

# 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 |
| <b>Financial Performance</b>   |                  |                     |                   |                    |                     |                     |                     |                 |                    |
| Property rates   | 54 993           | 63 025              | 60 026            | 46 938             | 39 837              | 69 731              | (29 894)            | -43%            | 60 026             |
| Service charges  | 96 995           | 125 701             | 125 520           | 10 348             | 74 310              | 59 326              | 14 984              | 25%             | 125 520            |
| Investment revenue   | 2 996            | 2 306               | 8 678             | 440                | 4 633               | 4 865               | (233)               | -5%             | 8 678              |
| Transfers and subsidies  | 338 905          | 363 745             | 363 612           | 20 807             | 272 003             | 289 032             | (17 029)            | -6%             | 363 612            |
| Other own revenue  | 26 828           | 125 987             | 139 925           | (35 099)           | 20 927              | (14 836)            | 35 762              | -241%           | 139 925            |
| <b>Total Revenue (excluding capital transfers and contributions)</b> | <b>520 718</b>   | <b>680 764</b>      | <b>697 762</b>    | <b>43 434</b>      | <b>411 710</b>      | <b>408 118</b>      | <b>3 591</b>        | <b>1%</b>       | <b>697 762</b>     |
| Employee costs   | 162 017          | 194 460             | 178 695           | 13 850             | 119 514             | 116 329             | 3 185               | 3%              | 178 695            |
| Remuneration of Councillors  | 24 855           | 26 490              | 28 006            | 2 182              | 18 658              | 18 206              | 452                 | 2%              | 28 006             |
| Depreciation & asset impairment                                      | 60 629           | 65 402              | 60 050            | 4 851              | 40 723              | 37 763              | 2 961               | 8%              | 60 050             |
| Finance charges  | 1 623            | 931                 | 1 543             | 287                | 1 133               | 1 385               | (252)               | -18%            | 1 543              |
| Materials and bulk purchases   | 129 936          | 153 791             | 144 909           | 9 757              | 93 155              | 92 429              | 726                 | 1%              | 144 909            |
| Transfers and subsidies  | 4 495            | 3 176               | 7 131             | 621                | 3 947               | 3 897               | 51                  | 1%              | 7 131              |
| Other expenditure  | 151 158          | 209 967             | 257 340           | 15 570             | 91 939              | 111 296             | (19 357)            | -17%            | 257 340            |
| <b>Total Expenditure</b>   | <b>534 713</b>   | <b>654 217</b>      | <b>677 675</b>    | <b>47 118</b>      | <b>369 069</b>      | <b>381 304</b>      | <b>(12 235)</b>     | <b>-3%</b>      | <b>677 675</b>     |
| <b>Surplus/(Deficit)</b>   | <b>(13 995)</b>  | <b>26 547</b>       | <b>20 087</b>     | <b>(3 684)</b>     | <b>42 641</b>       | <b>26 814</b>       | <b>15 826</b>       | <b>59%</b>      | <b>20 087</b>      |
| Transfers and subsidies - capital (monetary allocations)             | 91 816           | 79 756              | 75 385            | 13 524             | 46 021              | 29 450              | 16 571              | 56%             | 75 385             |
| Transfers and subsidies - capital (monetary allocations)             | -                | -                   | 691               | -                  | 20                  | 20                  | -                   | -               | 691                |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b> | <b>77 820</b>    | <b>106 303</b>      | <b>96 163</b>     | <b>9 840</b>       | <b>88 681</b>       | <b>56 284</b>       | <b>32 397</b>       | <b>58%</b>      | <b>96 163</b>      |
| Share of surplus/ (deficit) of associate                             | -                | -                   | -                 | -                  | -                   | -                   | -                   | -               | -                  |
| <b>Surplus/ (Deficit) for the year</b>                               | <b>77 820</b>    | <b>106 303</b>      | <b>96 163</b>     | <b>9 840</b>       | <b>88 681</b>       | <b>56 284</b>       | <b>32 397</b>       | <b>58%</b>      | <b>96 163</b>      |
| <b>Capital expenditure &amp; funds sources</b>                       |                  |                     |                   |                    |                     |                     |                     |                 |                    |
| <b>Capital expenditure</b>   | <b>98 645</b>    | <b>84 156</b>       | <b>92 638</b>     | <b>16 345</b>      | <b>52 878</b>       | <b>44 491</b>       | <b>8 386</b>        | <b>19%</b>      | <b>92 638</b>      |
| Capital transfers recognised   | 77 457           | 79 756              | 73 985            | 4 701              | 39 773              | 40 569              | (796)               | -2%             | 73 985             |
| Borrowing  | -                | -                   | -                 | -                  | -                   | -                   | -                   | -               | -                  |
| Internally generated funds   | 21 188           | 4 400               | 18 653            | 11 644             | 13 105              | 3 922               | 9 182               | 234%            | 18 653             |
| <b>Total sources of capital funds</b>                                | <b>98 645</b>    | <b>84 156</b>       | <b>92 638</b>     | <b>16 345</b>      | <b>52 878</b>       | <b>44 491</b>       | <b>8 386</b>        | <b>19%</b>      | <b>92 638</b>      |
| <b>Financial position</b>  |                  |                     |                   |                    |                     |                     |                     |                 |                    |
| Total current assets   | 256 254          | 248 465             | 225 509           |                    | 287 301             |                     |                     |                 | 225 509            |
| Total non current assets   | 1 239 934        | 1 379 378           | 1 394 680         |                    | 1 232 782           |                     |                     |                 | 1 394 680          |
| Total current liabilities  | 169 725          | 124 219             | 106 382           |                    | 203 334             |                     |                     |                 | 106 382            |
| 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           |                     |                     |                 | 1 420 936          |
| <b>Cash flows</b>  |                  |                     |                   |                    |                     |                     |                     |                 |                    |
| Net cash from (used) operating                                       | 128 295          | 56 732              | -                 | (5 202)            | 69 710              | 88 177              | 18 467              | 21%             | -                  |
| Net cash from (used) investing                                       | (98 645)         | (71 634)            | -                 | (17 552)           | (54 137)            | (39 846)            | 14 291              | -36%            | -                  |
| Net cash from (used) financing                                       | (7 251)          | (7 009)             | -                 | (2 131)            | (5 425)             | (3 500)             | 1 925               | -55%            | -                  |
| <b>Cash/cash equivalents at the month/year end</b>                   | <b>32 939</b>    | <b>19 757</b>       | <b>-</b>          | <b>-</b>           | <b>51 816</b>       | <b>86 499</b>       | <b>34 683</b>       | <b>40%</b>      | <b>-</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 Days</b> | <b>151-180 Days</b> | <b>181 Dys-1 Yr</b> | <b>Over 1Yr</b> | <b>Total</b>       |
| 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 |
| <b>Revenue - Functional</b>                |                 |                     |                 |                |                |                |                 |              |                    |
| <b>Governance and administration</b>       | <b>277 768</b>  | <b>300 481</b>      | <b>304 943</b>  | <b>23 469</b>  | <b>216 186</b> | <b>221 722</b> | <b>(5 536)</b>  | <b>-2%</b>   | <b>304 943</b>     |
| 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%          | 235 615            |
| Internal audit                             | 13 455          | 13 884              | 13 884          | 3 000          | 11 997         | 14 997         | (3 000)         | -20%         | 13 884             |
| <b>Community and public safety</b>         | <b>31 175</b>   | <b>129 150</b>      | <b>140 865</b>  | <b>416</b>     | <b>29 807</b>  | <b>29 849</b>  | <b>(42)</b>     | <b>0%</b>    | <b>140 865</b>     |
| Community and social services              | 10 947          | 11 327              | 11 326          | 14             | 7 721          | 7 736          | (15)            | 0%           | 11 326             |
| 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%           | 111 944            |
| <b>Economic and environmental services</b> | <b>140 432</b>  | <b>130 503</b>      | <b>127 503</b>  | <b>17 226</b>  | <b>91 933</b>  | <b>82 908</b>  | <b>9 025</b>    | <b>11%</b>   | <b>127 503</b>     |
| Planning and development                   | 21 669          | 22 674              | 22 508          | 18             | 20 461         | 20 439         | 23              | 0%           | 22 508             |
| Road transport                             | 117 952         | 106 992             | 104 159         | 17 208         | 70 767         | 61 764         | 9 003           | 15%          | 104 159            |
| Environmental protection                   | 811             | 836                 | 836             | –              | 705            | 705            | –               |              | 836                |
| <b>Trading services</b>                    | <b>163 158</b>  | <b>200 386</b>      | <b>200 526</b>  | <b>15 847</b>  | <b>119 823</b> | <b>103 108</b> | <b>16 715</b>   | <b>16%</b>   | <b>200 526</b>     |
| Energy sources                             | 126 820         | 151 238             | 150 886         | 12 264         | 85 923         | 67 213         | 18 710          | 28%          | 150 886            |
| Waste management                           | 36 339          | 49 148              | 49 641          | 3 584          | 33 900         | 35 895         | (1 995)         | -6%          | 49 641             |
| <b>Total Revenue - Functional</b>          | <b>612 533</b>  | <b>760 520</b>      | <b>773 838</b>  | <b>56 958</b>  | <b>457 750</b> | <b>437 587</b> | <b>20 162</b>   | <b>5%</b>    | <b>773 838</b>     |
| <b>Expenditure - Functional</b>            |                 |                     |                 |                |                |                |                 |              |                    |
| <b>Governance and administration</b>       | <b>215 448</b>  | <b>227 933</b>      | <b>242 944</b>  | <b>25 199</b>  | <b>159 544</b> | <b>161 437</b> | <b>(1 893)</b>  | <b>-1%</b>   | <b>242 944</b>     |
| Executive and council                      | 40 873          | 45 702              | 47 275          | 5 116          | 31 987         | 29 941         | 2 045           | 7%           | 47 275             |
| Finance and administration                 | 162 605         | 170 758             | 183 871         | 18 428         | 118 752        | 123 710        | (4 958)         | -4%          | 183 871            |
| Internal audit                             | 11 970          | 11 472              | 11 798          | 1 654          | 8 805          | 7 786          | 1 020           | 13%          | 11 798             |
| <b>Community and public safety</b>         | <b>39 658</b>   | <b>118 872</b>      | <b>135 309</b>  | <b>3 070</b>   | <b>26 196</b>  | <b>40 332</b>  | <b>(14 136)</b> | <b>-35%</b>  | <b>135 309</b>     |
| Community and social services              | 9 422           | 9 467               | 7 004           | 497            | 4 578          | 4 515          | 63              | 1%           | 7 004              |
| Sport and recreation                       | 8 989           | 14 805              | 10 043          | 686            | 6 183          | 6 750          | (567)           | -8%          | 10 043             |
| Public safety                              | 21 246          | 94 601              | 118 262         | 1 886          | 15 435         | 29 068         | (13 633)        | -47%         | 118 262            |
| <b>Economic and environmental services</b> | <b>120 504</b>  | <b>127 771</b>      | <b>111 225</b>  | <b>4 184</b>   | <b>73 979</b>  | <b>66 991</b>  | <b>6 988</b>    | <b>10%</b>   | <b>111 225</b>     |
| Planning and development                   | 18 411          | 24 992              | 20 820          | 1 212          | 12 039         | 12 010         | 30              | 0%           | 20 820             |
| Road transport                             | 102 093         | 102 085             | 90 405          | 2 972          | 61 940         | 54 981         | 6 959           | 13%          | 90 405             |
| Environmental protection                   | –               | 695                 | 0               | –              | –              | –              | –               |              | 0                  |
| <b>Trading services</b>                    | <b>159 103</b>  | <b>179 641</b>      | <b>188 196</b>  | <b>14 666</b>  | <b>109 350</b> | <b>112 544</b> | <b>(3 194)</b>  | <b>-3%</b>   | <b>188 196</b>     |
| Energy sources                             | 109 850         | 133 039             | 125 592         | 8 783          | 77 037         | 76 528         | 509             | 1%           | 125 592            |
| Waste management                           | 49 253          | 46 602              | 62 604          | 5 882          | 32 313         | 36 015         | (3 702)         | -10%         | 62 604             |
| <b>Total Expenditure - Functional</b>      | <b>534 713</b>  | <b>654 217</b>      | <b>677 675</b>  | <b>47 118</b>  | <b>369 069</b> | <b>381 304</b> | <b>(12 235)</b> | <b>-3%</b>   | <b>677 675</b>     |
| <b>Surplus/ (Deficit) for the year</b>     | <b>77 820</b>   | <b>106 303</b>      | <b>96 163</b>   | <b>9 840</b>   | <b>88 681</b>  | <b>56 284</b>  | <b>32 397</b>   | <b>58%</b>   | <b>96 163</b>      |

