-	-	-	-	-
<b>Community Facilities</b>	<b>1 376</b>	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	1 376	-	-	-	-	-	-	-	-
<b>Sport and Recreation Facilities</b>	-	-	-	-	-	-	-	-	-
Indoor Facilities									
Outdoor Facilities									
<b>Other assets</b>	<b>247</b>	-	-	-	-	-	-	-	-
Operational Buildings	247	-	-	-	-	-	-	-	-
Municipal Offices	247	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-
Servitudes									
Computer Software and Applications									
<b>Computer Equipment</b>	-	-	-	-	-	-	-	-	-
Computer Equipment									
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment									
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-	-	-
Machinery and Equipment									
<b>Transport Assets</b>	-	-	-	-	-	-	-	-	-
Transport Assets									
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>31 425</b>	-	-	-	-	-	-	-	-



## Supporting Table: SC 13(c) Repairs and Maintenance Expenditure

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Repairs and maintenance expenditure by Asset Class</b>									
<b>Infrastructure</b>	26 633	21 666	–	4 882	13 332	8 196	(5 136)	-63%	19 481
<b>Roads Infrastructure</b>	21 436	14 350	–	4 403	10 976	4 475	(6 500)	-145%	12 165
Roads	21 436	14 350	–	4 403	10 976	4 475	(6 500)	-145%	12 165
Road Furniture							–		
<b>Electrical Infrastructure</b>	2 203	6 073	–	304	1 306	3 099	1 793	58%	6 073
MV Switching Stations							–		
MV Networks	2 203	6 073	–	304	1 306	3 099	1 793	58%	6 073
<b>Solid Waste Infrastructure</b>	2 994	1 243	–	175	1 050	621	(429)	-69%	1 243
Landfill Sites	2 994	1 243	–	175	1 050	621	(429)	-69%	1 243
Capital Spares							–		
<b>Community Assets</b>	537	323	–	58	174	431	257	60%	573
Community Facilities	537	323	–	58	174	431	257	60%	573
Parks	537	323	–	58	174	431	257	60%	573
<b>Other assets</b>	1 443	1 598	–	176	339	842	503	60%	1 698
Operational Buildings	1 443	1 598	–	176	339	842	503	60%	1 698
Municipal Offices	1 443	1 598	–	176	339	842	503	60%	1 698
<b>Intangible Assets</b>	58	211	–	12	73	92	19	21%	211
Licences and Rights	58	211	–	12	73	92	19	21%	211
Computer Software and Applications	58	211	–	12	73	92	19	21%	211
<b>Computer Equipment</b>	–	–	–	–	–	–	–		–
Computer Equipment							–		
<b>Furniture and Office Equipment</b>	–	–	–	–	–	–	–		–
Furniture and Office Equipment							–		
<b>Machinery and Equipment</b>	7 250	6 212	–	899	5 099	3 207	(1 892)	-59%	6 262
Machinery and Equipment	7 250	6 212	–	899	5 099	3 207	(1 892)	-59%	6 262
<b>Transport Assets</b>	3 424	2 646	–	0	1 431	2 877	1 446	50%	2 646
Transport Assets	3 424	2 646	–	0	1 431	2 877	1 446	50%	2 646
<b>Total Repairs and Maintenance Expenditure</b>	<b>39 346</b>	<b>32 656</b>	<b>–</b>	<b>6 028</b>	<b>20 448</b>	<b>15 645</b>	<b>(4 802)</b>	<b>-31%</b>	<b>30 871</b>

