

# **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**



## **SECTION 52 REPORT: 2021/22**

**REPORTING PERIOD: FOURTH QUARTER**

## **PART 1: QUARTERLY REPORT**

### **PURPOSE**

To submit a report to council within 30 days of the end of each quarter on implementation of the Budget and Financial state of the Municipality as required by Section 52 of the Municipal Finance Management Act

### **Executive Summary**

Section 52 of the Municipal Finance Management Act deals with requirements for quarterly reporting and further states that the Mayor of the Municipality must within 30 days of the end of each quarter submit a report to council on implementation of the Budget and the financial state of the Municipality.

### **IN YEAR BUDGET STATEMENT TABLES**

DESCRIPTION	2021/22			
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE ACTUAL	PERCENT AGE
OPERATING REVENUE	546,626,097	546,753,316	476,346,504	87%
OPERATING EXPENDITURE	532,674,879	525,975,343	435,762,579	83%
TRANSFER - CAPITAL	79,332,000	80,071,762	64,580,235	81%
SURPLUS/(DEFICIT)	93,283,218	100,849,735	105,164,160	104%
CAPITAL EXPENDITURE	88,032,000	94,234,423	70,856,200	75%

**Table C1: Quarterly Budget Statement Summary**

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Fourth Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Financial Performance</b>									
Property rates	39,442	38,865	42,616	9,997	39,913	42,616	(2,702)	-6%	42,616
Service charges	97,738	113,490	130,911	25,961	108,510	130,911	(22,401)	-17%	130,911
Investment revenue	585	1,900	2,432	324	1,780	2,432	(652)	-27%	2,432
Transfers and subsidies	351,908	307,637	307,637	1,626	297,765	307,637	(9,872)	-3%	307,637
Other own revenue	27,313	84,734	63,158	7,096	28,378	63,158	(34,780)	-55%	63,158
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>516,985</b>	<b>546,626</b>	<b>546,753</b>	<b>45,004</b>	<b>476,347</b>	<b>546,753</b>	<b>(70,407)</b>	<b>-13%</b>	<b>546,753</b>
Employee costs	150,619	163,212	154,891	36,816	155,624	154,891	733	0%	154,891
Remuneration of Councillors	24,279	27,334	25,386	6,208	24,783	25,386	(603)	-2%	25,386
Depreciation & asset impairment	58,788	58,392	57,692	-	-	57,692	(57,692)	-100%	57,692
Finance charges	3,516	3,729	745	(193)	40	745	(705)	-95%	845
Materials and bulk purchases	114,603	129,586	134,252	31,990	132,922	134,252	(1,331)	-1%	132,762
Transfers and subsidies	1,402	3,784	3,771	498	2,625	3,771	(1,146)	-30%	3,271
Other expenditure	189,313	146,638	149,238	29,982	119,769	149,238	(29,469)	-20%	151,128
<b>Total Expenditure</b>	<b>542,520</b>	<b>532,675</b>	<b>525,975</b>	<b>105,301</b>	<b>435,763</b>	<b>525,975</b>	<b>(90,213)</b>	<b>-17%</b>	<b>525,975</b>
<b>Surplus/(Deficit)</b>	<b>(25,535)</b>	<b>13,951</b>	<b>20,778</b>	<b>(60,297)</b>	<b>40,584</b>	<b>20,778</b>	<b>19,806</b>	<b>95%</b>	<b>20,778</b>
Transfers and subsidies - capital (monetary allocations)	68,450	79,332	80,072	15,522	64,580	80,072	(15,492)	-19%	80,072
Surplus/(Deficit) after capital transfers & contributions	42,916	93,283	100,850	(44,775)	105,164	100,850	4,314	4%	100,850
<b>Share of surplus/ (deficit) of associate</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus/ (Deficit) for the year</b>	<b>42,916</b>	<b>93,283</b>	<b>100,850</b>	<b>(44,775)</b>	<b>105,164</b>	<b>100,850</b>	<b>4,314</b>	<b>4%</b>	<b>100,850</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>85,102</b>	<b>88,032</b>	<b>94,234</b>	<b>13,377</b>	<b>70,856</b>	<b>94,234</b>	<b>(24,270)</b>	<b>-26%</b>	<b>94,234</b>
Capital transfers recognised	79,029	79,332	80,072	13,051	56,817	80,072	(24,147)	-30%	80,072
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	6,073	8,700	14,163	325	14,040	14,163	(123)	-1%	14,163
<b>Total sources of capital funds</b>	<b>85,102</b>	<b>88,032</b>	<b>94,234</b>	<b>13,377</b>	<b>70,856</b>	<b>94,234</b>	<b>(24,270)</b>	<b>-26%</b>	<b>94,234</b>
<b>Financial position</b>									
Total current assets	155,157	165,299	151,516		172,669				151,516
Total non current assets	1,138,294	1,305,435	1,302,263		1,210,605				1,302,263
Total current liabilities	122,770	111,087	112,685		121,015				112,685
Total non current liabilities	74,813	114,907	114,907		77,486				114,907
Community wealth/Equity	1,095,868	1,244,739	1,226,187		1,184,773				1,226,187
<b>Cash flows</b>									
Net cash from (used) operating	102,726	97,304	101,165	(59,671)	69,441	101,165	31,724	31%	101,165
Net cash from (used) investing	(84,301)	(80,993)	(78,458)	(12,213)	(69,692)	(78,458)	(9,657)	12%	(78,458)
Net cash from (used) financing	(13,938)	(11,947)	(11,947)	(7)	(2,474)	(11,947)	(9,473)	79%	(11,947)
<b>Cash/cash equivalents at the month/year end</b>	<b>6,415</b>	<b>31,852</b>	<b>17,609</b>	<b>-</b>	<b>4,581</b>	<b>17,609</b>	<b>13,027</b>	<b>74%</b>	<b>17,176</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
Debtors Age Analysis									
Total By Income Source	13,747	5,951	3,560	3,407	3,479	3,298	18,231	106,666	158,338
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