**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 |
| <b>Revenue by Vote</b>                 |                 |                     |                 |                |                |                |                 |              |                    |
| 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%           | 120 601            |
| Vote 4 - Corporate Services            | 50 657          | 52 321              | 52 992          | 9 079          | 42 744         | 51 679         | (8 935)         | -17%         | 52 992             |
| Vote 5 - Community Services            | 76 536          | 188 606             | 200 542         | 4 505          | 70 473         | 72 491         | (2 018)         | -3%          | 200 542            |
| Vote 6 - Technical Services            | 263 115         | 276 162             | 273 247         | 28 967         | 171 352        | 143 659        | 27 693          | 19%          | 273 247            |
| Vote 7 - Developmental Planning        | 13 673          | 14 423              | 14 257          | 18             | 12 789         | 12 767         | 23              | 0%           | 14 257             |
| Vote 8 - Executive Support             | 14 925          | 15 401              | 15 401          | 369            | 10 939         | 11 308         | (369)           | -3%          | 15 401             |
| <b>Total Revenue by Vote</b>           | <b>612 533</b>  | <b>760 520</b>      | <b>773 838</b>  | <b>56 958</b>  | <b>457 750</b> | <b>437 587</b> | <b>20 162</b>   | <b>5%</b>    | <b>773 838</b>     |
| <b>Expenditure by Vote</b>             |                 |                     |                 |                |                |                |                 |              |                    |
| Vote 1 - Executive & Council           | 35 446          | 37 797              | 40 914          | 4 861          | 27 624         | 25 485         | 2 138           | 8%           | 40 914             |
| Vote 2 - Municipal Manager             | 45 914          | 46 270              | 44 275          | 3 906          | 30 224         | 28 930         | 1 295           | 4%           | 44 275             |
| Vote 3 - Budget & Treasury             | 61 222          | 61 056              | 78 940          | 9 060          | 48 705         | 52 970         | 80 863          | 153%         | 78 940             |
| Vote 4 - Corporate Services            | 27 772          | 41 928              | 31 596          | 1 789          | 20 234         | 20 385         | (151)           | -1%          | 31 596             |
| Vote 5 - Community Services            | 97 515          | 175 066             | 206 991         | 9 725          | 64 810         | 82 408         | (17 598)        | -21%         | 206 991            |
| Vote 6 - Technical Services            | 230 159         | 254 734             | 233 989         | 15 064         | 151 367        | 145 338        | 6 028           | 4%           | 233 989            |
| Vote 7 - Developmental Planning        | 13 119          | 18 039              | 14 114          | 806            | 7 660          | 7 701          | (41)            | -1%          | 14 114             |
| Vote 8 - Executive Support             | 23 567          | 19 327              | 26 855          | 1 907          | 18 444         | 18 086         | 358             | 2%           | 26 855             |
| <b>Total Expenditure by Vote</b>       | <b>534 713</b>  | <b>654 217</b>      | <b>677 675</b>  | <b>47 118</b>  | <b>369 069</b> | <b>381 304</b> | <b>72 893</b>   | <b>19%</b>   | <b>677 675</b>     |
| <b>Surplus/ (Deficit) for the year</b> | <b>77 820</b>   | <b>106 303</b>      | <b>96 163</b>   | <b>9 840</b>   | <b>88 681</b>  | <b>56 284</b>  | <b>(52 730)</b> | <b>-94%</b>  | <b>96 163</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              | 60 026          | 46 938         | 39 837         | 69 731         | (29 894)        | -43%         | 60 026             |
| Service charges - electricity revenue                                | 87 458          | 115 903             | 113 616         | 9 328          | 66 347         | 48 515         | 17 831          | 37%          | 113 616            |
| Service charges - refuse revenue                                     | 9 537           | 9 798               | 11 904          | 1 020          | 7 964          | 10 811         | (2 847)         | -26%         | 11 904             |
| Rental of facilities and equipment                                   | 1 039           | 913                 | 2 721           | 94             | 1 442          | 1 483          | (42)            | -3%          | 2 721              |
| Interest earned - external investments                               | 2 996           | 2 306               | 8 678           | 440            | 4 633          | 4 865          | (233)           | -5%          | 8 678              |
| Interest earned - outstanding debtors                                | 14 200          | 14 686              | 18 959          | (40 478)       | 10 049         | (30 042)       | 40 091          | -133%        | 18 959             |
| Fines, penalties and forfeits  | 3 300           | 100 528             | 108 430         | 406            | 3 729          | 3 796          | (66)            | -2%          | 108 430            |
| Licences and permits   | 6 062           | 7 176               | 6 961           | 501            | 4 278          | 4 254          | 24              | 1%           | 6 961              |
| Transfers and subsidies  | 338 905         | 363 745             | 363 612         | 20 807         | 272 003        | 289 032        | (17 029)        | -6%          | 363 612            |
| Other revenue  | 2 227           | 2 684               | 2 854           | 4 379          | 1 429          | 5 673          | (4 244)         | -75%         | 2 854              |
| Gains  |                 |                     |                 |                |                |                | -               |              |                    |
| <b>Total Revenue (excluding capital transfers and contributions)</b> | <b>520 718</b>  | <b>680 764</b>      | <b>697 762</b>  | <b>43 434</b>  | <b>411 710</b> | <b>408 118</b> | <b>3 591</b>    | <b>1%</b>    | <b>697 762</b>     |
| <b>Expenditure By Type</b>   |                 |                     |                 |                |                |                |                 |              |                    |
| Employee related costs   | 162 017         | 194 460             | 178 695         | 13 850         | 119 514        | 116 329        | 3 185           | 3%           | 178 695            |
| Remuneration of councillors  | 24 855          | 26 490              | 28 006          | 2 182          | 18 658         | 18 206         | 452             | 2%           | 28 006             |
| Debt impairment  | 19 063          | 95 607              | 118 607         | -              | -              | 17 791         | (17 791)        | -100%        | 118 607            |
| Depreciation & asset impairment                                      | 60 629          | 65 402              | 60 050          | 4 851          | 40 723         | 37 763         | 2 961           | 8%           | 60 050             |
| Finance charges  | 1 623           | 931                 | 1 543           | 287            | 1 133          | 1 385          | (252)           | -18%         | 1 543              |
| Bulk purchases   | 93 194          | 113 017             | 107 455         | 7 783          | 66 308         | 65 865         | 443             | 1%           | 107 455            |
| Other materials  | 36 742          | 40 774              | 37 454          | 1 975          | 26 847         | 26 564         | 283             | 1%           | 37 454             |
| Contracted services  | 75 840          | 61 720              | 73 936          | 4 879          | 46 927         | 46 785         | 142             | 0%           | 73 936             |
| Transfers and subsidies  | 4 495           | 3 176               | 7 131           | 621            | 3 947          | 3 897          | 51              | 1%           | 7 131              |
| Other expenditure  | 56 254          | 52 641              | 64 749          | 10 643         | 44 964         | 46 624         | (1 660)         | -4%          | 64 749             |
| Losses   | -               | -                   | 48              | 48             | 48             | 96             | (48)            | -50%         | 48                 |
| <b>Total Expenditure</b>   | <b>534 713</b>  | <b>654 217</b>      | <b>677 675</b>  | <b>47 118</b>  | <b>369 069</b> | <b>381 304</b> | <b>(12 235)</b> | <b>-3%</b>   | <b>677 675</b>     |
| <b>Surplus/(Deficit)</b>   | <b>(13 995)</b> | <b>26 547</b>       | <b>20 087</b>   | <b>(3 684)</b> | <b>42 641</b>  | <b>26 814</b>  | <b>15 826</b>   | <b>59%</b>   | <b>20 087</b>      |
| Transfers and subsidies - capital (monetary allocations)             | 91 816          | 79 756              | 75 385          | 13 524         | 46 021         | 29 450         | 16 571          | 56%          | 75 385             |
| Transfers and subsidies - capital (monetary allocations)             |                 |                     | 671             | -              | -              |                | -               |              | 671                |
| Transfers and subsidies - capital (in-kind - all)                    | -               | -                   | 20              | -              | 20             | 20             | -               |              | 20                 |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b> | <b>77 820</b>   | <b>106 303</b>      | <b>96 163</b>   | <b>9 840</b>   | <b>88 681</b>  | <b>56 284</b>  |                 |              | <b>96 163</b>      |
| Taxation   |                 |                     |                 |                |                |                |                 |              |                    |
| <b>Surplus/(Deficit) after taxation</b>                              | <b>77 820</b>   | <b>106 303</b>      | <b>96 163</b>   | <b>9 840</b>   | <b>88 681</b>  | <b>56 284</b>  |                 |              | <b>96 163</b>      |
| Attributable to minorities   |                 |                     |                 |                |                |                |                 |              |                    |
| <b>Surplus/(Deficit) attributable to municipality</b>                | <b>77 820</b>   | <b>106 303</b>      | <b>96 163</b>   | <b>9 840</b>   | <b>88 681</b>  | <b>56 284</b>  |                 |              | <b>96 163</b>      |
| Share of surplus/ (deficit) of associate                             |                 |                     |                 |                |                |                |                 |              |                    |
| <b>Surplus/ (Deficit) for the year</b>                               | <b>77 820</b>   | <b>106 303</b>      | <b>96 163</b>   | <b>9 840</b>   | <b>88 681</b>  | <b>56 284</b>  |                 |              | <b>96 163</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 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**