## Supporting Table: SC 13(d) Depreciation and asset impairment

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Depreciation by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	<b>43 983</b>	<b>51 395</b>	<b>-</b>	<b>3 864</b>	<b>22 934</b>	<b>25 244</b>	<b>2 311</b>	<b>9%</b>	<b>51 395</b>
<b>Roads Infrastructure</b>	<b>37 525</b>	<b>43 096</b>	<b>-</b>	<b>3 315</b>	<b>19 679</b>	<b>20 555</b>	<b>877</b>	<b>4%</b>	<b>43 096</b>
Roads	37 233	43 096	-	3 277	19 449	20 352	903	4%	43 096
Road Structures	227			19	115	102	(13)	-12%	
Road Furniture	64			19	115	101	(14)	-14%	
Storm water Infrastructure	-	440	-	-	-	183	183	100%	440
Drainage Collection	-	440	-	-	-	183	183	100%	440
<b>Electrical Infrastructure</b>	<b>5 390</b>	<b>7 083</b>	<b>-</b>	<b>492</b>	<b>2 917</b>	<b>4 062</b>	<b>1 145</b>	<b>28%</b>	<b>7 083</b>
MV Substations		4 238	-	131	780	1 413	633	45%	4 238
MV Switching Stations				30	179	155	(24)	-16%	
MV Networks	3 254	2 845	-	97	577	1 185	609	51%	2 845
LV Networks				54	319	325	6	2%	
Capital Spares	2 136			179	1 063	985	(79)	-8%	
<b>Solid Waste Infrastructure</b>	<b>1 068</b>	<b>777</b>	<b>-</b>	<b>57</b>	<b>338</b>	<b>443</b>	<b>106</b>	<b>24%</b>	<b>777</b>
Landfill Sites	764	777	-	33	199	324	125	39%	777
Waste Transfer Stations							-		
Waste Processing Facilities	302			23	138	120	(18)	-15%	
Capital Spares	3			0	1	0	(1)	-948%	
<b>Community Assets</b>	<b>1 039</b>	<b>1 333</b>	<b>-</b>	<b>90</b>	<b>532</b>	<b>1 032</b>	<b>501</b>	<b>48%</b>	<b>1 333</b>
Community Facilities	799	1 333	-	68	406	924	517	0	1 333
Halls				3	15	33	18	54%	
Centres				15	92	87	(5)	-6%	
Cemeteries/Crematoria	91			8	46	17	(29)	-167%	
Parls	456			0	1	2	1	49%	
Public Open Space	-	1 333	-	-	-	555	555	100%	1 333
Taxi Ranks/Bus Terminals				21	125	43	(82)	-190%	
Capital Spares	252			21	127	187	59	32%	
<b>Sport and Recreation Facilities</b>	<b>240</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>125</b>	<b>109</b>	<b>(17)</b>	<b>-16%</b>	<b>-</b>
Indoor Facilities	240						-		
Outdoor Facilities				21	125	109	(17)	-16%	
<b>Heritage assets</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>100%</b>	<b>6</b>
Other Heritage	-	6	-	-	-	3	3	100%	6
<b>Other assets</b>	<b>3 999</b>	<b>4 453</b>	<b>-</b>	<b>337</b>	<b>2 000</b>	<b>1 878</b>	<b>(122)</b>	<b>-7%</b>	<b>4 453</b>
Operational Buildings	3 999	4 453	-	242	1 438	1 301	(136)	-10%	4 453
Municipal Offices	3 999	4 453	-	208	1 236	1 233	(4)	0%	4 453
Stores				3	16	7	(10)	-149%	
Training Centres				31	185	62	(123)	-197%	
Housing	-	-	-	95	563	577	14	2%	-
Social Housing				95	563	577	14	2%	
<b>Intangible Assets</b>	<b>7</b>	<b>88</b>	<b>-</b>	<b>1</b>	<b>3</b>	<b>38</b>	<b>35</b>	<b>92%</b>	<b>88</b>
Servitudes				1	3	2	(1)	-69%	
Licences and Rights	7	88	-	-	-	37	37	100%	88
Computer Software and Applications	7	88	-	-	-	37	37	100%	88
Load Settlement Software Applications							-		
<b>Computer Equipment</b>	<b>835</b>	<b>974</b>	<b>-</b>	<b>86</b>	<b>467</b>	<b>546</b>	<b>79</b>	<b>14%</b>	<b>974</b>
Computer Equipment	835	974	-	86	467	546	79	14%	974
<b>Furniture and Office Equipment</b>	<b>766</b>	<b>651</b>	<b>-</b>	<b>70</b>	<b>399</b>	<b>565</b>	<b>167</b>	<b>29%</b>	<b>651</b>
Furniture and Office Equipment	766	651	-	70	399	565	167	29%	651
<b>Machinery and Equipment</b>	<b>3 355</b>	<b>3 118</b>	<b>-</b>	<b>257</b>	<b>1 506</b>	<b>788</b>	<b>(718)</b>	<b>-91%</b>	<b>3 118</b>
Machinery and Equipment	3 355	3 118	-	257	1 506	788	(718)	-91%	3 118
Transport Assets	6 645	3 384	-	483	2 848	1 410	(1 438)	-102%	3 384
Transport Assets	6 645	3 384	-	483	2 848	1 410	(1 438)	-102%	3 384
<b>Total Depreciation</b>	<b>60 629</b>	<b>65 402</b>	<b>-</b>	<b>5 187</b>	<b>30 688</b>	<b>31 505</b>	<b>817</b>	<b>3%</b>	<b>65 402</b>

## Supporting Table: SC 13(e) Capital Expenditure on upgrading of Existing Assets

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on upgrading of existing assets by Asset Class</b>									
<b>Infrastructure</b>	44 323	66 356	-	7 449	21 852	29 974	8 122	27%	66 356
<b>Roads Infrastructure</b>	43 487	65 356	-	7 449	21 852	29 388	7 536	26%	65 356
Roads	43 487	65 356	-	7 449	21 852	29 388	7 536	26%	65 356
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Drainage Collection	-	-	-	-	-	-	-	-	-
<b>Electrical Infrastructure</b>	-	-	-	-	-	-	-	-	-
MV Substations	-	-	-	-	-	-	-	-	-
MV Switching Stations	-	-	-	-	-	-	-	-	-
MV Networks	-	-	-	-	-	-	-	-	-
LV Networks	-	-	-	-	-	-	-	-	-
<b>Solid Waste Infrastructure</b>	836	1 000	-	-	-	586	586	100%	1 000
Landfill Sites	836	1 000	-	-	-	586	586	100%	1 000
Waste Transfer Stations	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	1 075	-	-	-	-	-	-	-	-
Operational Buildings	1 075	-	-	-	-	-	-	-	-
Municipal Offices	-	-	-	-	-	-	-	-	-
Yards	1 075	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on upgrading of existing assets</b>	<b>45 398</b>	<b>66 356</b>	<b>-</b>	<b>7 449</b>	<b>21 852</b>	<b>29 974</b>	<b>8 122</b>	<b>27%</b>	<b>66 356</b>

