

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

FEBRUARY 2024

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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 February 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	PERCENTAGE
OPERATING REVENUE	680 763 743	-	411 709 645	60%
		-		
OPERATING EXPENDITURE	654 216 898	-	369 068 712	56%
		-		
TRANSFER - CAPITAL	79 756 000	-	39 772 755	50%
SURPLUS/(DEFICIT)	106 302 845	-	88 681 074	83%
CAPITAL EXPENDITURE	84 156 000	-	52 877 601	63%

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
Financial Performance									
Property rates	54 993	63 025	60 026	46 938	39 837	69 731	(29 894)	-43%	63 025
Service charges	96 995	125 701	125 520	10 348	74 310	59 326	14 984	25%	125 701
Investment revenue	2 996	2 306	8 678	440	4 633	4 865	(233)	-5%	2 306
Transfers and subsidies	338 905	363 745	363 612	20 807	272 003	289 032	(17 029)	-6%	363 745
Other own revenue	26 828	125 987	139 925	(35 099)	20 927	(14 836)	35 762	-241%	125 987
Total Revenue (excluding capital transfers and contributions)	520 718	680 764	697 762	43 434	411 710	408 118	3 591	1%	680 764
Employee costs	162 017	194 460	178 695	13 850	119 514	116 329	3 185	3%	194 460
Remuneration of Councillors	24 855	26 490	28 006	2 182	18 658	18 206	452	2%	26 490
Depreciation & asset impairment	60 629	65 402	60 050	4 851	40 723	37 763	2 961	8%	65 402
Finance charges	1 623	931	1 543	287	1 133	1 385	(252)	-18%	931
Materials and bulk purchases	129 936	153 791	144 909	9 757	93 155	92 429	726	1%	153 791
Transfers and subsidies	4 495	3 176	7 131	621	3 947	3 897	51	1%	3 176
Other expenditure	151 158	209 967	257 340	15 570	91 939	111 296	(19 357)	-17%	209 967
Total Expenditure	534 713	654 217	677 675	47 118	369 069	381 304	(12 235)	-3%	654 217
Surplus/(Deficit)	(13 995)	26 547	20 087	(3 684)	42 641	26 814	15 826	59%	26 547
Transfers and subsidies - capital (monetary allocations)	91 816	79 756	75 385	13 524	46 021	29 450	16 571	56%	79 756
Transfers and subsidies - capital (monetary allocations)	-	-	691	-	20	20	-	-	-
Surplus/(Deficit) after capital transfers & contributions	77 820	106 303	96 163	9 840	88 681	56 284	32 397	58%	106 303
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	77 820	106 303	96 163	9 840	88 681	56 284	32 397	58%	106 303
Capital expenditure & funds sources									
Capital expenditure	98 645	84 156	92 638	16 345	52 878	44 491	8 386	19%	84 156
Capital transfers recognised	77 457	79 756	73 985	4 701	39 773	40 569	(796)	-2%	79 756
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	21 188	4 400	18 653	11 644	13 105	3 922	9 182	234%	4 400
Total sources of capital funds	98 645	84 156	92 638	16 345	52 878	44 491	8 386	19%	84 156
Financial position									
Total current assets	256 254	248 465	225 509		287 301				248 465
Total non current assets	1 239 934	1 379 378	1 394 680		1 232 782				1 379 378
Total current liabilities	169 725	124 219	106 382		203 334				124 219
Total non current liabilities	92 008	92 871	92 871		120 017				92 871
Community wealth/Equity	1 234 455	1 410 753	1 420 936		1 196 732				1 410 753
Cash flows									
Net cash from (used) operating	128 295	56 732	-	(5 202)	69 710	88 177	18 467	21%	56 732
Net cash from (used) investing	(98 645)	(71 634)	-	(17 552)	(54 137)	(39 846)	14 291	-36%	(71 634)
Net cash from (used) financing	(7 251)	(7 009)	-	(2 131)	(5 425)	(3 500)	1 925	-55%	(7 009)
Cash/cash equivalents at the month/year end	32 939	19 757	-	-	51 816	86 499	34 683	40%	19 757
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	16 871	5 959	3 699	4 027	3 760	3 488	3 959	160 833	202 596
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 February is R411, 710 million and the year to date budget of R408, 118 million and this reflects a positive variance of R3, 591 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: 5% unfavorable variance,
- Interest earned – outstanding debtors: 133% unfavorable variance,
- Rental of Facilities and Equipment: 3% unfavorable variance,
- Fines, penalties and forfeits: 2% unfavorable variance
- Services Charges – electricity revenue: 37% favorable variance
- Services Charges – refuse revenue: 26% unfavorable variance
- Licenses and permits: 1% favorable variance
- Property rates: 43% unfavorable variance
- Other revenue: 75% unfavorable
- Transfer and subsidies: 6% unfavorable

Operating Expenditure

The year to date operational expenditure as at end of February amounts to R369, 069 million and the year to date budget is R381, 304 million. This reflects underspending variance of R12, 235 million that translates to 3% 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: 18% under performance
- Losses : 50% under performing

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 February 2024 amounts to R52, 878 million and the year to date budget amounts to R44, 491 million and this gives rise to R8, 386 million over performance.

Surplus/Deficit

Taking the above into consideration, the net operating surplus for the month of February is R88, 681 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 February amounts to R202,596 million and this shows an increase of R17,069 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 R124,422 million and other debtors amounting to R78, 174 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 February 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
Revenue - Functional									
Governance and administration	277 768	300 481	304 943	23 469	216 186	221 722	(5 536)	-2%	300 481
Executive and council	43 728	55 444	55 444	–	25 476	25 476	–		55 444
Finance and administration	220 586	231 152	235 615	20 469	178 713	181 249	(2 536)	-1%	231 152
Internal audit	13 455	13 884	13 884	3 000	11 997	14 997	(3 000)	-20%	13 884
Community and public safety	31 175	129 150	140 865	416	29 807	29 849	(42)	0%	129 150
Community and social services	10 947	11 327	11 326	14	7 721	7 736	(15)	0%	11 327
Sport and recreation	17 033	17 595	17 595	–	14 605	14 605	–		17 595
Public safety	3 195	100 228	111 944	402	7 481	7 508	(27)	0%	100 228
Economic and environmental services	140 432	130 503	127 503	17 226	91 933	82 908	9 025	11%	130 503
Planning and development	21 669	22 674	22 508	18	20 461	20 439	23	0%	22 674
Road transport	117 952	106 992	104 159	17 208	70 767	61 764	9 003	15%	106 992
Environmental protection	811	836	836	–	705	705	–		836
Trading services	163 158	200 386	200 526	15 847	119 823	103 108	16 715	16%	200 386
Energy sources	126 820	151 238	150 886	12 264	85 923	67 213	18 710	28%	151 238
Waste management	36 339	49 148	49 641	3 584	33 900	35 895	(1 995)	-6%	49 148
Total Revenue - Functional	612 533	760 520	773 838	56 958	457 750	437 587	20 162	5%	760 520
Expenditure - Functional									
Governance and administration	215 448	227 933	242 944	25 199	159 544	161 437	(1 893)	-1%	227 933
Executive and council	40 873	45 702	47 275	5 116	31 987	29 941	2 045	7%	45 702
Finance and administration	162 605	170 758	183 871	18 428	118 752	123 710	(4 958)	-4%	170 758
Internal audit	11 970	11 472	11 798	1 654	8 805	7 786	1 020	13%	11 472
Community and public safety	39 658	118 872	135 309	3 070	26 196	40 332	(14 136)	-35%	118 872
Community and social services	9 422	9 467	7 004	497	4 578	4 515	63	1%	9 467
Sport and recreation	8 989	14 805	10 043	686	6 183	6 750	(567)	-8%	14 805
Public safety	21 246	94 601	118 262	1 886	15 435	29 068	(13 633)	-47%	94 601
Economic and environmental services	120 504	127 771	111 225	4 184	73 979	66 991	6 988	10%	127 771
Planning and development	18 411	24 992	20 820	1 212	12 039	12 010	30	0%	24 992
Road transport	102 093	102 085	90 405	2 972	61 940	54 981	6 959	13%	102 085
Environmental protection	–	695	0	–	–	–	–		695
Trading services	159 103	179 641	188 196	14 666	109 350	112 544	(3 194)	-3%	179 641
Energy sources	109 850	133 039	125 592	8 783	77 037	76 528	509	1%	133 039
Waste management	49 253	46 602	62 604	5 882	32 313	36 015	(3 702)	-10%	46 602
Total Expenditure - Functional	534 713	654 217	677 675	47 118	369 069	381 304	(12 235)	-3%	654 217
Surplus/ (Deficit) for the year	77 820	106 303	96 163	9 840	88 681	56 284	32 397	58%	106 303