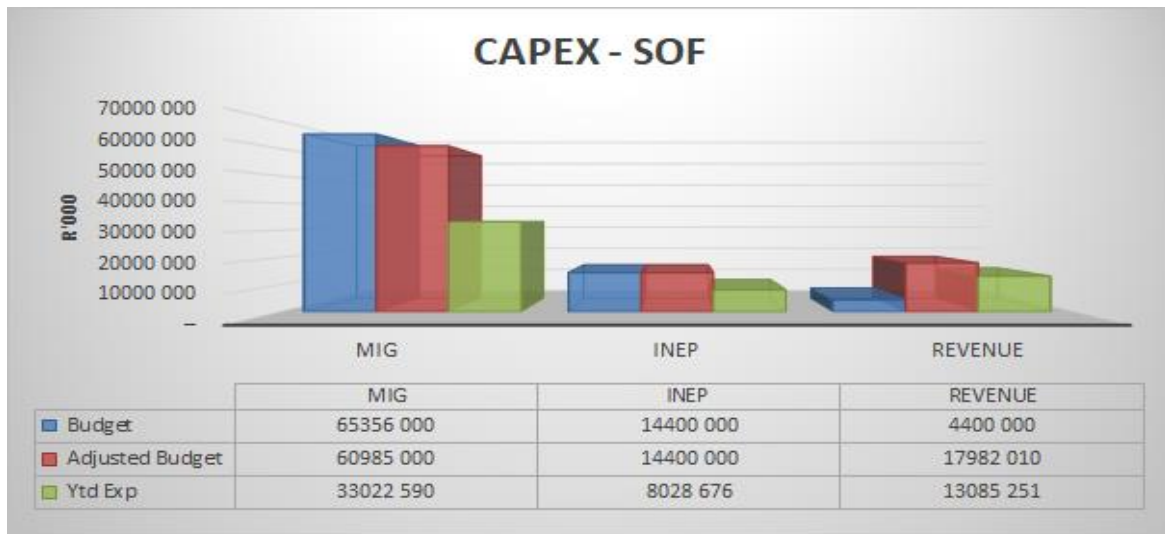
| Vote Description   | 2022/23         | Budget Year 2023/24 |                 |                |               |               |              |              |                    |
|--|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|--------------|--------------------|
|  | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance | Full Year Forecast |
| <b>Capital Expenditure - Functional Classification</b>       |                 |                     |                 |                |               |               |              |              |                    |
| <b>Governance and administration</b>                         | 2 663           | 1 000               | 2 123           | –              | 1 008         | 1 058         | (50)         | -5%          | 2 123              |
| Executive and council  | –               | –                   | –               | –              | –             | –             | –            | –            | –                  |
| Finance and administration                                   | 2 663           | 1 000               | 2 123           | –              | 1 008         | 1 058         | (50)         | -5%          | 2 123              |
| Internal audit   | –               | –                   | –               | –              | –             | –             | –            | –            | –                  |
| <b>Community and public safety</b>                           | 2 450           | 100                 | 250             | –              | 97            | 120           | (23)         | -19%         | 250                |
| Community and social services                                | 1 455           | –                   | –               | –              | –             | –             | –            | –            | –                  |
| Sport and recreation   | 550             | 100                 | 250             | –              | 97            | 120           | (23)         | -19%         | 250                |
| Public safety  | 445             | –                   | –               | –              | –             | –             | –            | –            | –                  |
| Housing  | –               | –                   | –               | –              | –             | –             | –            | –            | –                  |
| Health   | –               | –                   | –               | –              | –             | –             | –            | –            | –                  |
| <b>Economic and environmental services</b>                   | 75 671          | 66 256              | 69 900          | 10 203         | 39 016        | 34 528        | 4 488        | 13%          | 69 900             |
| Planning and development                                     | 1 075           | –                   | –               | –              | –             | –             | –            | –            | –                  |
| Road transport   | 74 596          | 66 256              | 69 900          | 10 203         | 39 016        | 34 528        | 4 488        | 13%          | 69 900             |
| Environmental protection                                     | –               | –                   | –               | –              | –             | –             | –            | –            | –                  |
| <b>Trading services</b>                                      | 17 861          | 16 800              | 21 765          | 7 349          | 14 036        | 8 786         | 5 250        | 60%          | 21 765             |
| Energy sources   | 16 001          | 15 000              | 20 559          | 7 349          | 14 010        | 8 583         | 5 427        | 63%          | 20 559             |
| Waste management   | 1 860           | 1 800               | 1 206           | –              | 26            | 203           | (177)        | -87%         | 1 206              |
| Other  | –               | –                   | –               | –              | –             | –             | –            | –            | –                  |
| <b>Total Capital Expenditure - Functional Classification</b> | <b>98 645</b>   | <b>84 156</b>       | <b>94 038</b>   | <b>17 552</b>  | <b>54 156</b> | <b>44 491</b> | <b>9 665</b> | <b>22%</b>   | <b>94 038</b>      |
| <b>Funded by:</b>  |                 |                     |                 |                |               |               |              |              |                    |
| National Government  | 77 457          | 79 756              | 73 985          | 4 701          | 39 773        | 40 569        | (796)        | -2%          | 73 985             |
| Provincial Government  | –               | –                   | –               | –              | –             | –             | –            | –            | –                  |
| District Municipality  | –               | –                   | –               | –              | –             | –             | –            | –            | –                  |
| Transfers and subsidies - capital (monetary allocations)     | –               | –                   | –               | –              | –             | –             | –            | –            | –                  |
| <b>Transfers recognised - capital</b>                        | <b>77 457</b>   | <b>79 756</b>       | <b>73 985</b>   | <b>4 701</b>   | <b>39 773</b> | <b>40 569</b> | <b>(796)</b> | <b>-2%</b>   | <b>73 985</b>      |
| Borrowing  | –               | –                   | –               | –              | –             | –             | –            | –            | –                  |
| Internally generated funds                                   | 21 188          | 4 400               | 18 653          | 11 644         | 13 105        | 3 922         | 9 182        | 234%         | 18 653             |
| <b>Total Capital Funding</b>                                 | <b>98 645</b>   | <b>84 156</b>       | <b>92 638</b>   | <b>16 345</b>  | <b>52 878</b> | <b>44 491</b> | <b>8 386</b> | <b>19%</b>   | <b>92 638</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>Expenditure of multi-year capital appropriation</b>  |                 |                     |                 |                |               |               |              |              |                    |
| 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%          | 1 823              |
| 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%          | 80 685             |
| Vote 7 - Developmental Planning                         | -               | -                   | -               | -              | -             | -             | -            | -            | -                  |
| Vote 8 - Executive Support                              | -               | -                   | -               | -              | -             | -             | -            | -            | -                  |
| <b>Total multi-year capital expenditure</b>             | <b>46 759</b>   | <b>75 056</b>       | <b>83 508</b>   | <b>15 205</b>  | <b>48 440</b> | <b>40 211</b> | <b>8 229</b> | <b>20%</b>   | <b>83 508</b>      |
| <b>Expenditure of single-year capital appropriation</b> |                 |                     |                 |                |               |               |              |              |                    |
| 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%         | 456                |
| Vote 6 - Technical Services                             | 50 564          | 7 900               | 8 374           | 1 139          | 4 033         | 3 824         | 209          | 5%           | 8 374              |
| Vote 7 - Developmental Planning                         | 1 075           | -                   | -               | -              | -             | -             | -            | -            | -                  |
| Vote 8 - Executive Support                              | -               | -                   | -               | -              | -             | -             | -            | -            | -                  |
| <b>Total single-year capital expenditure</b>            | <b>51 886</b>   | <b>9 100</b>        | <b>9 130</b>    | <b>1 139</b>   | <b>4 437</b>  | <b>4 281</b>  | <b>157</b>   | <b>4%</b>    | <b>9 130</b>       |
| <b>Total Capital Expenditure</b>                        | <b>98 645</b>   | <b>84 156</b>       | <b>92 638</b>   | <b>16 345</b>  | <b>52 878</b> | <b>44 491</b> | <b>8 386</b> | <b>19%</b>   | <b>92 638</b>      |