## **Revenue**

For the fourth quarter of April to June 2022, the year to date actual amounted to R476, 347 million with the year to date budget of R546, 753 which shows negative 13% year to date variance when compared to the year to date budget. Of the total revenue received during the fourth quarter, the major portion of R302, 789 million is from equitable share. Other receipts are from property rates, service charges and other grants.

## **Operating Expenditure**

The operating expenditure for the fourth quarter amounts to R435, 763 million with the year to date budget of R524, 975 million which shows negative 13% year to date variance when compared to the year to date budget.

## **Capital Expenditure**

The year to date actual capital expenditure as at end of fourth quarter amounts to R70, 856 million and the year to date budget amounts to R94, 234 million and this deviates with negative 26% when compared to year to date target.

## **Surplus/Deficit**

Taking the above into consideration the net operating surplus for the fourth quarter ending 30 June 2022 amounts to R105, 164 million.

## **Debtors**

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of June amounts to R158, 338 million and this shows an increase of R33, 327 million as compared to R125, 011 million as at end of 2020/21 financial year. This increase portrays declining revenue collection of the municipality as the lesser the collection rate the more the increase in consumer debtors.

Consumer debtors is made up of service charges and property rates that amount to R97, 112 million and other debtors amounting to R61, 226 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, they do not form part of consumer debtors.

## **Creditors**

The municipality is currently striving for paying its creditors within 30 days of receipt of invoice as required by MFMA. However, the municipality has instances where the cash flow position was quite unfavorable and it was then unable to service certain creditors as and when became due. This resulted in the municipality incurring penalties and/or fruitless and wasteful expenditure due to late payment.