Table C3 – Financial Performance (Revenue and 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
Revenue by Vote									
Vote 1 - Executive & Council	37 271	48 780	48 780	–	21 310	21 310	(0)	0%	48 780
Vote 2 - Municipal Manager	46 531	48 017	48 017	3 000	40 187	43 183	(2 996)	-7%	48 017
Vote 3 - Budget & Treasury	109 827	116 810	120 601	11 020	87 955	81 191	6 764	8%	116 810
Vote 4 - Corporate Services	50 657	52 321	52 992	9 079	42 744	51 679	(8 935)	-17%	52 321
Vote 5 - Community Services	76 536	188 606	200 542	4 505	70 473	72 491	(2 018)	-3%	188 606
Vote 6 - Technical Services	263 115	276 162	273 247	28 967	171 352	143 659	27 693	19%	276 162
Vote 7 - Developmental Planning	13 673	14 423	14 257	18	12 789	12 767	23	0%	14 423
Vote 8 - Executive Support	14 925	15 401	15 401	369	10 939	11 308	(369)	-3%	15 401
Total Revenue by Vote	612 533	760 520	773 838	56 958	457 750	437 587	20 162	5%	760 520
Expenditure by Vote									
Vote 1 - Executive & Council	35 446	37 797	48 780	4 861	27 624	25 485	2 138	8%	37 797
Vote 2 - Municipal Manager	45 914	46 270	48 017	3 906	30 224	28 930	1 295	4%	46 270
Vote 3 - Budget & Treasury	61 222	61 056	115 094	18 465	133 833	52 970	80 863	153%	61 056
Vote 4 - Corporate Services	27 772	41 928	52 992	1 789	20 234	20 385	(151)	-1%	41 928
Vote 5 - Community Services	97 515	175 066	200 542	9 725	64 810	82 408	(17 598)	-21%	175 066
Vote 6 - Technical Services	230 159	254 734	273 247	15 064	151 367	145 338	6 028	4%	254 734
Vote 7 - Developmental Planning	13 119	18 039	14 257	806	7 660	7 701	(41)	-1%	18 039
Vote 8 - Executive Support	23 567	19 327	15 401	1 907	18 444	18 086	358	2%	19 327
Total Expenditure by Vote	534 713	654 217	768 331	56 524	454 196	381 304	72 893	19%	654 217
Surplus/ (Deficit) for the year	77 820	106 303	5 507	434	3 553	56 284	(52 730)	-94%	106 303

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
Revenue By Source									
Property rates	54 993	63 025	60 026	46 938	39 837	69 731	(29 894)	-43%	63 025
Service charges - electricity revenue	87 458	115 903	113 616	9 328	66 347	48 515	17 831	37%	115 903
Service charges - refuse revenue	9 537	9 798	11 904	1 020	7 964	10 811	(2 847)	-26%	9 798
Rental of facilities and equipment	1 039	913	2 721	94	1 442	1 483	(42)	-3%	913
Interest earned - external investments	2 996	2 306	8 678	440	4 633	4 865	(233)	-5%	2 306
Interest earned - outstanding debtors	14 200	14 686	18 959	(40 478)	10 049	(30 042)	40 091	-133%	14 686
Fines, penalties and forfeits	3 300	100 528	108 430	406	3 729	3 796	(66)	-2%	100 528
Licences and permits	6 062	7 176	6 961	501	4 278	4 254	24	1%	7 176
Transfers and subsidies	338 905	363 745	363 612	20 807	272 003	289 032	(17 029)	-6%	363 745
Other revenue	2 227	2 684	2 854	4 379	1 429	5 673	(4 244)	-75%	2 684
Gains							-		
Total Revenue (excluding capital transfers and contributions)	520 718	680 764	697 762	43 434	411 710	408 118	3 591	1%	680 764
Expenditure By Type									
Employee related costs	162 017	194 460	178 695	13 850	119 514	116 329	3 185	3%	194 460
Remuneration of councillors	24 855	26 490	28 006	2 182	18 658	18 206	452	2%	26 490
Debt impairment	19 063	95 607	118 607	-	-	17 791	(17 791)	-100%	95 607
Depreciation & asset impairment	60 629	65 402	60 050	4 851	40 723	37 763	2 961	8%	65 402
Finance charges	1 623	931	1 543	287	1 133	1 385	(252)	-18%	931
Bulk purchases	93 194	113 017	107 455	7 783	66 308	65 865	443	1%	113 017
Other materials	36 742	40 774	37 454	1 975	26 847	26 564	283	1%	40 774
Contracted services	75 840	61 720	73 936	4 879	46 927	46 785	142	0%	61 720
Transfers and subsidies	4 495	3 176	7 131	621	3 947	3 897	51	1%	3 176
Other expenditure	56 254	52 641	64 749	10 643	44 964	46 624	(1 660)	-4%	52 641
Losses	-	-	48	48	48	96	(48)	-50%	-
Total Expenditure	534 713	654 217	677 675	47 118	369 069	381 304	(12 235)	-3%	654 217
Surplus/(Deficit)	(13 995)	26 547	20 087	(3 684)	42 641	26 814	15 826	59%	26 547
Transfers and subsidies - capital (monetary allocations)	91 816	79 756	75 385	13 524	46 021	29 450	16 571	56%	79 756
Transfers and subsidies - capital (monetary allocations)			671	-	-	-	-		-
Transfers and subsidies - capital (in-kind - all)	-	-	20	-	20	20	-		-
Surplus/(Deficit) after capital transfers & contributions	77 820	106 303	96 163	9 840	88 681	56 284			106 303
Taxation									
Surplus/(Deficit) after taxation	77 820	106 303	96 163	9 840	88 681	56 284			106 303
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	77 820	106 303	96 163	9 840	88 681	56 284			106 303
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	77 820	106 303	96 163	9 840	88 681	56 284			106 303

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 councillors, 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

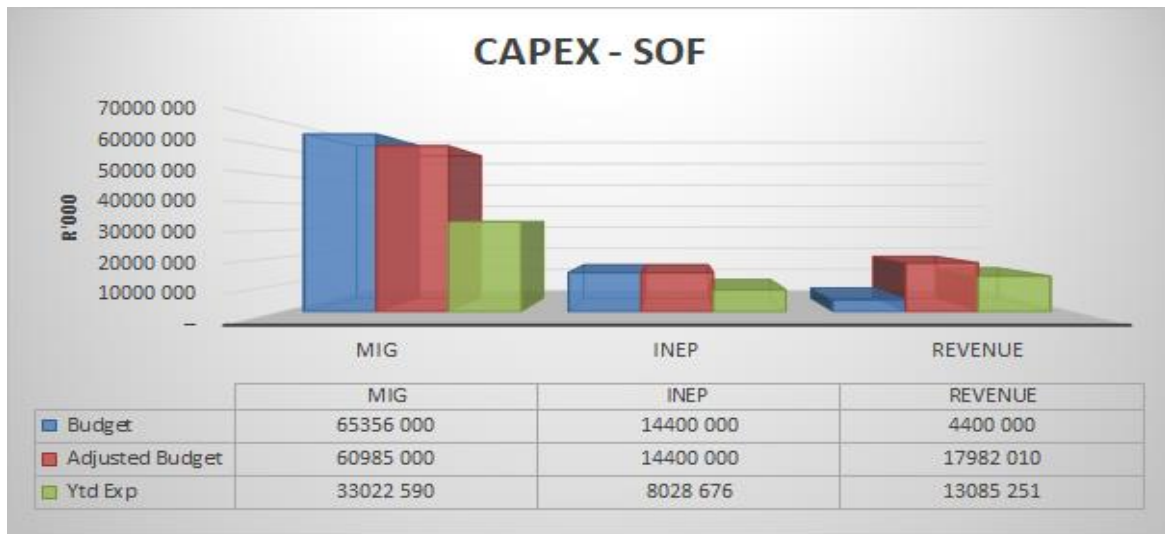
Vote Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Functional Classification									
Governance and administration	2 663	1 000	2 123	–	1 008	1 058	(50)	-5%	1 000
Executive and council	–	–	–	–	–	–	–	–	–
Finance and administration	2 663	1 000	2 123	–	1 008	1 058	(50)	-5%	1 000
Internal audit	–	–	–	–	–	–	–	–	–
Community and public safety	2 450	100	250	–	97	120	(23)	-19%	100
Community and social services	1 455	–	–	–	–	–	–	–	–
Sport and recreation	550	100	250	–	97	120	(23)	-19%	100
Public safety	445	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	75 671	66 256	69 900	10 203	39 016	34 528	4 488	13%	66 256
Planning and development	1 075	–	–	–	–	–	–	–	–
Road transport	74 596	66 256	69 900	10 203	39 016	34 528	4 488	13%	66 256
Environmental protection	–	–	–	–	–	–	–	–	–
Trading services	17 861	16 800	21 765	7 349	14 036	8 786	5 250	60%	16 800
Energy sources	16 001	15 000	20 559	7 349	14 010	8 583	5 427	63%	15 000
Waste management	1 860	1 800	1 206	–	26	203	(177)	-87%	1 800
Other	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional Classification	98 645	84 156	94 038	17 552	54 156	44 491	9 665	22%	84 156
Funded by:									
National Government	77 457	79 756	73 985	4 701	39 773	40 569	(796)	-2%	79 756
Provincial Government	–	–	–	–	–	–	–	–	–
District Municipality	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations)	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	77 457	79 756	73 985	4 701	39 773	40 569	(796)	-2%	79 756
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	21 188	4 400	18 653	11 644	13 105	3 922	9 182	234%	4 400
Total Capital Funding	98 645	84 156	92 638	16 345	52 878	44 491	8 386	19%	84 156