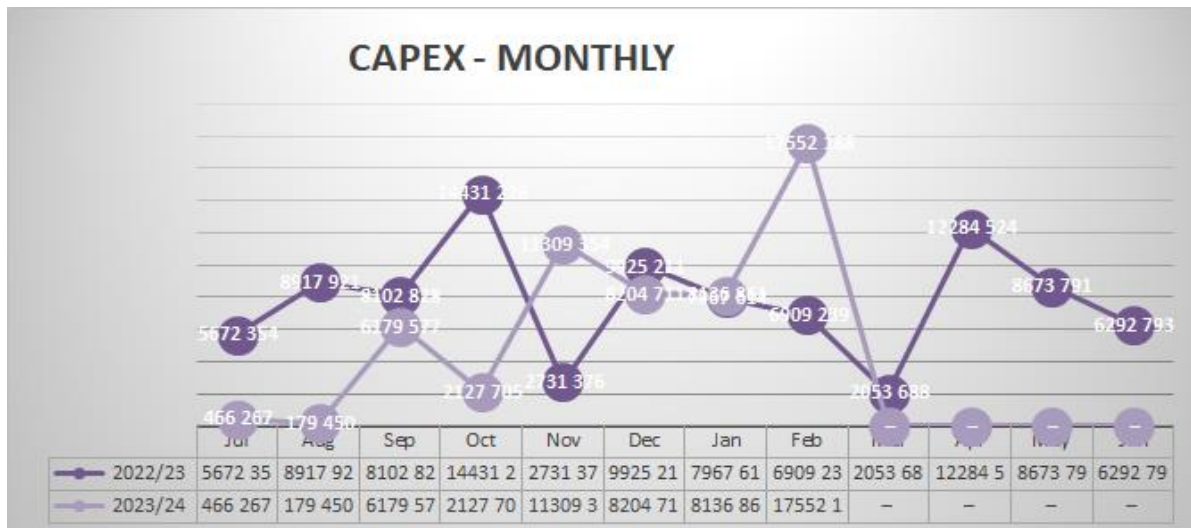
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of February 2024, R16,345 spending is incurred and the year-to-date expenditure amounts to R52, 878 whilst the year to date budget is 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 |
| <b>ASSETS</b>                            |                  |                     |                  |                  |                    |
| <b>Current assets</b>                    |                  |                     |                  |                  |                    |
| Cash                                     | 7 479            | 18 804              | –                | 4 884            | –                  |
| Call investment deposits                 | 25 460           | –                   | –                | 46 932           | –                  |
| Consumer debtors                         | 109 709          | 178 921             | 171 448          | 127 010          | 171 448            |
| Other debtors                            | 88 862           | 12 169              | 12 170           | 79 999           | 12 170             |
| Current portion of long-term receivables | –                | –                   | –                | –                | –                  |
| Inventory                                | 24 743           | 38 571              | 41 891           | 28 476           | 41 891             |
| <b>Total current assets</b>              | <b>256 254</b>   | <b>248 465</b>      | <b>225 509</b>   | <b>287 301</b>   | <b>225 509</b>     |
| <b>Non current assets</b>                |                  |                     |                  |                  |                    |
| 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        | 1 326 411          |
| Biological                               | 463              | 463                 | –                | –                | –                  |
| Intangible                               | 7                | 606                 | 499              | 1 383            | 499                |
| Other non-current assets                 | 1 928            | 388                 | 388              | 1 928            | 388                |
| <b>Total non current assets</b>          | <b>1 239 934</b> | <b>1 379 378</b>    | <b>1 394 680</b> | <b>1 232 782</b> | <b>1 394 680</b>   |
| <b>TOTAL ASSETS</b>                      | <b>1 496 188</b> | <b>1 627 843</b>    | <b>1 620 189</b> | <b>1 520 083</b> | <b>1 620 189</b>   |
| <b>LIABILITIES</b>                       |                  |                     |                  |                  |                    |
| <b>Current liabilities</b>               |                  |                     |                  |                  |                    |
| Bank overdraft                           | –                | –                   | –                | –                | –                  |
| Borrowing                                | 4 650            | 7 246               | 9 494            | 2 098            | 9 494              |
| Consumer deposits                        | 5 757            | 5 937               | 5 937            | 5 303            | 5 937              |
| Trade and other payables                 | 158 176          | 108 287             | 88 201           | 186 179          | 88 201             |
| Provisions                               | 1 142            | 2 750               | 2 750            | 9 754            | 2 750              |
| <b>Total current liabilities</b>         | <b>169 725</b>   | <b>124 219</b>      | <b>106 382</b>   | <b>203 334</b>   | <b>106 382</b>     |
| <b>Non current liabilities</b>           |                  |                     |                  |                  |                    |
| Borrowing                                | 7 288            | 5 456               | 5 456            | 9 357            | 5 456              |
| Provisions                               | 84 720           | 87 415              | 87 415           | 110 660          | 87 415             |
| <b>Total non current liabilities</b>     | <b>92 008</b>    | <b>92 871</b>       | <b>92 871</b>    | <b>120 017</b>   | <b>92 871</b>      |
| <b>TOTAL LIABILITIES</b>                 | <b>261 733</b>   | <b>217 091</b>      | <b>199 253</b>   | <b>323 351</b>   | <b>199 253</b>     |
| <b>NET ASSETS</b>                        | <b>1 234 455</b> | <b>1 410 753</b>    | <b>1 420 936</b> | <b>1 196 732</b> | <b>1 420 936</b>   |
| <b>COMMUNITY WEALTH/EQUITY</b>           |                  |                     |                  |                  |                    |
| Accumulated Surplus/(Deficit)            | 1 234 455        | 1 410 753           | 1 420 936        | 1 196 732        | 1 420 936          |
| Reserves                                 | –                | –                   | –                | –                | –                  |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b>     | <b>1 234 455</b> | <b>1 410 753</b>    | <b>1 420 936</b> | <b>1 196 732</b> | <b>1 420 936</b>   |