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

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Fourth Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue - Functional</b>									
<b>Governance and administration</b>	<b>273,364</b>	<b>245,185</b>	<b>263,642</b>	<b>17,201</b>	<b>254,315</b>	<b>263,642</b>	<b>(9,327)</b>	<b>-4%</b>	<b>263,642</b>
Executive and council	56,129	48,669	48,669	–	53,432	48,669	4,763	10%	48,669
Finance and administration	203,805	184,328	202,786	17,201	190,096	202,786	(12,690)	-6%	202,786
Internal audit	13,430	12,188	12,188	–	10,787	12,188	(1,401)	-11%	12,188
<b>Community and public safety</b>	<b>32,043</b>	<b>88,396</b>	<b>54,277</b>	<b>130</b>	<b>21,720</b>	<b>54,277</b>	<b>(32,557)</b>	<b>-60%</b>	<b>54,277</b>
Community and social services	11,515	9,924	9,914	20	10,184	9,914	269	3%	9,914
Sport and recreation	17,675	13,472	13,438	–	11,148	13,438	(2,290)	-17%	13,438
Public safety	2,853	65,000	30,925	110	388	30,925	(30,537)	-99%	30,925
<b>Economic and environmental services</b>	<b>136,383</b>	<b>126,286</b>	<b>127,453</b>	<b>12,844</b>	<b>122,036</b>	<b>127,453</b>	<b>(5,417)</b>	<b>-4%</b>	<b>127,453</b>
Planning and development	30,386	24,295	24,422	785	23,712	24,422	(710)	-3%	24,422
Road transport	104,380	99,173	100,213	12,058	95,518	100,213	(4,695)	-5%	100,213
Environmental protection	1,617	2,818	2,818	–	2,806	2,818	(11)	0%	2,818
<b>Trading services</b>	<b>143,645</b>	<b>166,092</b>	<b>181,452</b>	<b>30,353</b>	<b>142,856</b>	<b>181,452</b>	<b>(38,597)</b>	<b>-21%</b>	<b>181,452</b>
Energy sources	109,642	134,030	149,100	27,985	114,473	149,100	(34,627)	-23%	149,100
Waste management	34,003	32,062	32,353	2,367	28,383	32,353	(3,970)	-12%	32,353
<b>Total Revenue - Functional</b>	<b>585,436</b>	<b>625,958</b>	<b>626,825</b>	<b>60,527</b>	<b>540,927</b>	<b>626,825</b>	<b>(85,898)</b>	<b>-14%</b>	<b>626,825</b>
<b>Expenditure - Functional</b>									
<b>Governance and administration</b>	<b>239,954</b>	<b>199,255</b>	<b>198,346</b>	<b>50,973</b>	<b>206,261</b>	<b>198,346</b>	<b>7,916</b>	<b>4%</b>	<b>198,126</b>
Executive and council	43,307	42,577	38,500	12,660	40,033	38,500	1,532	4%	38,500
Finance and administration	188,602	148,683	149,540	37,276	156,184	149,540	6,644	4%	149,321
Internal audit	8,045	7,995	10,305	1,037	10,045	10,305	(260)	-3%	10,305
<b>Community and public safety</b>	<b>73,578</b>	<b>76,374</b>	<b>69,101</b>	<b>7,671</b>	<b>30,375</b>	<b>69,101</b>	<b>(38,726)</b>	<b>-56%</b>	<b>69,071</b>
Community and social services	7,157	7,280	5,977	1,441	5,944	5,977	(34)	-1%	5,947
Sport and recreation	8,292	12,783	8,609	1,821	7,532	8,609	(1,077)	-13%	8,609
Public safety	58,129	56,311	54,515	4,409	16,900	54,515	(37,615)	-69%	54,515
<b>Economic and environmental services</b>	<b>89,082</b>	<b>103,751</b>	<b>99,891</b>	<b>13,149</b>	<b>57,850</b>	<b>99,891</b>	<b>(42,041)</b>	<b>-42%</b>	<b>98,721</b>
Planning and development	12,907	17,950	13,868	3,836	13,787	13,868	(81)	-1%	14,188
Road transport	75,556	85,136	85,826	9,313	43,866	85,826	(41,960)	-49%	84,336
Environmental protection	618	665	197	–	197	197	–		197
<b>Trading services</b>	<b>139,906</b>	<b>153,295</b>	<b>158,638</b>	<b>33,508</b>	<b>141,276</b>	<b>158,638</b>	<b>(17,362)</b>	<b>-11%</b>	<b>160,058</b>
Energy sources	99,470	128,242	125,419	26,400	110,914	125,419	(14,505)	-12%	126,809
Waste management	40,435	25,053	33,219	7,107	30,362	33,219	(2,857)	-9%	33,249
<b>Total Expenditure - Functional</b>	<b>542,520</b>	<b>532,675</b>	<b>525,975</b>	<b>105,301</b>	<b>435,763</b>	<b>525,975</b>	<b>(90,213)</b>	<b>-17%</b>	<b>525,975</b>
<b>Surplus/ (Deficit) for the year</b>	<b>42,916</b>	<b>93,283</b>	<b>100,850</b>	<b>(44,775)</b>	<b>105,164</b>	<b>100,850</b>	<b>4,314</b>	<b>4%</b>	<b>100,850</b>