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
Expenditure of multi-year capital appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	2 663	700	1 823	-	727	774	(47)	-6%	700
Vote 5 - Community Services	4 063	1 000	1 000	-	-	150	(150)	-100%	1 000
Vote 6 - Technical Services	40 032	73 356	80 685	15 205	47 714	39 287	8 427	21%	73 356
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total multi-year capital expenditure	46 759	75 056	83 508	15 205	48 440	40 211	8 229	20%	75 056
Expenditure of single-year capital appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	300	300	-	281	284	(3)	-1%	300
Vote 5 - Community Services	247	900	456	-	123	173	(50)	-29%	900
Vote 6 - Technical Services	50 564	7 900	8 374	1 139	4 033	3 824	209	5%	7 900
Vote 7 - Developmental Planning	1 075	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total single-year capital expenditure	51 886	9 100	9 130	1 139	4 437	4 281	157	4%	9 100
Total Capital Expenditure	98 645	84 156	92 638	16 345	52 878	44 491	8 386	19%	84 156

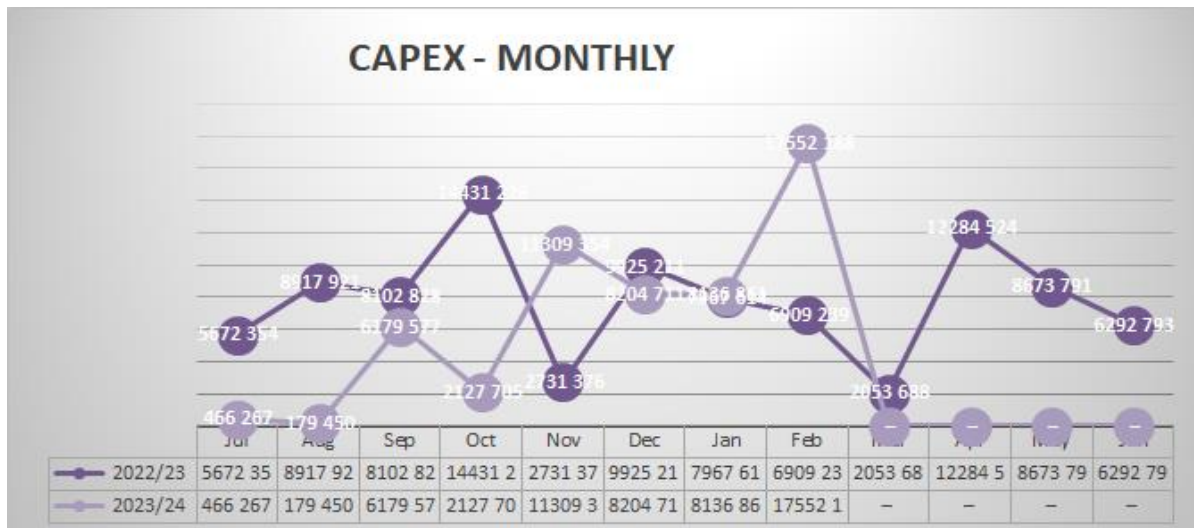
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of February 2024, R16,345 spending is incurred and the year-to-date expenditure amounts to R52, 878 whilst the year to date budget is R44, 491 million and this gave rise to over spending variance of R8, 386 million that translates to 19%.

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 R93, 367 million, R60, 985 million is funded from Municipal Infrastructure grant, R14, 400 million from Integrated National Electrification Programme and R17, 982 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
ASSETS					
Current assets					
Cash	7 479	18 804	–	4 884	18 804
Call investment deposits	25 460	–	–	46 932	–
Consumer debtors	109 709	178 921	171 448	127 010	178 921
Other debtors	88 862	12 169	12 170	79 999	12 169
Current portion of long-term receivables	–	–	–	–	–
Inventory	24 743	38 571	41 891	28 476	38 571
Total current assets	256 254	248 465	225 509	287 301	248 465
Non current assets					
Long-term receivables	–	–	–	–	–
Investments	17 149	18 499	18 499	–	18 499
Investment property	96 399	48 884	48 884	103 831	48 884
Investments in Associate	–	–	–	–	–
Property, plant and equipment	1 123 988	1 310 538	1 326 411	1 125 640	1 310 538
Biological	463	463	–	–	463
Intangible	7	606	499	1 383	606
Other non-current assets	1 928	388	388	1 928	388
Total non current assets	1 239 934	1 379 378	1 394 680	1 232 782	1 379 378
TOTAL ASSETS	1 496 188	1 627 843	1 620 189	1 520 083	1 627 843
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	4 650	7 246	9 494	2 098	7 246
Consumer deposits	5 757	5 937	5 937	5 303	5 937
Trade and other payables	158 176	108 287	88 201	186 179	108 287
Provisions	1 142	2 750	2 750	9 754	2 750
Total current liabilities	169 725	124 219	106 382	203 334	124 219
Non current liabilities					
Borrowing	7 288	5 456	5 456	9 357	5 456
Provisions	84 720	87 415	87 415	110 660	87 415
Total non current liabilities	92 008	92 871	92 871	120 017	92 871
TOTAL LIABILITIES	261 733	217 091	199 253	323 351	217 091
NET ASSETS	1 234 455	1 410 753	1 420 936	1 196 732	1 410 753
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	1 234 455	1 410 753	1 420 936	1 196 732	1 410 753
Reserves	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	1 234 455	1 410 753	1 420 936	1 196 732	1 410 753

The above table shows that community wealth amounts to R1, 197 billion, total liabilities R323, million and the total assets R1,520 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 1.4:1 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
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	37 194	54 392	–	3 583	29 155	26 260	2 894	11%	54 392
Service charges	89 721	124 873	–	8 912	63 473	52 375	11 098	21%	124 873
Other revenue	53 816	21 801	–	19 355	59 147	36 759	22 388	61%	21 801
Transfers and Subsidies - Operational	333 406	363 745	–	713	253 498	273 448	(19 951)	-7%	363 745
Transfers and Subsidies - Capital	111 606	79 756	–	4 000	62 676	58 676	4 000	7%	79 756
Interest	5 365	1 455	–	454	4 351	3 613	738	20%	1 455
Payments									
Suppliers and employees	(499 712)	(585 183)	–	(41 311)	(397 810)	(359 259)	38 551	-11%	(585 183)
Finance charges	(1 314)	(931)	–	(287)	(833)	(543)	290	-54%	(931)
Transfers and Grants	(1 787)	(3 176)	–	(621)	(3 947)	(3 153)	794	-25%	(3 176)
NET CASH FROM/(USED) OPERATING ACTIVITIES	128 295	56 732	–	(5 202)	69 710	88 177	18 467	21%	56 732
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables	–	851	–	–	–	–	–	–	851
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–
Payments									
Capital assets	(98 645)	(72 485)	–	(17 552)	(54 137)	(39 846)	14 291	-36%	(72 485)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(98 645)	(71 634)	–	(17 552)	(54 137)	(39 846)	14 291	-36%	(71 634)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	237	–	110	99	42	57	134%	237
Payments									
Repayment of borrowing	(7 251)	(7 246)	–	(2 241)	(5 524)	(3 542)	1 982	-56%	(7 246)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(7 251)	(7 009)	–	(2 131)	(5 425)	(3 500)	1 925	-55%	(7 009)
NET INCREASE/ (DECREASE) IN CASH HELD	22 400	(21 911)	–	(24 885)	10 148	44 831			(21 911)
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	–		51 816	86 499			19 757

Table C7 presents details pertaining to cash flow performance. As at end of February 2024, the net cash inflow from operating activities is R69, 710 million whilst net cash outflow from investing activities is R54, 137 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R5, 425 million. The cash and cash equivalent held at end of February 2024 amounted to R51, 816 million and the net effect of the above cash flows is cash inflow movement of R10, 148 million. The cash and cash equivalent at end of the reporting period of R51, 816 million, is mainly made up of cash in the primary bank account amounting to R4, 884 million with a short term investment amounting to R46, 932 million at the end of February 2024.