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 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |                 |                     |                 |                 |                 |                 |               |              |                    |
| <b>Receipts</b>                                  |                 |                     |                 |                 |                 |                 |               |              |                    |
| Property rates                                   | 37 194          | 54 392              | 45 020          | 3 583           | 29 155          | 26 260          | 2 894         | 11%          | 45 020             |
| Service charges                                  | 89 721          | 124 873             | 112 300         | 8 912           | 63 473          | 52 375          | 11 098        | 21%          | 112 300            |
| Other revenue                                    | 53 816          | 21 801              | 23 866          | 19 355          | 59 147          | 36 759          | 22 388        | 61%          | 23 866             |
| Transfers and Subsidies - Operational            | 333 406         | 363 745             | 363 612         | 713             | 253 498         | 273 448         | (19 951)      | -7%          | 363 612            |
| Transfers and Subsidies - Capital                | 111 606         | 79 756              | 76 056          | 4 000           | 62 676          | 58 676          | 4 000         | 7%           | 76 056             |
| Interest   | 5 365           | 1 455               | 21 490          | 454             | 4 351           | 3 613           | 738           | 20%          | 21 490             |
| <b>Payments</b>                                  |                 |                     |                 |                 |                 |                 |               |              |                    |
| Suppliers and employees                          | (499 712)       | (585 183)           | (550 001)       | (41 311)        | (397 810)       | (359 259)       | 38 551        | -11%         | (550 001)          |
| Finance charges                                  | (1 314)         | (931)               | (1 491)         | (287)           | (833)           | (543)           | 290           | -54%         | (1 491)            |
| Transfers and Grants                             | (1 787)         | (3 176)             | (5 241)         | (621)           | (3 947)         | (3 153)         | 794           | -25%         | (5 241)            |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> | <b>128 295</b>  | <b>56 732</b>       | <b>85 611</b>   | <b>(5 202)</b>  | <b>69 710</b>   | <b>88 177</b>   | <b>18 467</b> | <b>21%</b>   | <b>85 611</b>      |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>      |                 |                     |                 |                 |                 |                 |               |              |                    |
| <b>Receipts</b>                                  |                 |                     |                 |                 |                 |                 |               |              |                    |
| Proceeds on disposal of PPE                      | -               | -                   | 852             |                 |                 | -               | -             |              | 852                |
| Decrease (increase) in non-current receivables   | -               | 851                 | 1 524           | -               | -               |                 |               |              | 1 524              |
| Decrease (increase) in non-current investments   | -               | -                   | -               |                 |                 |                 |               |              | -                  |
| <b>Payments</b>                                  |                 |                     |                 |                 |                 |                 |               |              |                    |
| Capital assets                                   | (98 645)        | (72 485)            | (83 652)        | (17 552)        | (54 137)        | (39 846)        | 14 291        | -36%         | (83 652)           |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> | <b>(98 645)</b> | <b>(71 634)</b>     | <b>(81 275)</b> | <b>(17 552)</b> | <b>(54 137)</b> | <b>(39 846)</b> | <b>14 291</b> | <b>-36%</b>  | <b>(81 275)</b>    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>      |                 |                     |                 |                 |                 |                 |               |              |                    |
| <b>Receipts</b>                                  |                 |                     |                 |                 |                 |                 |               |              |                    |
| Short term loans                                 | -               | -                   |                 |                 |                 |                 |               |              |                    |
| Borrowing long term/refinancing                  | -               | -                   |                 |                 |                 |                 |               |              |                    |
| Increase (decrease) in consumer deposits         | -               | 237                 | 237             | 110             | 99              | 42              | 57            | 134%         | 237                |
| <b>Payments</b>                                  |                 |                     |                 |                 |                 |                 |               |              |                    |
| Repayment of borrowing                           | (7 251)         | (7 246)             | (9 494)         | (2 241)         | (5 524)         | (3 542)         | 1 982         | -56%         | (9 494)            |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> | <b>(7 251)</b>  | <b>(7 009)</b>      | <b>(9 257)</b>  | <b>(2 131)</b>  | <b>(5 425)</b>  | <b>(3 500)</b>  | <b>1 925</b>  | <b>-55%</b>  | <b>(9 257)</b>     |
| <b>NET INCREASE/ (DECREASE) IN CASH HELD</b>     | <b>22 400</b>   | <b>(21 911)</b>     | <b>(4 921)</b>  | <b>(24 885)</b> | <b>10 148</b>   | <b>44 831</b>   |               |              | <b>(4 921)</b>     |
| Cash/cash equivalents at beginning:              | 10 539          | 41 668              | 14 710          |                 | 41 668          | 41 668          |               |              | 14 710             |
| Cash/cash equivalents at month/year end:         | 32 939          | 19 757              | 9 789           |                 | 51 816          | 86 499          |               |              | 9 789              |

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  |
|--|----------|--|---|
| <b>Revenue By Source</b>               |          |  |   |
| 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 avoid 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 than the projections. 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 entrances 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.   |
| <b>Expenditure By Type</b>             |          |  |   |
| 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 Afrent ptly 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 slightly 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

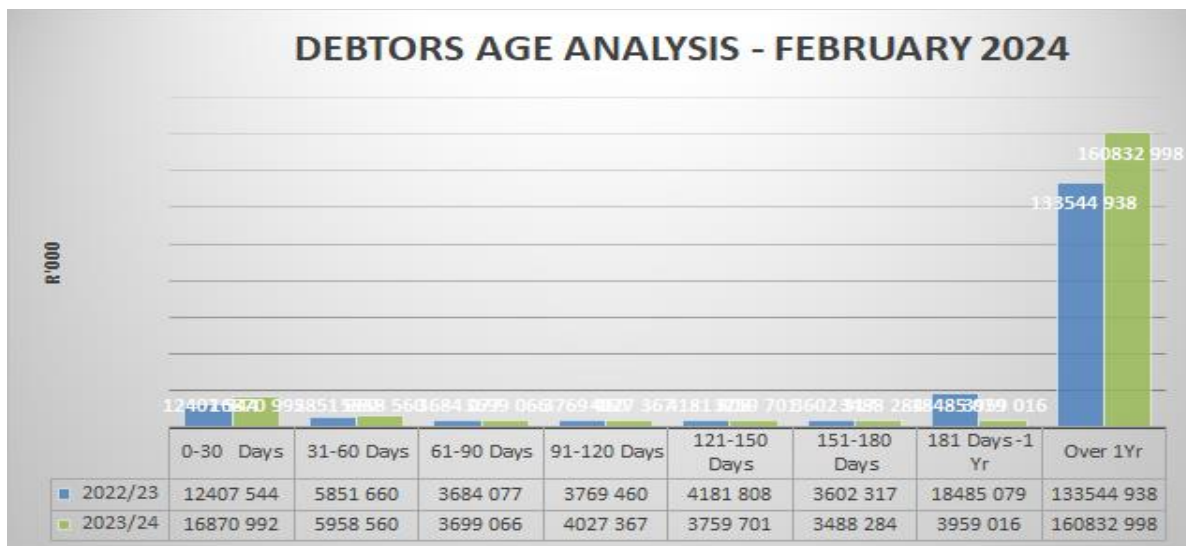
| Description   | Budget Year 2023/24 |              |              |              |              |              |               |                |                |                    |                       |                        |
|---|---------------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|--------------------|-----------------------|------------------------|
|   | 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 |
| <b>Debtors Age Analysis By Income Source</b>                            |                     |              |              |              |              |              |               |                |                |                    |                       |                        |
| 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              | -                     | -                      |
| <b>Total By Income Source</b>   | <b>16 871</b>       | <b>5 959</b> | <b>3 699</b> | <b>4 027</b> | <b>3 760</b> | <b>3 488</b> | <b>3 959</b>  | <b>160 833</b> | <b>202 596</b> | <b>176 067</b>     | -                     | -                      |
| <b>2019/20 - 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   | 1 886               | 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              | -                     | -                      |
| <b>Total By Customer Group</b>  | <b>16 871</b>       | <b>5 959</b> | <b>3 699</b> | <b>4 027</b> | <b>3 760</b> | <b>3 488</b> | <b>3 959</b>  | <b>160 833</b> | <b>202 596</b> | <b>176 067</b>     | -                     | -                      |

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:

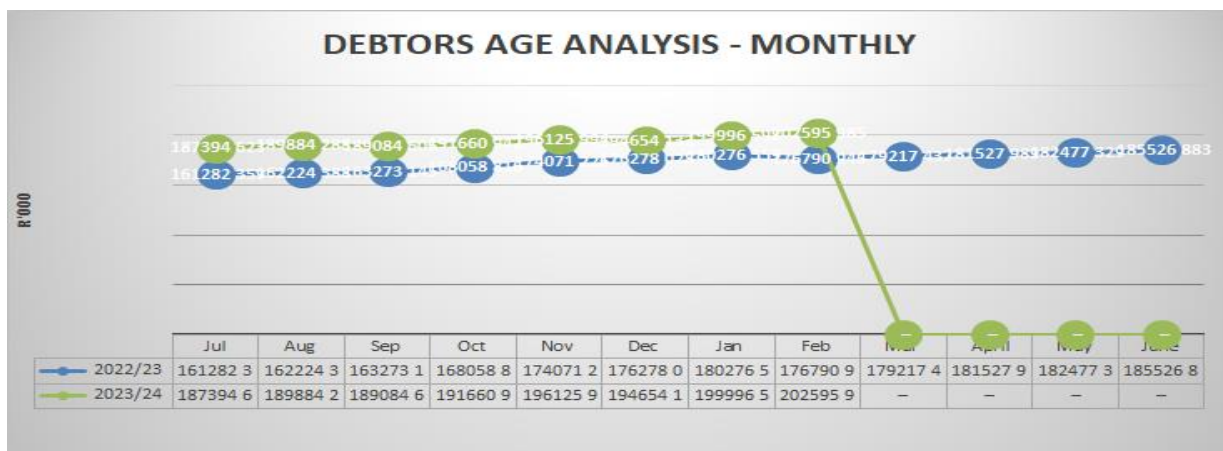
- Rates 40%
- Electricity 7%
- Rental 1%
- Refuse removal 14%
- Interest on Debtors 35%
- Other 2%

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 |                   |
| <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 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        |
| <b>TOTAL INVESTMENTS AND INTEREST</b> |                      |                    |               |                 |                           | <b>71 798 030</b> |                         | <b>-25 301 644</b>             | <b>-</b>          | <b>46 931 557</b> |

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 |
| <b>RECEIPTS:</b>                                |                 |                     |                 |                |                |                |                 |              |                    |
| <b>Operating Transfers and Grants</b>           |                 |                     |                 |                |                |                |                 |              |                    |
| <b>National Government:</b>                     | <b>338 905</b>  | <b>363 745</b>      | <b>363 612</b>  | <b>713</b>     | <b>253 272</b> | <b>281 825</b> | <b>(28 553)</b> | <b>-10%</b>  | <b>363 612</b>     |
| 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%         | 2 243              |
| <b>Other grant providers:</b>                   | <b>358</b>      | <b>–</b>            | <b>–</b>        | <b>–</b>       | <b>46</b>      | <b>–</b>       | <b>46</b>       | <b>0%</b>    | <b>–</b>           |
| LGSETA Learnership and Development              | 358             |                     |                 | –              | 46             |                | 46              | 0%           |                    |
| <b>Total Operating Transfers and Grants</b>     | <b>339 263</b>  | <b>363 745</b>      | <b>363 612</b>  | <b>713</b>     | <b>253 318</b> | <b>281 825</b> | <b>(28 506)</b> | <b>-10%</b>  | <b>363 612</b>     |
| <b>Capital Transfers and Grants</b>             |                 |                     |                 |                |                |                |                 |              |                    |
| <b>National Government:</b>                     | <b>111 606</b>  | <b>79 756</b>       | <b>75 385</b>   | <b>4 000</b>   | <b>62 676</b>  | <b>70 016</b>  | <b>(7 340)</b>  | <b>-10%</b>  | <b>75 385</b>      |
| Municipal Infrastructure Grant (MIG)            | 94 606          | 65 356              | 60 985          | –              | 49 776         | 56 393         | (6 617)         | -12%         | 60 985             |
| Intergrated National Electrification Grant      | 17 000          | 14 400              | 14 400          | 4 000          | 12 900         | 13 624         | (724)           | -5%          | 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   |                 |                     |                 |                |                |                | –               |              |                    |
| <b>Total Capital Transfers and Grants</b>       | <b>111 606</b>  | <b>79 756</b>       | <b>75 385</b>   | <b>4 000</b>   | <b>62 676</b>  | <b>70 016</b>  | <b>(7 340)</b>  | <b>-10%</b>  | <b>75 385</b>      |
| <b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b> | <b>450 869</b>  | <b>443 501</b>      | <b>438 997</b>  | <b>4 713</b>   | <b>315 994</b> | <b>351 841</b> | <b>(35 847)</b> | <b>-10%</b>  | <b>438 997</b>     |

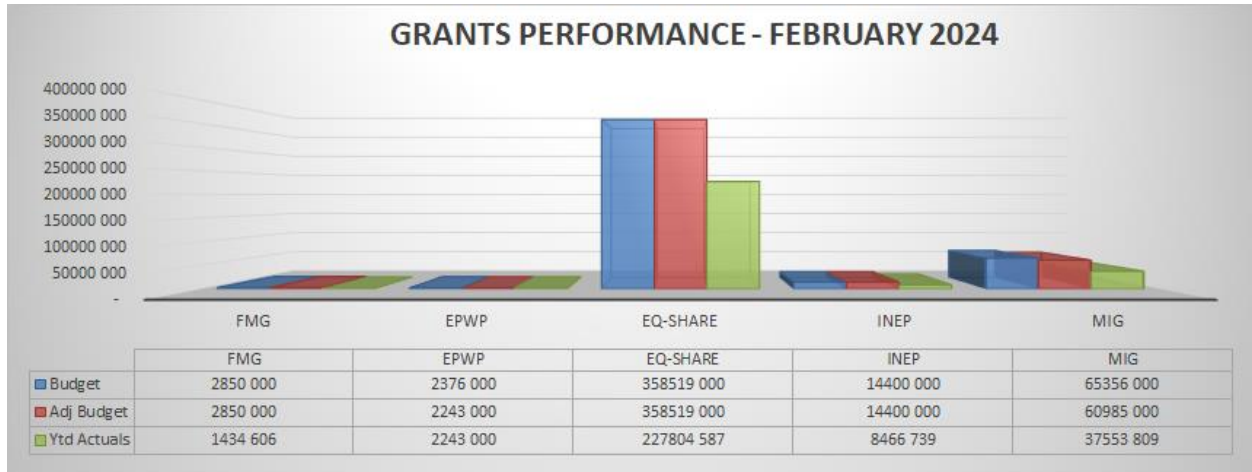
Supporting tables SC6 provides details of grants received. The year-to-date actual receipts amounts to R351, 841 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R248, 179 million; Financial Management Grant amounting to R2, 850 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 |
| <b>EXPENDITURE</b>  |                 |                     |                 |                |                |                |               |              |                    |
| <b>Operating expenditure of Transfers and Grants</b>        |                 |                     |                 |                |                |                |               |              |                    |
| <b>National Government:</b>                                 | <b>338 905</b>  | <b>363 745</b>      | <b>363 612</b>  | <b>2 445</b>   | <b>231 482</b> | <b>193 547</b> | <b>37 936</b> | <b>20%</b>   | <b>363 612</b>     |
| 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%           | 2 243              |
| <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>363 612</b>  | <b>2 445</b>   | <b>231 482</b> | <b>193 547</b> | <b>37 936</b> | <b>20%</b>   | <b>363 612</b>     |
| <b>Capital expenditure of Transfers and Grants</b>          |                 |                     |                 |                |                |                |               |              |                    |
| <b>National Government:</b>                                 | <b>90 896</b>   | <b>79 756</b>       | <b>75 385</b>   | <b>13 524</b>  | <b>46 021</b>  | <b>40 961</b>  | <b>5 059</b>  | <b>12%</b>   | <b>75 385</b>      |
| Municipal Infrastructure Grant (MIG)                        | 73 896          | 65 356              | 60 985          | 10 632         | 37 554         | 32 935         | 4 619         | 14%          | 60 985             |
| Intergrated National Electrification Grant                  | 17 000          | 14 400              | 14 400          | 2 892          | 8 467          | 8 026          | 440           | 5%           | 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   |                 |                     |                 |                |                |                | -             |              |                    |
| <b>Total capital expenditure of Transfers and Grants</b>    | <b>90 896</b>   | <b>79 756</b>       | <b>75 385</b>   | <b>13 524</b>  | <b>46 021</b>  | <b>40 961</b>  | <b>5 059</b>  | <b>12%</b>   | <b>75 385</b>      |
| <b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>            | <b>430 159</b>  | <b>443 501</b>      | <b>438 997</b>  | <b>15 969</b>  | <b>277 503</b> | <b>234 508</b> | <b>42 995</b> | <b>18%</b>   | <b>438 997</b>     |