**Table C3 – Quarterly Fin' Performance (Revenue and Expenditure by vote)**

Vote Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Fourth Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue by Vote</b>									
Vote 1 - Executive & Council	49,347	42,820	42,820	–	47,876	42,820	5,056	12%	42,820
Vote 2 - Municipal Manager	47,408	42,149	42,149	–	36,327	42,149	(5,822)	-14%	42,149
Vote 3 - Budget & Treasury	84,415	74,785	93,243	17,192	87,149	93,243	(6,094)	-7%	93,243
Vote 4 - Corporate Services	51,431	46,749	46,748	9	44,120	46,748	(2,628)	-6%	46,748
Vote 5 - Community Services	75,047	130,531	97,480	3,224	60,494	97,480	(36,985)	-38%	97,480
Vote 6 - Technical Services	233,125	250,001	265,336	39,317	224,677	265,336	(40,658)	-15%	265,336
Vote 7 - Developmental Planning	21,988	17,052	17,179	785	16,462	17,179	(716)	-4%	17,179
Vote 8 - Executive Support	22,675	21,871	21,871	–	23,821	21,871	1,950	9%	21,871
<b>Total Revenue by Vote</b>	<b>585,436</b>	<b>625,958</b>	<b>626,825</b>	<b>60,527</b>	<b>540,927</b>	<b>626,825</b>	<b>(85,898)</b>	<b>-14%</b>	<b>626,825</b>
<b>Expenditure by Vote</b>									
Vote 1 - Executive & Council	37,311	37,114	33,832	11,510	35,367	33,832	1,535	5%	33,832
Vote 2 - Municipal Manager	47,145	36,199	38,707	9,283	44,133	38,707	5,425	14%	38,707
Vote 3 - Budget & Treasury	78,812	56,980	58,943	13,541	63,302	58,943	4,359	7%	58,943
Vote 4 - Corporate Services	31,806	35,707	26,629	6,658	25,881	26,629	(747)	-3%	26,629
Vote 5 - Community Services	122,250	109,512	110,688	16,690	69,110	110,688	(41,578)	-38%	110,688
Vote 6 - Technical Services	195,386	228,211	226,006	39,137	166,068	226,006	(59,938)	-27%	226,006
Vote 7 - Developmental Planning	8,333	13,293	9,215	2,702	9,200	9,215	(15)	0%	9,215
Vote 8 - Executive Support	21,476	15,657	21,955	5,780	22,702	21,955	746	3%	21,955
<b>Total Expenditure by Vote</b>	<b>542,520</b>	<b>532,675</b>	<b>525,975</b>	<b>105,301</b>	<b>435,763</b>	<b>525,975</b>	<b>(90,213)</b>	<b>-17%</b>	<b>525,975</b>
<b>Surplus/ (Deficit) for the year</b>	<b>42,916</b>	<b>93,283</b>	<b>100,850</b>	<b>(44,775)</b>	<b>105,164</b>	<b>100,850</b>	<b>4,314</b>	<b>4%</b>	<b>100,850</b>

Table C2 and C3 measures the quarterly actual against the year to date performance targets which is realized by vote and standard classification. 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: Quarterly Financial performance by Revenue Source and Expenditure Type**

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Fourth Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue By Source</b>									
Property rates	39,442	38,865	42,616	9,997	39,913	42,616	(2,702)	-6%	42,616
Service charges - electricity revenue	88,812	104,214	121,343	23,594	99,127	121,343	(22,216)	-18%	121,343
Service charges - refuse revenue	8,926	9,276	9,568	2,367	9,383	9,568	(185)	-2%	9,568
Rental of facilities and equipment	956	898	958	200	805	958	(153)	-16%	958
Interest earned - external investments	585	1,900	2,432	324	1,780	2,432	(652)	-27%	2,432
Interest earned - outstanding debtors	17,041	12,860	18,360	5,143	18,755	18,360	396	2%	18,360
Fines, penalties and forfeits	2,861	65,071	30,986	107	380	30,986	(30,606)	-99%	30,986
Licences and permits	4,635	5,240	6,026	729	5,513	6,026	(513)	-9%	6,026
Transfers and subsidies	351,908	307,637	307,637	1,626	297,765	307,637	(9,872)	-3%	307,637
Other revenue	1,819	664	6,829	917	2,924	6,829	(3,904)	-57%	6,829
Gains							-		
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>516,985</b>	<b>546,626</b>	<b>546,753</b>	<b>45,004</b>	<b>476,347</b>	<b>546,753</b>	<b>(70,407)</b>	<b>-13%</b>	<b>546,753</b>
<b>Expenditure By Type</b>									
Employee related costs	150,619	163,212	154,891	36,816	155,624	154,891	733	0%	154,891
Remuneration of councillors	24,279	27,334	25,386	6,208	24,783	25,386	(603)	-2%	25,386
Debt impairment	61,327	48,632	48,932	-	-	48,932	(48,932)	-100%	48,932
Depreciation & asset impairment	58,788	58,392	57,692	-	-	57,692	(57,692)	-100%	57,692
Finance charges	3,516	3,729	745	(193)	40	745	(705)	-95%	845
Bulk purchases	88,182	110,035	100,035	20,137	88,580	100,035	(11,455)	-11%	100,035
Other materials	26,421	19,551	34,217	11,853	44,342	34,217	10,125	30%	32,727
Contracted services	75,365	60,088	59,987	20,203	79,633	59,987	19,646	33%	61,570
Transfers and subsidies	1,402	3,784	3,771	498	2,625	3,771	(1,146)	-30%	3,271
Other expenditure	52,620	37,918	40,320	9,779	40,136	40,320	(184)	0%	40,626
Losses							-		
<b>Total Expenditure</b>	<b>542,520</b>	<b>532,675</b>	<b>525,975</b>	<b>105,301</b>	<b>435,763</b>	<b>525,975</b>	<b>(90,213)</b>	<b>-17%</b>	<b>525,975</b>
<b>Surplus/(Deficit)</b>	<b>(25,535)</b>	<b>13,951</b>	<b>20,778</b>	<b>(60,297)</b>	<b>40,584</b>	<b>20,778</b>	<b>19,806</b>	<b>95%</b>	<b>20,778</b>
Transfers and subsidies - capital (monetary allocations)	68,450	79,332	80,072	15,522	64,580	80,072	(15,492)	-19%	80,072
Transfers and subsidies - capital (monetary allocations)							-		-
Transfers and subsidies - capital (in-kind - all)							-		
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>42,916</b>	<b>93,283</b>	<b>100,850</b>	<b>(44,775)</b>	<b>105,164</b>	<b>100,850</b>			<b>100,850</b>
Taxation									
<b>Surplus/(Deficit) after taxation</b>	<b>42,916</b>	<b>93,283</b>	<b>100,850</b>	<b>(44,775)</b>	<b>105,164</b>	<b>100,850</b>			<b>100,850</b>
Attributable to minorities									
<b>Surplus/(Deficit) attributable to municipality</b>	<b>42,916</b>	<b>93,283</b>	<b>100,850</b>	<b>(44,775)</b>	<b>105,164</b>	<b>100,850</b>			<b>100,850</b>
Share of surplus/ (deficit) of associate									
<b>Surplus/ (Deficit) for the year</b>	<b>42,916</b>	<b>93,283</b>	<b>100,850</b>	<b>(44,775)</b>	<b>105,164</b>	<b>100,850</b>		<b>-</b>	<b>100,850</b>