PART 2: SUPPORTING TABLES

Supporting Table: SC 1 Material Variance Explanations

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue By Source			
Property rates	-43%	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	37%	The projected monthly revenue appear to be lower in light of the actual revenue performance	No remedial action since the actual revenue is performing well.
Service charges - refuse revenue	-26%	The actual revenue generated is lower than the projected monthly revenue	The municipality should continue collecting revenue in all business areas where skips are located
Rental of facilities and equipment	-3%	The actual revenue generated is slightly the as 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	-5%	The municipality has invested in five different investment portfolios with ABSA and Standard bank, and the actual interest generated is less than the 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	-133%	The actual revenue generated is 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	-2%	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 groblersdal entrences where cashiers are available to collection on outstanding traffic fines.
Licences and permits	1%	The actual revenue generated is slightly less than the projected monthly revenue	No remedial action is needed since the variance is immaterial.
Transfers and subsidies	-6%	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	-75%	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 written off.
Expenditure By Type			
Employee related costs	3%	The actual expenditure incurred on employee related costs is more than the projections thereof	Majority of the positions were vacant and now the positions are filled which explains the actual spending increase.
Remuneration of councillors	2%	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	8%	Depreciation has been calculated on monthly basis and the actuals is slightly more than the projections.	No remedial action is needed
Finance charges	-18%	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	1%	The municipal licenced electrification areas have increased and the projections are less than the actual expenditure, the monthly payments were captured before month end hence the actuals are more 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	1%	The projected expenditure is sligty than the actual expenditure thereof.	The municipality should continue have with the 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	0%	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	1%	The actual expenditure incurred is slightly than the projected monthly expenditure	No remedial action is needed
Other expenditure	-4%	The actual expenditure incurred is less than the projected monthly expenditure	No remedial action is needed
Losses	-50%	The actual expenditure incurred is less than the projected monthly expenditure	The municipality should continue with the remedy that they use to 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
Capital Expenditure			
National Government	-2%	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	234%	The actual spending on internally generated funds is more than the projections thereof.	The municipality should continue implementing all the internal projects to ensure service delivery is achieved.
Cash Flow			
Property rates	11%	The actual collection rate on property rates is more 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	21%	The collection rate on service charges is more than the projected rate	The municipality should continue using the strategies they use to collect on licenced municipal areas on electricity billings and refuse removal
Other revenue	61%	The collection rate on leased assets is more than the projected amount	The municipality should continue with the strategies to ensure that all leased municipal assets are rented out as projected
Government - operating	-7%	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	7%	The receipted trenches of capital grants are not in line with the projections	The municipality should make use of DORA during the draft and final budget preparations.
Interest	20%	Interest on other revenue is under projected to the under collection from other debtors	No remedial action is needed
Suppliers and employees	-11%	The actual costs incurred is more than the projected costs .	No remedial action is needed
Finance charges	-54%	The finance costs which is for finance lease contracts has outstanding payments due to late payments submissions.	The municipality should encourage Afirent to send invoices on time and the fleet unit should prepare invoices on time to avoid the material variances.
Transfers and Grants	-25%	The payments relating to this account are slightly more than the projections thereof	Municipality should develop a strategy to pay on time to avoid interest
Capital assets	-36%	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	134%	The actual payments on consumer deposit is more than the projections thereof	No remedial action is needed
Repayment of borrowing	-56%	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
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Electricity	8 517	1 310	250	165	24	115	121	3 748	14 249	4 173	-	-
Receivables from Non-exchange Transactions - Property Rates	4 987	2 274	1 957	1 886	1 827	1 808	1 702	64 474	80 914	71 697	-	-
Receivables from Exchange Transactions - Waste Management	1 069	728	651	642	631	619	604	24 316	29 259	26 810	-	-
Receivables from Exchange Transactions - Property Rental Debtors	90	77	44	27	27	27	220	1 090	1 601	1 391	-	-
Interest on Arrear Debtor Accounts	1 394	1 364	1 123	1 298	1 270	1 241	1 213	62 792	71 695	67 814	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Other	814	206	(325)	10	(19)	(321)	100	4 412	4 877	4 182	-	-
Total By Income Source	16 871	5 959	3 699	4 027	3 760	3 488	3 959	160 833	202 596	176 067	-	-
2019/20 - totals only	12 408	5 852	3 684	3 769	4 182	3 602	18 485	133 545	185 527	163 584		
Debtors Age Analysis By Customer Group												
Organs of State	1 886	1 304	677	919	936	909	965	44 701	52 297	48 430	-	-
Commercial	8 667	1 375	646	540	310	479	518	10 876	23 410	12 722	-	-
Households	5 868	3 123	2 482	2 463	2 412	2 372	2 360	102 824	123 904	112 431	-	-
Other	449	157	(106)	106	102	(271)	116	2 432	2 985	2 485	-	-
Total By Customer Group	16 871	5 959	3 699	4 027	3 760	3 488	3 959	160 833	202 596	176 067	-	-

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of February amount to R202, 596 million. The debtors' book is made up as follows:

- Rates 40%
- Electricity 7%
- Rental 1%
- Refuse removal 14%
- Interest on Debtors 35%
- Other 2%

The debtors' age analysis is graphically presented below.

Figure 3: Debtors age analysis

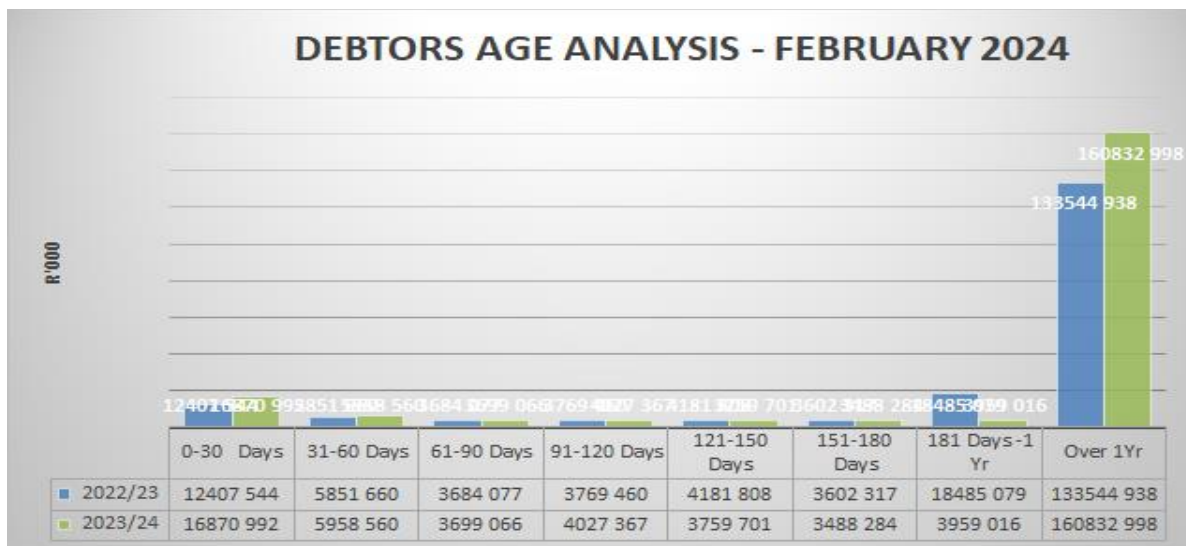
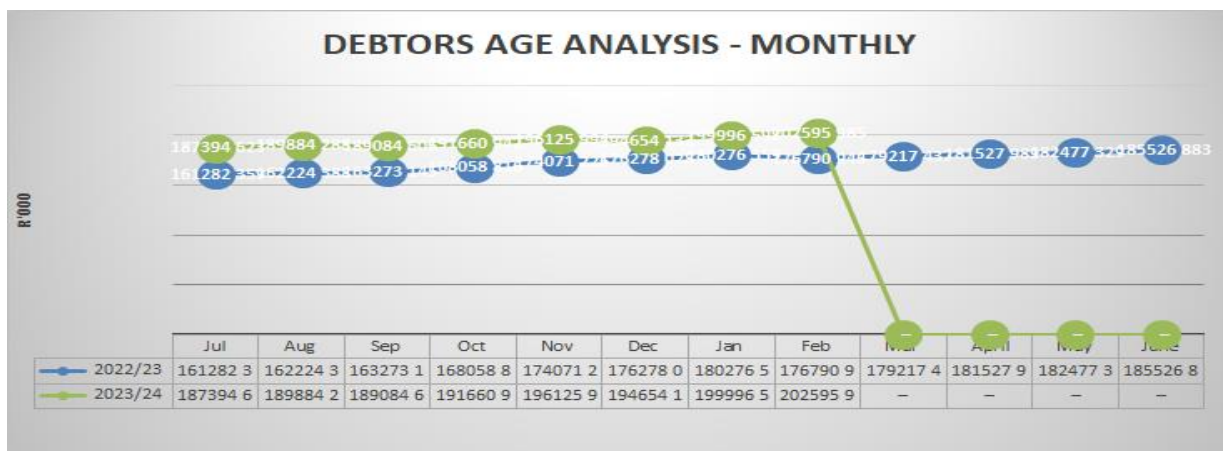