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



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        |  |
| <b>Cash Receipts By Source</b>                           |                     |                 |                 |                 |                 |                |                 |                 |                |                 |                 |                 |   |                |                |  |
| 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          |  |
| <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>23 268</b>   | <b>33 018</b>   | <b>103 578</b> | <b>19 306</b>   | <b>21 144</b>   | <b>12 614</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 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            |  |
| <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>23 200</b>   | <b>37 127</b>   | <b>120 778</b> | <b>19 414</b>   | <b>21 238</b>   | <b>13 283</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         | 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         |  |
| <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>39 272</b>   | <b>42 219</b>   | <b>39 447</b>  | <b>37 863</b>   | <b>37 926</b>   | <b>12 480</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          | 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         |  |
| <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>47 485</b>   | <b>62 012</b>   | <b>47 166</b>  | <b>44 354</b>   | <b>43 915</b>   | <b>71 336</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>(24 285)</b> | <b>(24 885)</b> | <b>73 612</b>  | <b>(24 940)</b> | <b>(22 677)</b> | <b>(58 054)</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         | 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 |
| <b>Monthly expenditure performance trend</b> |                 |                     |                 |                |               |               |              |              |                            |
| July   | 5 672           | 1 718               | 1 718           | 466            | 466           | 1 718         | 1 251        | 73%          | 1%                         |
| August                                       | 8 918           | 4 713               | 4 713           | 179            | 646           | 6 431         | 5 785        | 90%          | 1%                         |
| September                                    | 8 103           | 4 390               | 4 390           | 6 180          | 6 825         | 10 821        | 3 995        | 37%          | 8%                         |
| October                                      | 14 431          | 8 295               | 8 295           | 2 128          | 8 953         | 19 115        | 10 162       | 53%          | 11%                        |
| November                                     | 2 731           | 6 262               | 6 262           | 11 309         | 20 262        | 25 378        | 5 115        | 20%          | 24%                        |
| December                                     | 9 925           | 13 059              | 13 059          | 8 205          | 28 467        | 38 437        | 9 970        | 26%          | 34%                        |
| January                                      | 7 968           | 5 318               | 5 318           | 8 137          | 36 584        | 43 755        | 7 170        | 16%          | 43%                        |
| February                                     | 6 909           | 4 512               | 6 307           | 17 552         | 54 156        | 48 266        | (5 890)      | -12%         | 64%                        |
| March  | 2 054           | 9 195               | 11 031          | –              | –             | 57 462        | –            | –            | –                          |
| April  | 12 525          | 4 478               | 6 452           | –              | –             | 61 940        | –            | –            | –                          |
| May  | 7 513           | 9 027               | 12 680          | –              | –             | 70 967        | –            | –            | –                          |
| June   | 11 895          | 13 189              | 13 813          | –              | –             | 84 156        | –            | –            | –                          |
| <b>Total Capital expenditure</b>             | <b>98 645</b>   | <b>84 156</b>       | <b>94 038</b>   | <b>54 156</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 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 |
| <b>Capital expenditure on new assets by Asset Class</b> |                 |                     |                 |                |               |               |              |              |                    |
| <b>Infrastructure</b>                                   | 16 629          | 15 800              | 33 639          | 8 347          | 14 936        | 10 545        | (4 391)      | -42%         | 33 639             |
| <b>Roads Infrastructure</b>                             | -               | -                   | 1 430           | 734            | 734           | 214           | (520)        | -242%        | 1 430              |
| Roads   |                 |                     | 1 430           | 734            | 734           | 214           | (520)        | -242%        | 1 430              |
| Road Structures   |                 |                     |                 |                |               |               | -            |              |                    |
| Storm water Infrastructure                              | -               | 800                 | -               | -              | -             | -             | -            |              | -                  |
| Drainage Collection                                     |                 | 800                 |                 | -              | -             | -             | -            |              |                    |
| <b>Electrical Infrastructure</b>                        | 15 895          | 15 000              | 20 559          | 6 142          | 12 731        | 8 583         | (4 149)      | -48%         | 20 559             |
| Power Plants  | 2 230           |                     | 5 741           | 5 737          | 5 737         | 861           | (4 876)      | -566%        | 5 741              |
| MV Substations  | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| MV Networks   | 13 665          | 14 800              | 14 644          | 405            | 6 994         | 7 695         | 701          | 9%           | 14 644             |
| Capital Spares  | -               | 200                 | 174             | -              | -             | 26            | 26           | 100%         | 174                |
| <b>Solid Waste Infrastructure</b>                       | 734             | -                   | 11 650          | 1 471          | 1 471         | 1 748         | 277          | 16%          | 11 650             |
| Landfill Sites  |                 |                     | 11 650          | 1 471          | 1 471         | 1 748         | 277          | 16%          | 11 650             |
| 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                 | 1 823           | -              | 727           | 774           | 47           | 6%           | 1 823              |
| Computer Equipment                                      | 1 930           | 700                 | 1 823           | -              | 727           | 774           | 47           | 6%           | 1 823              |
| <b>Furniture and Office Equipment</b>                   | 1 036           | 1 100               | 506             | -              | 307           | 337           | 30           | 9%           | 506                |
| Furniture and Office Equipment                          | 1 036           | 1 100               | 506             | -              | 307           | 337           | 30           | 9%           | 506                |
| <b>Machinery and Equipment</b>                          | 2 227           | 200                 | 250             | -              | 183           | 212           | 29           | 14%          | 250                |
| Machinery and Equipment                                 | 2 227           | 200                 | 250             | -              | 183           | 212           | 29           | 14%          | 250                |
| <b>Transport Assets</b>                                 | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| Transport Assets  | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| <b>Total Capital Expenditure on new assets</b>          | 21 822          | 17 800              | 36 218          | 8 347          | 16 153        | 11 867        | (4 285)      | -36%         | 36 218             |