This table provides the quarterly details for revenue by source and expenditure by type. The reasons for deviations will only be provided in cases where the difference is more than 10% and can be viewed in supporting table SC1.

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

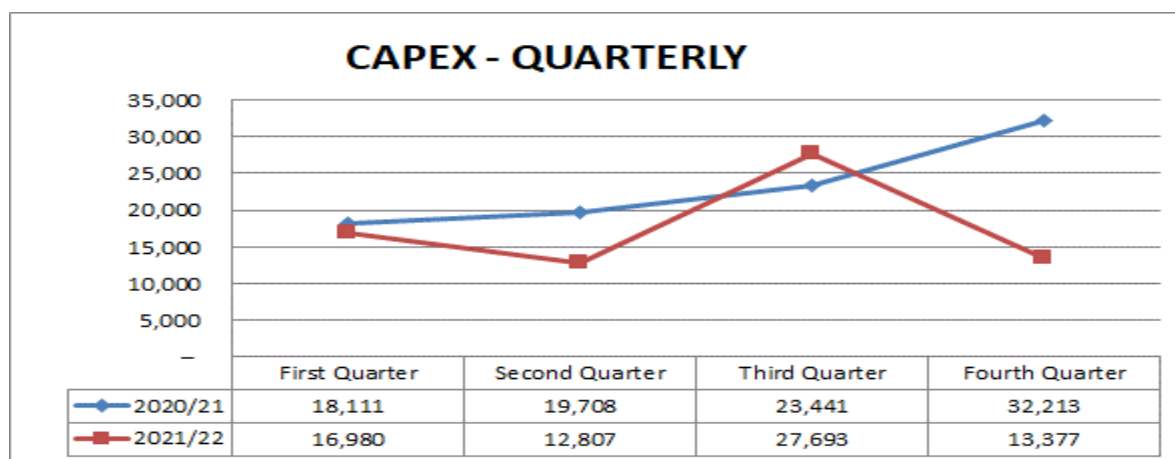
Vote Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Fourth Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>	1,111	1,360	1,939	305	1,903	1,939	(36)	-2%	1,939
Executive and council							-		
Finance and administration	1,111	1,360	1,939	305	1,903	1,939	(36)	-2%	1,939
Internal audit							-		
<b>Community and public safety</b>	2,063	800	500	-	498	500	(2)	0%	500
Community and social services	598	600	500	-	498	500	(2)	0%	500
Sport and recreation	1,465	200	-		-	-	-		-
Public safety	-					-	-		
Housing							-		
Health							-		
<b>Economic and environmental services</b>	62,035	63,584	58,284	9,486	47,021	58,284	(11,262)	-19%	58,284
Planning and development		1,100	-	-	-	-	-		-
Road transport	62,035	62,484	58,284	9,486	47,021	58,284	(11,262)	-19%	58,284
Environmental protection							-		
<b>Trading services</b>	19,894	22,288	33,512	3,586	20,543	33,512	(12,970)	-39%	33,512
Energy sources	19,894	21,988	33,512	3,586	21,434	33,512	(12,970)	-39%	33,512
Waste management	-	300	-	-	-	-	-		-
Other							-		
<b>Total Capital Expenditure - Functional Classification</b>	<b>85,102</b>	<b>88,032</b>	<b>94,234</b>	<b>13,377</b>	<b>70,856</b>	<b>94,234</b>	<b>(24,270)</b>	<b>-26%</b>	<b>94,234</b>
<b>Funded by:</b>									
National Government	79,029	79,332	79,772	13,051	56,817	79,772	(23,847)	-30%	79,772
Provincial Government			300	-	-	300	(300)	-100%	300
District Municipality							-		
Transfers and subsidies - capital (monetary allocations)							-		
<b>Transfers recognised - capital</b>	<b>79,029</b>	<b>79,332</b>	<b>80,072</b>	<b>13,051</b>	<b>56,817</b>	<b>80,072</b>	<b>(24,147)</b>	<b>-30%</b>	<b>80,072</b>
Borrowing							-		
Internally generated funds	6,073	8,700	14,163	325	14,040	14,163	(123)	-1%	14,163
<b>Total Capital Funding</b>	<b>85,102</b>	<b>88,032</b>	<b>94,234</b>	<b>13,377</b>	<b>70,856</b>	<b>94,234</b>	<b>(24,270)</b>	<b>-26%</b>	<b>94,234</b>