Supporting table SC13a, SC13b and SC13e provide details of capital expenditure in terms of asset classification based on new assets and renewal of existing assets; while table SC13c provide details of expenditure performance on repairs and maintenance by asset classification and Table SC13d presents expenditure on depreciation and asset impairment. These tables present the capital programme, and assets management and performance of the Municipality.

The total expenditure for new capital projects amounts to R6, 596 million and the year to date budget is R8, 464 million that reflects positive spending variance of R1, 868 million that translates to 22% variance.

The renewal of existing assets is not budgeted for the 2023/24 financial year.

The year-to-date actual expenditure on repairs and maintenance is R20, 448 million, and the year-to-date budget is R15, 645 million, reflecting an underspending variance of R4 802 million that translates to 31%.

The year-to-date actual expenditure on upgrading of existing assets is R21, 852 and the year-to-date budget is R29, 974 million, reflecting a positive spending variance of R8, 122 million that translates to 27%.

The year-to-date actual expenditure on depreciation and asset impairment is R30, 688 and the year-to-date budget is R31, 505 million, reflecting a positive spending variance of R 817 million, that translates to 3% which means the integration between asset management system and core financial system is working which is one of the requirements for implementation of mSCOA. This is basically mean that the municipality is complying mSCOA requirements in terms of the depreciation method.

## List of Capital Programmes and Projects

Department	Project Description	Type	Asset Class	Asset Sub-Class	2023/24 Medium Term Revenue and Expenditure Framework		
					Original Budget	YTD Actuals	Percentage
Community Services	Furniture and Office Equipment	Single	Furniture and Office Equipment	Furniture and Office Equipment	800 000	26 000	3%
	Machinery and Equipment	Single	Machinery and Equipment	Machinery and Equipment	100 000	96 753	97%
Corporate Services	Fencing of Roosenekal Landfill Site	Multi	Solid Waste Infrastructure	Landfill Sites	1 000 000	-	0%
	Computer Equipment	Multi	Computer Equipment	Computer Equipment	700 000	607 500	87%
Technical Services	Furniture and Office Equipment	Single	Furniture and Office Equipment	Furniture and Office Equipment	300 000	251 950	84%
	Groblersdal Stormwater	Single	Storm water Infrastructure	Drainage Collection	800 000	-	0%
	Upgrading of Hlogottlou-Bopanang Road	Multi	Roads Infrastructure	Roads	12 275 600	4 648 971	38%
	Upgrading of Kgobokwane-Kgaphamadi Road	Multi	Roads Infrastructure	Roads	20 580 400	6 182 294	30%
	Upgrading of Malaeneng A Ntwane Access Road	Multi	Roads Infrastructure	Roads	10 000 000	3 578 799	36%
	Upgrading of Mokumong Access Road to Marateng Taxi Rank	Multi	Roads Infrastructure	Roads	22 500 000	7 441 533	33%
	Electrification of Magukubjane	Single	Electrical Infrastructure	MV Networks	400 000	244 295	61%
	Electrification of Masakaneng	Multi	Electrical Infrastructure	MV Networks	8 000 000	2 881 046	36%
	Electrification of Motetema High view	Single	Electrical Infrastructure	MV Networks	2 000 000	368 164	18%
	Electrification of Phooko	Single	Electrical Infrastructure	MV Networks	1 400 000	268 645	19%
	Electrification of Phomola	Single	Electrical Infrastructure	MV Networks	2 000 000	1 543 844	77%
	Electrification of Vlakfontein	Single	Electrical Infrastructure	MV Networks	1 000 000	250 274	25%
	Aircons	Single	Furniture and Office Equipment	Furniture and Office Equipment	174 000	-	0%
	Machinery and Equipment	Single	Machinery and Equipment	Machinery and Equipment	126 000	57 400	46%

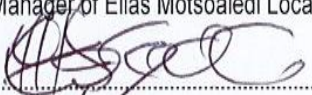
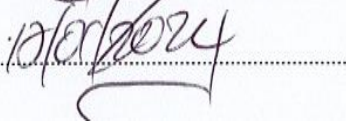
# Quality certificate

I, **MAKGOKE WALTER MOHLALA**, the Acting Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the monthly budget statement report and supporting documentation for the month of 31 December 2023 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Municipal Manager of Elias Motsoaledi Local Municipality (LIM472)

Signature

Date

  
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