Figure 4: Monthly debtors book



The initial graph compares debtors' age analysis for 2022-23 financial year and 2023/24 (as at end of February 2024) 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	ACCOUNT HOLDER NAME	ACCOUNT STATUS	OCC/OWN	OUTSTANDING
9012345	BREED J & OOSTHUIZEN J F	ACTIVE	OCCUPIER	1 574 968
9005301	TWIN CITY TRADING PTY LTD 0000 PLUS 1 OTHER	ACTIVE	OWNER	1 336 952
6000908	DEPARTMENT OF EDUCATION	ACTIVE	OCCUPIER	1 272 084
911906	TAFELKOP MALL (PTY) LTD	ACTIVE	OWNER	752 168
9001667	NDEBELE MAHLANGU TRIBE	ACTIVE	OWNER	605 260
9001668	NDEBELE MAHLANGU TRIBE	ACTIVE	OWNER	604 906
9001763	TSHEHLA TRUST MAMAILE GEORGE	ACTIVE	OWNER	536 598
9002327	LEMONS EMANUEL MARQUES DE	ACTIVE	OWNER	514 832
7000918	MATHEBULA JABULANI JACK TITUS	ACTIVE	OCCUPIER	487 716
9002503	GOUWS BOERDERY TRUST 1999/022459/07	ACTIVE	OWNER	462 000
9019006	TIGER STRIPES INVESTMENTS (PTY	ACTIVE	OWNER	442 874
1501364	JAN JOUBERT TRUST (JO JO TANKS)	ACTIVE	OCCUPIER	439 592
9001714	KWAMAQHUZE COMMUNAL PROP ASSOC	ACTIVE	OWNER	413 017
9000207	GROMAR TRUST	ACTIVE	OWNER	407 693
2200691	EHLERS JA	ACTIVE	OWNER	407 582
72010812	PROVINCIAL GOVERNMENT OF THE PROVINCE OF MPUMALANGA	ACTIVE	OWNER	401 630
9002065	GOVERNMENT OF KWANDEBELE(RURAL DEVELOPMENT)	ACTIVE	OWNER	398 944
5000633	ERASMUS G J	ACTIVE	OCCUPIER	383 498
5000305	ELIAS MOTSOLEDI LOCAL MUNICIPALITY	ACTIVE	OWNER	376 424
9000157	NEDERDUITSE GEREFORMEERDE KERK	ACTIVE	OWNER	376 259
TOTAL				12 194 996

Supporting Table: SC 4 - Creditors Age Analysis

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

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 of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
ABSA (9381052783)	1 Month	Current Investment	8.9%		29-Feb-24	31 384 098	192 664	- 5 000 000	-	26 576 762
STANDARD BANK (038823527014)		Current Investment	9.2%		20-Feb-24	20 206 123	95 521	-20 301 644	-	-
ABSA (2081371923)		Current Investment	9.3%		22-Mar-24	20 207 808	146 986	-	-	20 354 795
TOTAL INVESTMENTS AND INTEREST						71 798 030		-25 301 644	-	46 931 557

The Municipality had short investment portfolios during the month of February 2024 with an opening balance of R71, 798 million in various investment portfolios. An amount of R435 thousand was earned as an interest, with no investment top up, closed off with R46, 932 million at the end of February 2024.

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
RECEIPTS:									
Operating Transfers and Grants									
National Government:	338 905	363 745	363 612	713	253 272	281 825	(28 553)	-10%	363 745
Local Government Equitable Share	334 259	358 519	358 519	–	248 179	276 310	(28 131)	-10%	358 519
Finance Management	2 850	2 850	2 850	–	2 850	2 850	–		2 850
EPWP Incentive	1 796	2 376	2 243	713	2 243	2 664	(421)	-16%	2 376
Other grant providers:	358	–	–	–	46	–	46	#DIV/0!	–
LGSETA Learnership and Development	358			–	46		46	#DIV/0!	
Total Operating Transfers and Grants	339 263	363 745	363 612	713	253 318	281 825	(28 506)	-10%	363 745
Capital Transfers and Grants									
National Government:	111 606	79 756	75 385	4 000	62 676	70 016	(7 340)	-10%	79 756
Municipal Infrastructure Grant (MIG)	94 606	65 356	60 985	–	49 776	56 393	(6 617)	-12%	65 356
Intergrated National Electrification Grant	17 000	14 400	14 400	4 000	12 900	13 624	(724)	-5%	14 400
Provincial Government:	–	–	–	–	–	–	–		–
Coghsta - Development		–					–		–
District Municipality:	–	–	–	–	–	–	–		–
N/A									
Other grant providers:	–	–	–	–	–	–	–		–
N/A							–		
Total Capital Transfers and Grants	111 606	79 756	75 385	4 000	62 676	70 016	(7 340)	-10%	79 756
TOTAL RECEIPTS OF TRANSFERS & GRANTS	450 869	443 501	438 997	4 713	315 994	351 841	(35 847)	-10%	443 501

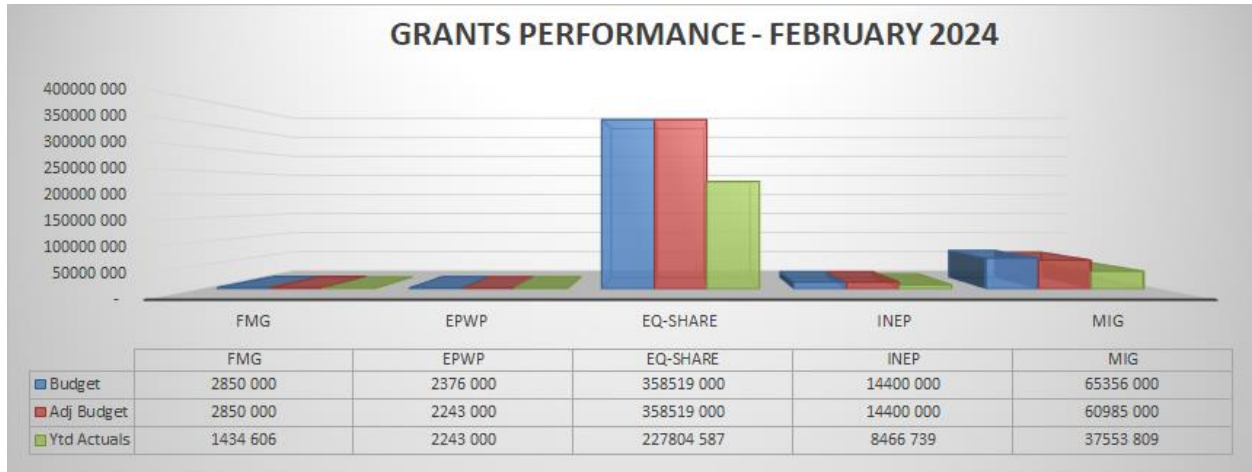
Supporting tables SC6 provides details of grants received. The year-to-date actual receipts amounts to R351, 841 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R248, 179 million; Financial Management Grant amounting to R2, 850 million; LGSETA amounting to R46 hundred, Municipal Infrastructure Grant amounting to R49 776 million; Integrated National Energy Grant R12, 900 million and Expanded Public Works Programme R2, 243 million were received. All the trenches 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	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	338 905	363 745	363 612	2 445	231 482	193 547	37 936	20%	363 745
Local Government Equitable Share	334 259	358 519	358 519	2 349	227 805	190 092	37 713	20%	358 519
Finance Management	2 850	2 850	2 850	123	1 435	1 216	219	18%	2 850
EPWP Incentive	1 796	2 376	2 243	(27)	2 243	2 239	4	0%	2 376
Other grant providers:	358	-	-	-	-	-	-		-
LGSETA Learnership and Development	358						-		
Total operating expenditure of Transfers and Grants:	339 263	363 745	363 612	2 445	231 482	193 547	37 936	20%	363 745
Capital expenditure of Transfers and Grants									
National Government:	90 896	79 756	75 385	13 524	46 021	40 961	5 059	12%	79 756
Municipal Infrastructure Grant (MIG)	73 896	65 356	60 985	10 632	37 554	32 935	4 619	14%	65 356
Integrated National Electrification Grant	17 000	14 400	14 400	2 892	8 467	8 026	440	5%	14 400
Provincial Government:	-	-	-	-	-	-	-		-
Coghsta - Development		-					-		
District Municipality:	-	-	-	-	-	-	-		-
N/A							-		
Other grant providers:	-	-	-	-	-	-	-		-
N/A							-		
Total capital expenditure of Transfers and Grants	90 896	79 756	75 385	13 524	46 021	40 961	5 059	12%	79 756
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	430 159	443 501	438 997	15 969	277 503	234 508	42 995	18%	443 501