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

Vote Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Fourth Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Multi-Year expenditure appropriation</b>									
Vote 1 - Executive & Council	–	–	–	–	–	–	–		–
Vote 2 - Municipal Manager	–	–	–	–	–	–	–		–
Vote 3 - Budget & Treasury	–	–	–	305	–	–	–		–
Vote 4 - Corporate Services	1,105	460	860	–	824	860	(36)	-4%	860
Vote 5 - Community Services	–	300	–	6,722	–	–	–		–
Vote 6 - Technical Services	7,468	40,840	58,280	–	46,398	58,280	(12,588)	-22%	58,280
Vote 7 - Developmental Planning	–	–	–	–	–	–	–		–
Vote 8 - Executive Support	–	–	–	–	–	–	–		–
<b>Total Capital Multi-year expenditure</b>	<b>8,574</b>	<b>41,600</b>	<b>59,140</b>	<b>7,027</b>	<b>47,222</b>	<b>59,140</b>	<b>(12,624)</b>	<b>-21%</b>	<b>59,140</b>
<b>Single Year expenditure appropriation</b>									
Vote 1 - Executive & Council	–	–	–	–	–	–	–		–
Vote 2 - Municipal Manager	–	–	–	–	–	–	–		–
Vote 3 - Budget & Treasury	–	100	–	–	–	–	–		–
Vote 4 - Corporate Services	–	–	–	–	–	–	–		–
Vote 5 - Community Services	1,972	800	500	–	498	500	(2)	0%	500
Vote 6 - Technical Services	74,557	44,432	34,595	6,350	23,136	34,595	(11,643)	-34%	34,595
Vote 7 - Developmental Planning	–	1,100	–	–	–	–	–		–
Vote 8 - Executive Support	–	–	–	–	–	–	–		–
<b>Total Capital single-year expenditure</b>	<b>76,528</b>	<b>46,432</b>	<b>35,095</b>	<b>6,350</b>	<b>23,634</b>	<b>35,095</b>	<b>(11,645)</b>	<b>-33%</b>	<b>35,095</b>
<b>Total Capital Expenditure</b>	<b>85,102</b>	<b>88,032</b>	<b>94,234</b>	<b>13,377</b>	<b>70,856</b>	<b>94,234</b>	<b>(24,270)</b>	<b>-26%</b>	<b>94,234</b>

Table C5 Capex and C5C present capital expenditure performance for all votes, standard classification and the funding thereof and measures the year-to-date performance targets against the actual capital expenditure figures. R70, 856 million spending was incurred on capital budget, year to date budget is R94, 234 million, and this gave rise to an under performance variance of R24, 270 million that translates to 26%.



The above graph shows the components of sources of finance for capital budget. Of the total capital adjusted budget, R57, 984 million is funded from Municipal Infrastructure grant, R21, 788 million from INEP and R14, 163 million from own revenue and the spending per source of finance is presented in the above graph.