## 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</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              | 21 371          | 466            | 15 639        | 16 103        | 464          | 3%           | 21 371             |
| <b>Roads Infrastructure</b>                               | 21 436          | 14 350              | 14 350          | 173            | 11 697        | 11 948        | 251          | 2%           | 14 350             |
| Roads   | 21 436          | 14 350              | 14 350          | 173            | 11 697        | 11 948        | 251          | 2%           | 14 350             |
| Road Furniture  |                 |                     |                 |                |               |               | -            |              |                    |
| <b>Electrical Infrastructure</b>                          | 2 203           | 6 073               | 4 528           | 118            | 2 542         | 2 740         | 197          | 7%           | 4 528              |
| MV Switching Stations                                     |                 |                     |                 |                |               |               | -            |              |                    |
| MV Networks   | 2 203           | 6 073               | 4 528           | 118            | 2 542         | 2 740         | 197          | 7%           | 4 528              |
| <b>Solid Waste Infrastructure</b>                         | 2 994           | 1 243               | 2 493           | 175            | 1 400         | 1 415         | 15           | 1%           | 2 493              |
| Landfill Sites  | 2 994           | 1 243               | 2 493           | 175            | 1 400         | 1 415         | 15           | 1%           | 2 493              |
| Capital Spares  |                 |                     |                 |                |               |               | -            |              |                    |
| <b>Community Assets</b>                                   | 537             | 323                 | 1 299           | 35             | 298           | 418           | 121          | 29%          | 1 299              |
| Community Facilities                                      | 537             | 323                 | 1 299           | 35             | 298           | 418           | 121          | 29%          | 1 299              |
| Parks   | 537             | 323                 | 1 299           | 35             | 298           | 418           | 121          | 29%          | 1 299              |
| <b>Other assets</b>                                       | 1 443           | 1 598               | 2 283           | 300            | 699           | 404           | (295)        | -73%         | 2 283              |
| Operational Buildings                                     | 1 443           | 1 598               | 2 283           | 300            | 699           | 404           | (295)        | -73%         | 2 283              |
| Municipal Offices   | 1 443           | 1 598               | 2 283           | 300            | 699           | 404           | (295)        | -73%         | 2 283              |
| <b>Intangible Assets</b>                                  | 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                |
| <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               | 10 179          | 1 360          | 6 986         | 6 309         | (677)        | -11%         | 10 179             |
| Machinery and Equipment                                   | 7 250           | 6 212               | 10 179          | 1 360          | 6 986         | 6 309         | (677)        | -11%         | 10 179             |
| <b>Transport Assets</b>                                   | 3 424           | 2 646               | 1 643           | 272            | 2 230         | 2 023         | (207)        | -10%         | 1 643              |
| Transport Assets  | 3 424           | 2 646               | 1 643           | 272            | 2 230         | 2 023         | (207)        | -10%         | 1 643              |
| <b>Total Repairs and Maintenance Expenditure</b>          | <b>39 346</b>   | <b>32 656</b>       | <b>36 985</b>   | <b>2 461</b>   | <b>25 958</b> | <b>25 336</b> | <b>(622)</b> | <b>-2%</b>   | <b>36 985</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</b>     |                 |                     |                 |                |               |               |               |              |                    |
| <b>Infrastructure</b>                  | <b>43 983</b>   | <b>51 395</b>       | <b>41 285</b>   | <b>3 611</b>   | <b>30 409</b> | <b>52 673</b> | <b>22 265</b> | <b>42%</b>   | <b>41 285</b>      |
| <b>Roads Infrastructure</b>            | <b>37 525</b>   | <b>43 096</b>       | <b>34 719</b>   | <b>3 102</b>   | <b>26 096</b> | <b>45 069</b> | <b>18 973</b> | <b>42%</b>   | <b>34 719</b>      |
| Roads                                  | 37 233          | 43 096              | 34 258          | 3 065          | 25 791        | 44 632        | 18 841        | 42%          | 34 258             |
| Road Structures                        | 227             |                     |                 | –              | –             | 268           | 268           | 100%         |                    |
| Road Furniture                         | 64              |                     | 460             | 37             | 305           | 168           | (136)         | -81%         | 460                |
| Storm water Infrastructure             | –               | 440                 | 40              | –              | –             | –             | –             |              | 40                 |
| Drainage Collection                    | –               | 440                 | 40              | –              | –             | –             | –             |              | 40                 |
| <b>Electrical Infrastructure</b>       | <b>5 390</b>    | <b>7 083</b>        | <b>5 851</b>    | <b>456</b>     | <b>3 865</b>  | <b>6 816</b>  | <b>2 951</b>  | <b>43%</b>   | <b>5 851</b>       |
| MV Substations                         |                 | 4 238               | 1 569           | 119            | 1 030         | 1 818         | 788           | 43%          | 1 569              |
| MV Switching Stations                  |                 |                     | 358             | 28             | 237           | 418           | 181           | 43%          | 358                |
| MV Networks                            | 3 254           | 2 845               | 1 794           | 463            | 1 137         | 2 092         | 955           | 46%          | 1 794              |
| LV Networks                            |                 |                     |                 | (322)          | 50            | –             | (50)          | #DIV/0!      |                    |
| Capital Spares                         | 2 136           |                     | 2 130           | 168            | 1 410         | 2 487         | 1 077         | 43%          | 2 130              |
| <b>Solid Waste Infrastructure</b>      | <b>1 068</b>    | <b>777</b>          | <b>676</b>      | <b>53</b>      | <b>448</b>    | <b>789</b>    | <b>341</b>    | <b>43%</b>   | <b>676</b>         |
| Landfill Sites                         | 764             | 777                 | 398             | 31             | 263           | 464           | 201           | 43%          | 398                |
| Waste Transfer Stations                |                 |                     |                 |                |               |               | –             |              |                    |
| Waste Processing Facilities            | 302             |                     | 276             | 22             | 183           | 322           | 139           | 43%          | 276                |
| Capital Spares                         | 3               |                     | 3               | 0              | 2             | 3             | 1             | 43%          | 3                  |
| <b>Community Assets</b>                | <b>1 039</b>    | <b>1 333</b>        | <b>1 065</b>    | <b>84</b>      | <b>705</b>    | <b>1 243</b>  | <b>538</b>    | <b>43%</b>   | <b>1 065</b>       |
| Community Facilities                   | 799             | 1 333               | 814             | 64             | 539           | 950           | 411           | 0            | 814                |
| Halls                                  |                 |                     | 30              | 2              | 20            | 35            | 15            | 43%          | 30                 |
| Centres                                |                 |                     | 184             | 14             | 122           | 215           | 93            | 43%          | 184                |
| Cemeteries/Crematoria                  | 91              |                     | 92              | 7              | 61            | 108           | 47            | 43%          | 92                 |
| Purls                                  | 456             |                     | 2               | 0              | 2             | 3             | 1             | 43%          | 2                  |
| Public Open Space                      | –               | 1 333               |                 | –              | –             | –             | –             |              |                    |
| Taxi Ranks/Bus Terminals               |                 |                     | 251             | 20             | 166           | 293           | 127           | 43%          | 251                |
| Capital Spares                         | 252             |                     | 255             | 20             | 169           | 297           | 128           | 43%          | 255                |
| <b>Sport and Recreation Facilities</b> | <b>240</b>      | <b>–</b>            | <b>251</b>      | <b>20</b>      | <b>166</b>    | <b>293</b>    | <b>127</b>    | <b>43%</b>   | <b>251</b>         |
| Indoor Facilities                      | 240             |                     |                 |                |               |               | –             |              |                    |
| Outdoor Facilities                     |                 |                     | 251             | 20             | 166           | 293           | 127           | 43%          | 251                |
| <b>Heritage assets</b>                 | <b>–</b>        | <b>6</b>            | <b>6</b>        | <b>–</b>       | <b>–</b>      | <b>–</b>      | <b>–</b>      | <b>–</b>     | <b>6</b>           |
| Other Heritage                         | –               | 6                   | 6               | –              | –             | –             | –             | –            | 6                  |
| <b>Other assets</b>                    | <b>3 999</b>    | <b>4 453</b>        | <b>6 440</b>    | <b>315</b>     | <b>2 653</b>  | <b>1 804</b>  | <b>(848)</b>  | <b>-47%</b>  | <b>6 440</b>       |
| Operational Buildings                  | 3 999           | 4 453               | 2 857           | (1 206)        | 474           | (2 376)       | (2 850)       | 120%         | 2 857              |
| Municipal Offices                      | 3 999           | 4 453               | 2 453           | (1 238)        | 206           | (2 847)       | (3 053)       | 107%         | 2 453              |
| Stores                                 |                 |                     | 33              | 3              | 22            | 38            | 16            | 43%          | 33                 |
| Training Centres                       |                 |                     | 371             | 29             | 246           | 433           | 187           | 43%          | 371                |
| Housing                                | –               | –                   | 3 583           | 1 521          | 2 179         | 4 180         | 2 001         | 48%          | 3 583              |
| Staff Housing                          |                 |                     |                 |                |               |               | –             |              |                    |
| <b>Social Housing</b>                  |                 |                     | <b>3 583</b>    | <b>1 521</b>   | <b>2 179</b>  | <b>4 180</b>  | <b>2 001</b>  | <b>48%</b>   | <b>3 583</b>       |
| Intangible Assets                      | 7               | 88                  | 21              | 4              | 8             | 15            | 7             | 47%          | 21                 |
| Servitudes                             |                 |                     | 13              | 4              | 8             | 15            | 7             | 47%          | 13                 |
| Licences and Rights                    | 7               | 88                  | 8               | –              | –             | –             | –             |              | 8                  |
| Computer Software and Application      | 7               | 88                  | 8               | –              | –             | –             | –             |              | 8                  |
| <b>Computer Equipment</b>              | <b>835</b>      | <b>974</b>          | <b>948</b>      | <b>81</b>      | <b>634</b>    | <b>1 072</b>  | <b>438</b>    | <b>41%</b>   | <b>948</b>         |
| Computer Equipment                     | 835             | 974                 | 948             | 81             | 634           | 1 072         | 438           | 41%          | 948                |
| <b>Furniture and Office Equipment</b>  | <b>766</b>      | <b>651</b>          | <b>801</b>      | <b>65</b>      | <b>533</b>    | <b>926</b>    | <b>393</b>    | <b>42%</b>   | <b>801</b>         |
| Furniture and Office Equipment         | 766             | 651                 | 801             | 65             | 533           | 926           | 393           | 42%          | 801                |
| <b>Machinery and Equipment</b>         | <b>3 355</b>    | <b>3 118</b>        | <b>3 021</b>    | <b>238</b>     | <b>1 999</b>  | <b>3 489</b>  | <b>1 490</b>  | <b>43%</b>   | <b>3 021</b>       |
| Machinery and Equipment                | 3 355           | 3 118               | 3 021           | 238            | 1 999         | 3 489         | 1 490         | 43%          | 3 021              |
| Transport Assets                       | 6 645           | 3 384               | 5 710           | 452            | 3 783         | 6 477         | 2 694         | 42%          | 5 710              |
| Transport Assets                       | 6 645           | 3 384               | 5 710           | 452            | 3 783         | 6 477         | 2 694         | 42%          | 5 710              |
| <b>Total Depreciation</b>              | <b>60 629</b>   | <b>65 402</b>       | <b>59 298</b>   | <b>4 851</b>   | <b>40 723</b> | <b>67 699</b> | <b>26 976</b> | <b>40%</b>   | <b>59 298</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              | 57 694          | 7 998          | 36 725        | 32 624        | (4 101)      | -13%         | 57 694             |
| <b>Roads Infrastructure</b>   | 43 487          | 65 356              | 56 694          | 7 998          | 36 725        | 32 474        | (4 251)      | -13%         | 56 694             |
| Roads   | 43 487          | 65 356              | 56 694          | 7 998          | 36 725        | 32 474        | (4 251)      | -13%         | 56 694             |
| Road Structures   |                 |                     |                 |                |               |               | -            |              |                    |
| Storm water Infrastructure  | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| <b>Electrical Infrastructure</b>  | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| MV Substations  |                 |                     |                 |                |               |               | -            |              |                    |
| MV Switching Stations   |                 |                     |                 |                |               |               | -            |              |                    |
| MV Networks   |                 |                     |                 |                |               |               | -            |              |                    |
| LV Networks   |                 |                     |                 |                |               |               | -            |              |                    |
| <b>Solid Waste Infrastructure</b>   | 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   |                 |                     |                 |                |               |               | -            |              |                    |
| <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>          | 45 398          | 66 356              | 57 694          | 7 998          | 36 725        | 32 624        | (4 101)      | -13%         | 57 694             |



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 Makaepa                               | 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