An amount of R15, 969 million has been spent on grants during the month of February 2024 and the year-to-date actuals is R277, 503 million whilst the year to date budget amounts to R, 234,508 million and this results in an over spending variance of R42 ,995 million that translates to 18%. Of the total spending amounting to 277, 503 million, 231, 482 million is spent on operational grants whilst capital grants spent R46, 021 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 February 2024. The grants expenditure are shown below in percentages:

- Financial Management Grant 50.34%
- Expanded Public Work Programme 100%
- Equitable Share 63.54%
- Integrated National Electrification Grant 58.80%
- Municipal Infrastructure Grant 61.58%

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
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	14 631	16 222	16 734	1 265	10 740	10 564	176	2%	16 222
Pension and UIF Contributions	2 008	2 060	2 144	180	1 424	1 379	45	3%	2 060
Medical Aid Contributions	91	89	117	9	64	65	(1)	-1%	89
Motor Vehicle Allowance	5 376	5 399	5 828	467	3 951	3 836	115	3%	5 399
Cellphone Allowance	2 511	2 489	2 856	239	2 290	2 172	118	5%	2 489
Other benefits and allowances	239	230	299	20	184	185	(0)	0%	230
Sub Total - Councillors	24 855	26 490	27 978	2 179	18 654	18 200	454	2%	26 490
% increase		7%	13%						7%
Senior Managers of the Municipality									
Basic Salaries and Wages	1 798	4 877	2 019	226	1 330	1 263	67	5%	4 877
Pension and UIF Contributions	97	366	379	13	199	215	(16)	-7%	366
Medical Aid Contributions	109	211	146	12	68	70	(2)	-3%	211
Motor Vehicle Allowance	200	545	478	50	254	244	9	4%	545
Cellphone Allowance	58	168	117	9	51	53	(2)	-4%	168
Other benefits and allowances	97	361	278	10	143	221	(79)	-36%	361
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	2 358	6 527	3 416	320	2 044	2 066	(22)	-1%	6 527
% increase		177%	45%						177%
Other Municipal Staff									
Basic Salaries and Wages	105 415	124 064	111 667	9 045	73 371	71 176	2 195	3%	124 064
Pension and UIF Contributions	20 535	25 011	22 903	1 787	14 446	14 172	274	2%	25 011
Medical Aid Contributions	5 908	6 133	6 968	582	4 434	4 320	114	3%	6 133
Overtime	312	1 232	379	28	243	238	5	2%	1 232
Performance Bonus							-		
Motor Vehicle Allowance	14 071	15 907	15 511	1 255	10 186	9 931	256	3%	15 907
Cellphone Allowance	1 919	1 830	2 058	179	1 368	1 320	48	4%	1 830
Housing Allowances	255	268	281	23	188	182	6	3%	268
Other benefits and allowances	10 609	12 655	11 300	252	10 373	10 203	170	2%	12 655
Payments in lieu of leave	(177)	35	1 705	259	1 340	1 175	165	14%	35
Long service awards	812	797	2 507	120	1 520	1 547	(27)	-2%	797
Sub Total - Other Municipal Staff	159 659	187 932	175 280	13 530	117 470	114 263	3 207	3%	187 932
% increase		18%	10%						18%
Total Parent Municipality	186 872	220 949	206 674	16 029	138 168	134 529	3 639	3%	220 949
% increase		18%	11%						18%
TOTAL SALARY, ALLOWANCES & BENEFITS	186 872	220 949	206 674	16 029	138 168	134 529	3 639	3%	220 949
% increase		18%	11%						18%
TOTAL MANAGERS AND STAFF	162 017	194 460	178 695	13 850	119 514	116 329	3 185	3%	194 460

Table SC8 provides details for Remuneration of Councilors and Employee related cost. The total salaries, allowances and benefits paid as at end of February 2024 amounts to R138, 168 million and the year-to-date budget is R134, 529 million and the expenditure for remuneration of councilors amounts to R18, 654 million while the year-to-date budget is R18, 200 million. The year-to-date actual expenditure for senior managers is R2, 044 million and the year-to-date budget thereof is R2, 066 million. There is one senior managerial vacant position (Corporate services,) and this is causing an underspending variance on budget performance for senior management. The year-to-date actual for other municipal staff is R117, 470 million and the year-to-date budget is R114, 263 million. The remuneration of councilors has overspending variance, senior managers has under spending and other municipal staff category has over spending variance, and there is one vacant position 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	Outcome	Outcome	Budget	Budget	Budget	Budget	Year	Year +1	Year +2	
Cash Receipts By Source																
Property rates	4 158	3 574	4 299	3 361	3 176	3 558	3 445	3 583	4 538	4 538	4 538	11 623	54 392	58 227	62 147	
Service charges - electricity revenue	6 586	6 734	6 655	7 489	7 076	10 108	6 653	8 436	6 533	11 620	13 585	20 531	112 005	130 679	153 686	
Service charges - refuse	494	468	413	472	481	482	451	476	516	627	795	1 538	7 213	7 791	8 385	
Rental of facilities and equipment	42	61	33	29	30	35	521	48	31	37	57	(10)	913	958	1 003	
Interest earned - external investments	573	429	197	273	296	162	315	218	-	150	-	(1 160)	1 455	1 600	1 659	
Interest earned - outstanding debtors	272	286	210	356	181	196	150	236	675	680	514	1 899	5 655	5 864	5 965	
Fines, penalties and forfeits	436	449	525	565	485	451	412	406	1 003	1 003	1 003	4 291	11 028	11 568	12 112	
Licences and permits	428	593	555	653	491	503	555	501	652	652	652	941	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	10 766	18 400	-	-	-	(47 657)	2 684	2 816	2 948	
Cash Receipts by Source	164 492	15 489	17 905	14 748	24 182	116 521	23 268	33 018	103 578	19 306	21 144	12 614	566 266	614 639	634 268	
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations)	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)	(67)	110	13		94	31	237	305	320	
Decrease (increase) in non-current receivables																
Decrease (increase) in non-current investments									106	108	0	637	851	891	935	
Total Cash Receipts by Source	181 692	15 477	17 914	14 681	49 020	133 286	23 200	37 127	120 778	19 414	21 238	13 283	647 110	692 118	715 215	
Cash Payments by Type																
Employee related costs	13 630	13 725	13 964	13 686	14 351	22 391	13 917	13 850	15 505	15 516	15 508	26 297	192 340	198 267	207 585	
Remuneration of councillors	2 079	2 079	3 532	2 182	2 182	2 242	2 182	2 182	2 237	2 237	2 237	1 531	26 900	28 218	29 544	
Interest paid	-	-	-	315	81	-	150	287	64	57	53	(76)	931	471	100	
Bulk purchases - Electricity	83	12 020	12 021	9 159	8 361	7 592	9 289	7 783	9 347	9 347	9 347	18 668	113 017	127 505	150 074	
Other materials	901	1 930	3 842	2 991	5 619	5 592	3 996	1 975	2 579	2 346	2 193	(646)	33 319	34 942	36 575	
Contracted services	2 593	5 361	10 775	3 222	9 380	5 624	5 093	4 879	4 868	4 643	4 376	2 706	63 520	67 294	70 501	
Grants and subsidies paid - other	145	331	362	578	406	747	758	621	66	66	66	(969)	3 176	3 417	3 671	
General expenses	6 459	8 672	6 171	2 512	5 996	26 871	3 888	10 643	4 781	3 651	4 146	(35 031)	48 758	49 202	51 469	
Cash Payments by Type	25 889	44 117	50 667	34 645	46 376	71 059	39 272	42 219	39 447	37 863	37 926	12 480	481 961	509 316	549 519	
Other Cash Flows/Payments by Type																
Capital assets	466	179	6 180	2 128	11 309	8 185	8 137	17 552	7 104	5 871	5 364	10	72 485	77 363	77 492	
Repayment of borrowing	-	-	-	1 522	1 685	-	76	2 241	615	620	625	(138)	7 246	5 456	-	
Other Cash Flows/Payments	34 953	402	-	12 990	-	-	-	-	-	-	-	58 984	107 329	67 329	67 329	
Total Cash Payments by Type	61 309	44 699	56 847	51 284	59 371	79 244	47 485	62 012	47 166	44 354	43 915	71 336	669 022	659 465	694 340	
NET INCREASE/(DECREASE) IN CASH HELD	120 384	(29 222)	(38 932)	(36 604)	(10 351)	54 043	(24 285)	(24 885)	73 612	(24 940)	(22 677)	(58 054)	(21 911)	32 654	20 875	
Cash/cash equivalents at the month/year beginning:	41 668	162 052	132 830	93 897	57 294	46 943	100 985	76 701	51 816	125 428	100 488	77 811	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	76 701	51 816	125 428	100 488	77 811	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 R37, 127 million and the total cash payment for the month were R62, 012 million and this resulted in net decrease in cash held amounting to R24, 885 million. With cash and cash equivalent of R51,856 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting of R51, 856 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
Monthly expenditure performance trend									
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	–	8 205	28 467	38 437	9 970	26%	34%
January	7 968	5 318	–	8 137	36 584	43 755	7 170	16%	43%
February	6 909	4 512	–	17 552	54 156	48 266	(5 890)	-12%	64%
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	–		
Total Capital expenditure	98 645	84 156	–	54 156					