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

Description	2020/21	Budget Year 2021/22			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	6,857	8,536	17,310	4,581	17,310
Call investment deposits	–	23,315	–	–	–
Consumer debtors	85,665	63,924	62,496	110,477	62,496
Other debtors	51,435	60,917	62,766	47,757	62,766
Current portion of long-term receivables	119	–	119	–	119
Inventory	11,082	8,606	8,826	9,855	8,826
<b>Total current assets</b>	<b>155,157</b>	<b>165,299</b>	<b>151,516</b>	<b>172,669</b>	<b>151,516</b>
<b>Non current assets</b>					
Long-term receivables				–	
Investments	1,465	–	15,039	–	15,039
Investment property	80,022	60,343	55,840	80,312	55,840
Investments in Associate	–				
Property, plant and equipment	1,056,321	1,229,559	1,230,890	1,129,234	1,230,890
Biological	–			–	
Intangible	23	31	31	23	31
Other non-current assets	463	15,502	463	1,928	463
<b>Total non current assets</b>	<b>1,138,294</b>	<b>1,305,435</b>	<b>1,302,263</b>	<b>1,211,497</b>	<b>1,302,263</b>
<b>TOTAL ASSETS</b>	<b>1,293,451</b>	<b>1,470,733</b>	<b>1,453,779</b>	<b>1,384,166</b>	<b>1,453,779</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft	–	–		–	–
Borrowing	3,014	12,271	12,271	1,872	12,271
Consumer deposits	5,797	5,700	5,700	5,751	5,700
Trade and other payables	110,690	87,165	88,763	111,140	88,763
Provisions	3,269	5,950	5,950	2,253	5,950
<b>Total current liabilities</b>	<b>122,770</b>	<b>111,087</b>	<b>112,685</b>	<b>121,015</b>	<b>112,685</b>
<b>Non current liabilities</b>					
Borrowing	(386)	19,467	19,467	2,058	19,467
Provisions	75,199	95,439	95,439	75,428	95,439
<b>Total non current liabilities</b>	<b>74,813</b>	<b>114,907</b>	<b>114,907</b>	<b>77,486</b>	<b>114,907</b>
<b>TOTAL LIABILITIES</b>	<b>197,583</b>	<b>225,994</b>	<b>227,592</b>	<b>198,501</b>	<b>227,592</b>
<b>NET ASSETS</b>	<b>1,095,868</b>	<b>1,244,739</b>	<b>1,226,187</b>	<b>1,185,665</b>	<b>1,226,187</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	1,095,868	1,234,739	1,216,187	1,185,665	1,216,187
Reserves		10,000	10,000	–	10,000
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>1,095,868</b>	<b>1,244,739</b>	<b>1,226,187</b>	<b>1,185,665</b>	<b>1,226,187</b>

The above table shows that community wealth amounts to R1, 185 billion, total liabilities R198, 501 million and the total assets R1, 384 billion. Non-current liabilities are mainly made up of provisions for long service award, landfill site and bonus.

Total current assets appear to be fairly reasonable relative to total current liabilities and this as a result portray a much better picture of the municipality's current ratio of 1.4:1 which is below the acceptable norm of 2:1.

**Table C7: Quarterly Budgeted Statement Cash Flow**

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Fourth Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates	47,281	29,997	34,083	7,121	28,584	34,083	(5,499)	-16%	34,083
Service charges	128,148	107,419	99,738	23,621	96,402	99,738	(3,336)	-3%	99,738
Other revenue	13,218	20,923	22,389	15,620	65,127	22,389	42,738	191%	22,389
Transfers and Subsidies - Operational	249,240	307,637	307,637	-	307,767	307,637	130	0%	307,637
Transfers and Subsidies - Capital	70,918	79,332	79,772	-	79,332	79,772	(440)	-1%	79,772
Interest	941	3,018	2,432	1,019	3,408	2,432	976	40%	2,432
<b>Payments</b>									
Suppliers and employees	(404,748)	(443,509)	(443,527)	(106,745)	(508,510)	(443,527)	64,983	-15%	(443,527)
Finance charges	(786)	(3,729)	(845)	193	(44)	(845)	(801)	95%	(845)
Transfers and Grants	(1,487)	(3,784)	(513)	(498)	(2,625)	(513)	2,111	-411%	(513)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>102,726</b>	<b>97,304</b>	<b>101,165</b>	<b>(59,671)</b>	<b>69,441</b>	<b>101,165</b>	<b>31,724</b>	<b>31%</b>	<b>101,165</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	(58)	-	5,544	-	-	5,544	(5,544)	-100%	5,544
Decrease (increase) in non-current receivables	-	-					-		-
Decrease (increase) in non-current investments	-	-					-		-
<b>Payments</b>									
Capital assets	(84,243)	(80,993)	(84,002)	(12,213)	(69,692)	(84,002)	(14,310)	18%	(84,002)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(84,301)</b>	<b>(80,993)</b>	<b>(78,458)</b>	<b>(12,213)</b>	<b>(69,692)</b>	<b>(78,458)</b>	<b>(9,657)</b>	<b>12%</b>	<b>(78,458)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	-	-					-		-
Borrowing long term/refinancing	-						-		
Increase (decrease) in consumer deposits		325	325	(7)	(33)	325	(357)	-110%	325
<b>Payments</b>									
Repayment of borrowing	(13,938)	(12,271)	(12,271)	-	(2,441)	(12,271)	(9,830)	80%	(12,271)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(13,938)</b>	<b>(11,947)</b>	<b>(11,947)</b>	<b>(7)</b>	<b>(2,474)</b>	<b>(11,947)</b>	<b>(9,473)</b>	<b>79%</b>	<b>(11,947)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>4,486</b>	<b>4,364</b>	<b>10,761</b>	<b>(71,891)</b>	<b>(1,834)</b>	<b>10,761</b>			<b>10,761</b>
Cash/cash equivalents at beginning:	1,929	27,487	6,848		6,415	6,848			6,415
Cash/cash equivalents at month/year end:	6,415	31,852	17,609		4,581	17,609			17,176