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table the capital expenditure for the month of February amounts to R17, 552 million. The year-to-date actual expenditure incurred is R54, 156 million whilst the year to date budget is R48, 266 million, that gives rise to under spending variance of R5, 890 million that translate to 12%.

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
Capital expenditure on new assets by Asset Class									
Infrastructure	16 629	15 800	32 239	8 347	14 936	10 545	(4 391)	-42%	15 800
Roads Infrastructure	-	-	1 430	734	734	214	(520)	-242%	-
Roads			1 430	734	734	214	(520)	-242%	-
Road Structures							-		
Storm water Infrastructure	-	800	-	-	-	-	-		800
Drainage Collection		800		-	-	-	-		800
Electrical Infrastructure	15 895	15 000	19 159	6 142	12 731	8 583	(4 149)	-48%	15 000
Power Plants	2 230		5 741	5 737	5 737	861	(4 876)	-566%	-
MV Substations	-	-	-	-	-	-	-		-
MV Networks	13 665	14 800	13 244	405	6 994	7 695	701	9%	14 800
Capital Spares	-	200	174	-	-	26	26	100%	200
Solid Waste Infrastructure	734	-	11 650	1 471	1 471	1 748	277	16%	-
Landfill Sites			11 650	1 471	1 471	1 748	277	16%	
Waste Transfer Stations							-		
Capital Spares	734	-	-	-	-	-	-		-
Community Assets	-	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
Other assets	-	-	-	-	-	-	-		-
Operational Buildings	-	-	-	-	-	-	-		-
Stores	-	-	-	-	-	-	-		-
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
Computer Software and Applications							-		
Computer Equipment	1 930	700	1 823	-	727	774	47	6%	700
Computer Equipment	1 930	700	1 823	-	727	774	47	6%	700
Furniture and Office Equipment	1 036	1 100	506	-	307	337	30	9%	1 100
Furniture and Office Equipment	1 036	1 100	506	-	307	337	30	9%	1 100
Machinery and Equipment	2 227	200	376	-	183	212	29	14%	200
Machinery and Equipment	2 227	200	376	-	183	212	29	14%	200
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets	-	-	-	-	-	-	-		-
Total Capital Expenditure on new assets	21 822	17 800	34 944	8 347	16 153	11 867	(4 285)	-36%	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
Capital expenditure on renewal of existing assets by Asset Class									
Infrastructure	29 802	-	-	-	-	-	-	-	-
Roads Infrastructure	26 455	-	-	-	-	-	-	-	-
Roads	26 294	-	-	-	-	-	-	-	-
Road Furniture	161	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-
MV Substations									
MV Networks	-								
Solid Waste Infrastructure	3 347	-	-	-	-	-	-	-	-
Landfill Sites	3 347	-	-	-	-	-	-	-	-
Capital Spares									
Community Assets	1 376	-	-	-	-	-	-	-	-
Community Facilities	1 376	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	1 376	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities									
Outdoor Facilities									
Other assets	247	-	-	-	-	-	-	-	-
Operational Buildings	247	-	-	-	-	-	-	-	-
Municipal Offices	247	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Servitudes									
Computer Software and Applications									
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment									
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment									
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment									
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets									
Total Capital Expenditure on renewal of existing assets	31 425	-	-	-	-	-	-	-	-

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
Repairs and maintenance expenditure by Asset Class									
Infrastructure	26 633	21 666	21 371	466	15 639	16 103	464	3%	19 481
Roads Infrastructure	21 436	14 350	14 350	173	11 697	11 948	251	2%	12 165
Roads	21 436	14 350	14 350	173	11 697	11 948	251	2%	12 165
Road Furniture							-		
Electrical Infrastructure	2 203	6 073	4 528	118	2 542	2 740	197	7%	6 073
MV Switching Stations							-		
MV Networks	2 203	6 073	4 528	118	2 542	2 740	197	7%	6 073
Solid Waste Infrastructure	2 994	1 243	2 493	175	1 400	1 415	15	1%	1 243
Landfill Sites	2 994	1 243	2 493	175	1 400	1 415	15	1%	1 243
Capital Spares							-		
Community Assets	537	323	1 299	35	298	418	121	29%	573
Community Facilities	537	323	1 299	35	298	418	121	29%	573
Parks	537	323	1 299	35	298	418	121	29%	573
Other assets	1 443	1 598	1 290	300	699	404	(295)	-73%	1 698
Operational Buildings	1 443	1 598	1 290	300	699	404	(295)	-73%	1 698
Municipal Offices	1 443	1 598	1 290	300	699	404	(295)	-73%	1 698
Intangible Assets	58	211	211	28	107	79	(28)	-36%	211
Licences and Rights	58	211	211	28	107	79	(28)	-36%	211
Computer Software and Applications	58	211	211	28	107	79	(28)	-36%	211
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	7 250	6 212	10 179	1 360	6 986	6 309	(677)	-11%	6 262
Machinery and Equipment	7 250	6 212	10 179	1 360	6 986	6 309	(677)	-11%	6 262
Transport Assets	3 424	2 646	2 646	272	2 230	2 023	(207)	-10%	2 646
Transport Assets	3 424	2 646	2 646	272	2 230	2 023	(207)	-10%	2 646
Total Repairs and Maintenance Expenditure	39 346	32 656	36 995	2 461	25 958	25 336	(622)	-2%	30 871

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
Depreciation by Asset Class									
Infrastructure	43 983	51 395	41 285	3 611	30 409	52 673	22 265	42%	51 395
Roads Infrastructure	37 525	43 096	34 719	3 102	26 096	45 069	18 973	42%	43 096
Roads	37 233	43 096	34 258	3 065	25 791	44 632	18 841	42%	43 096
Road Structures	227			–	–	268	268	100%	
Road Furniture	64		460	37	305	168	(136)	-81%	
Storm water Infrastructure	–	440	40	–	–	–	–		440
Drainage Collection	–	440	40	–	–	–	–		440
Electrical Infrastructure	5 390	7 083	5 851	456	3 865	6 816	2 951	43%	7 083
MV Substations		4 238	1 569	119	1 030	1 818	788	43%	4 238
MV Switching Stations			358	28	237	418	181	43%	
MV Networks	3 254	2 845	1 794	463	1 137	2 092	955	46%	2 845
LV Networks				(322)	50	–	(50)	#DIV/0!	
Capital Spares	2 136		2 130	168	1 410	2 487	1 077	43%	
Solid Waste Infrastructure	1 068	777	676	53	448	789	341	43%	777
Landfill Sites	764	777	398	31	263	464	201	43%	777
Waste Transfer Stations							–		
Waste Processing Facilities	302		276	22	183	322	139	43%	
Capital Spares	3		3	0	2	3	1	43%	
Community Assets	1 039	1 333	1 065	84	705	1 243	538	43%	1 333
Community Facilities	799	1 333	814	64	539	950	411	0	1 333
Halls			30	2	20	35	15	43%	
Centres			184	14	122	215	93	43%	
Cemeteries/Crematoria	91		92	7	61	108	47	43%	
PurIs	456		2	0	2	3	1	43%	
Public Open Space	–	1 333		–	–	–	–		1 333
Taxi Ranks/Bus Terminals			251	20	166	293	127	43%	
Capital Spares	252		255	20	169	297	128	43%	
Sport and Recreation Facilities	240	–	251	20	166	293	127	43%	–
Indoor Facilities	240						–		
Outdoor Facilities			251	20	166	293	127	43%	
Heritage assets	–	6	6	–	–	–	–		6
Other Heritage	–	6	6	–	–	–	–		6
Other assets	3 999	4 453	6 440	315	2 653	1 804	(848)	-47%	4 453
Operational Buildings	3 999	4 453	2 857	(1 206)	474	(2 376)	(2 850)	120%	4 453
Municipal Offices	3 999	4 453	2 453	(1 238)	206	(2 847)	(3 053)	107%	4 453
Stores			33	3	22	38	16	43%	
Training Centres			371	29	246	433	187	43%	
Housing	–	–	3 583	1 521	2 179	4 180	2 001	48%	–
Staff Housing							–		
Social Housing			3 583	1 521	2 179	4 180	2 001	48%	
Intangible Assets	7	88	21	4	8	15	7	47%	88
Servitudes			13	4	8	15	7	47%	
Licences and Rights	7	88	8	–	–	–	–		88
Computer Software and Application	7	88	8	–	–	–	–		88
Computer Equipment	835	974	948	81	634	1 072	438	41%	974
Computer Equipment	835	974	948	81	634	1 072	438	41%	974
Furniture and Office Equipment	766	651	801	65	533	926	393	42%	651
Furniture and Office Equipment	766	651	801	65	533	926	393	42%	651
Machinery and Equipment	3 355	3 118	3 021	238	1 999	3 489	1 490	43%	3 118
Machinery and Equipment	3 355	3 118	3 021	238	1 999	3 489	1 490	43%	3 118
Transport Assets	6 645	3 384	5 710	452	3 783	6 477	2 694	42%	3 384
Transport Assets	6 645	3 384	5 710	452	3 783	6 477	2 694	42%	3 384
Total Depreciation	60 629	65 402	59 298	4 851	40 723	67 699	26 976	40%	65 402

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
Capital expenditure on upgrading of existing assets by Asset Class									
Infrastructure	44 323	66 356	57 694	7 998	36 725	32 624	(4 101)	-13%	66 356
Roads Infrastructure	43 487	65 356	56 694	7 998	36 725	32 474	(4 251)	-13%	65 356
Roads	43 487	65 356	56 694	7 998	36 725	32 474	(4 251)	-13%	65 356
Road Structures							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Electrical Infrastructure	-	-	-	-	-	-	-		-
MV Substations							-		
MV Switching Stations							-		
MV Networks							-		
LV Networks							-		
Solid Waste Infrastructure	836	1 000	1 000	-	-	150	150	100%	1 000
Landfill Sites	836	1 000	1 000	-	-	150	150	100%	1 000
Waste Transfer Stations							-		
Community Assets	-	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
Cemeteries/Crematoria	-	-	-	-	-	-	-		-
Parks	-	-	-	-	-	-	-		-
Other assets	1 075	-	-	-	-	-	-		-
Operational Buildings	1 075	-	-	-	-	-	-		-
Municipal Offices	-	-	-	-	-	-	-		-
Yards	1 075	-	-	-	-	-	-		-
Intangible Assets	-	-	-	-	-	-	-		-
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		-
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		-
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		-
Machinery and Equipment	-	-	-	-	-	-	-		-
Machinery and Equipment							-		-
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets							-		-
Total Capital Expenditure on upgrading of existing assets	45 398	66 356	57 694	7 998	36 725	32 624	(4 101)	-13%	66 356

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 R16, 153 million and the year to date budget is R11, 867 million that reflects negative spending variance of R4, 285 million that translates to 36% 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 R25, 958 million, and the year-to-date budget is R25, 336 million, reflecting an underspending variance of R622 million that translates to 2%.

The year-to-date actual expenditure on upgrading of existing assets is R36, 725 and the year-to-date budget is R32, 624 million, reflecting a negative spending variance of R4 ,101 million that translates to 13%.

The year-to-date actual expenditure on depreciation and asset impairment is R40, 723 and the year-to-date budget is R67, 699 million, reflecting a positive spending variance of R 20,976 million, that translates to 40% 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	Adjusted Budget	YTD Actuals	Percentage
Community Services	Furniture and Office Equipment	Single	Furniture and Office Equipment	Furniture and Office Equipment	800 000	206 000	26 000	13%
	Machinery and Equipment	Single	Machinery and Equipment	Machinery and Equipment	100 000	250 000	96 753	39%
	Fencing of Roossenekal Landfill Site	Multi	Solid Waste Infrastructure	Landfill Sites	1 000 000	1 000 000	-	0%
Corporate Services	Computer Equipment	Multi	Computer Equipment	Computer Equipment	700 000	1 823 134	726 595	40%
	Furniture and Office Equipment	Single	Furniture and Office Equipment	Furniture and Office Equipment	300 000	300 000	281 150	94%
Technical Services	Groblersdal Stormwater	Single	Storm water Infrastructure	Drainage Collection	800 000	-	-	0%
	Landfill Sites:Groblersdal Landfill site 6.6	Multi	Solid Waste Infrastructure	Landfill Sites	-	11 650 000	1 470 571	13%
	Upgrading of Hlogottlou-Bopanang Road	Multi	Roads Infrastructure	Roads	12 275 600	-	-	0%
	Upgrading of Kgobokwane-Kgaphamadi Road	Multi	Roads Infrastructure	Roads	20 580 400	13 580 400	9 162 292	67%
	Upgrading of Malaeneng A Ntwane Access Road	Multi	Roads Infrastructure	Roads	10 000 000	11 000 000	5 866 711	53%
	Upgrading of Mokumong Access Road to Marateng Taxi Rank	Multi	Roads Infrastructure	Roads	22 500 000	16 500 000	11 874 045	72%
	Roads:Upgrading of Stompo Bus Road	single	Roads Infrastructure	Roads	-	695 649	-	0%
	Roads:Upgrading of Maraganeng internal Access road (MIG)	Multi	Roads Infrastructure	Roads	-	8 254 600	4 648 971	56%
	Roads:Upgrading of Masoing Bus route	single	Roads Infrastructure	Roads	-	734 100	734 100	100%
	Roads:Upgrading of Tafelkop stadium Access Road 600	single	Roads Infrastructure	Roads	-	7 359 000	5 173 039	70%
	Electrification of Magukubjane	Single	Electrical Infrastructure	MV Networks	400 000	244 300	244 295	100%
	Electrification of Masakaneng	Multi	Electrical Infrastructure	MV Networks	8 000 000	6 600 000	3 781 423	57%
	Electrification of Motetema High view	Single	Electrical Infrastructure	MV Networks	2 000 000	2 000 000	368 164	18%
	Electrification of Phooko	Single	Electrical Infrastructure	MV Networks	1 400 000	1 400 000	268 645	19%
	Electrification of Phomola	Single	Electrical Infrastructure	MV Networks	2 000 000	2 000 000	1 705 093	85%
	Electrification of Vlakfontein	Single	Electrical Infrastructure	MV Networks	1 000 000	1 000 000	626 840	63%
	Power Plants:Alternative Energy Solution	Multi	Electrical Infrastructure	Power Plants	-	5 740 961	5 736 714	100%
	Electrification of Makaepea	Single	Electrical Infrastructure	MV Networks	-	1 400 000	1 278 511	91%
	Aircons	Single	Furniture and Office Equipment	Furniture and Office Equipment	174 000	174 000	-	0%
	Machinery and Equipment	Single	Machinery and Equipment	Machinery and Equipment	126 000	126 000	86 200	68%

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 29 February 2024 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 14/03/2024