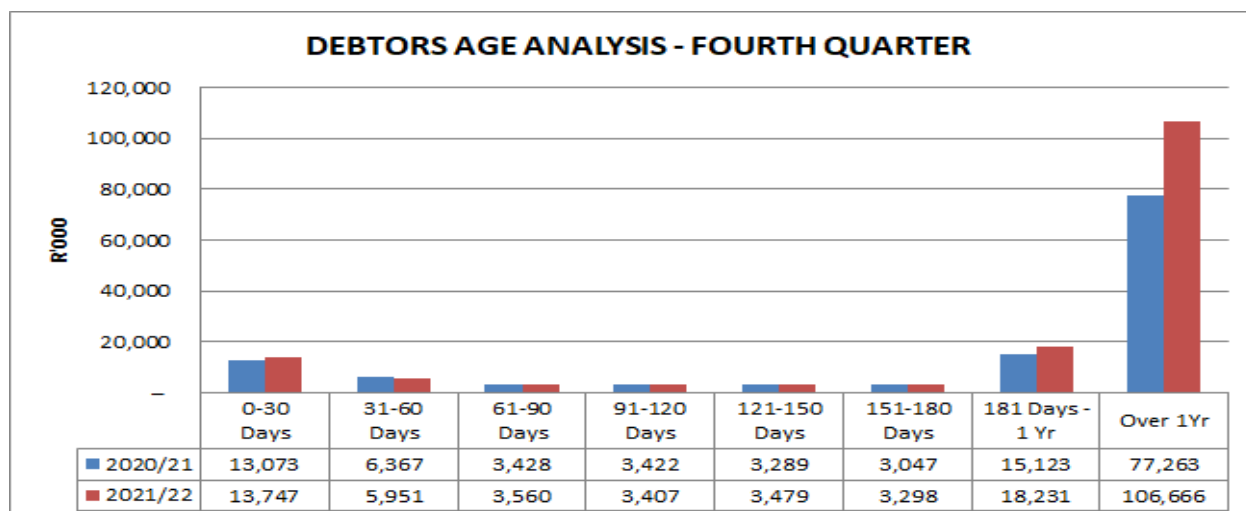
Table C7 provides details of the monthly cash in and outflow. For the quarter ending 30 June 2022 the net cash from operating activities is R69, 441 million whilst cash used for investing activities is R69, 692 million and the net cash from financing activities is R2, 474 million. The cash and cash equivalent held at end of the fourth quarter amounted to R4, 581 million.

## PART 2: SUPPORTING TABLES

**Table SC3: Debtors Analysis**

Table provides a breakdown of the consumer and sundry debtors at the end of the fourth quarter. The outstanding debtors amounted to R158, 338 million as at 30 June 2022. Consumer debtors amounts to R97, 112 million and sundry debtors amounts to R 61, 226 million as at end of the fourth quarter.

Description	Budget Year 2021/22											
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Bad Debts Written Off	Impairment - Bad Debts
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Electricity	7,524	1,805	172	134	254	91	487	2,295	12,762	3,262		
Receivables from Non-exchange Transactions - Property Rates	3,316	1,724	1,325	1,258	1,275	1,212	6,561	45,166	61,838	55,473		
Receivables from Exchange Transactions - Waste Management	786	572	422	393	391	390	2,354	15,725	21,034	19,254		
Receivables from Exchange Transactions - Property Rental Debtors	65	42	26	24	25	21	123	1,153	1,478	1,345		
Interest on Arrear Debtor Accounts	1,765	1,693	1,651	1,609	1,572	1,532	8,371	39,077	57,271	52,161		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure									-	-		
Other	290	115	(36)	(12)	(37)	51	336	3,249	3,955	3,587		
Total By Income Source	13,747	5,951	3,560	3,407	3,479	3,298	18,231	106,666	158,338	135,081	-	-
2019/20 - totals only	13,073	6,367	3,428	3,422	3,289	3,047	15,123	77,263	125,011	102,144		
Debtors Age Analysis By Customer Group												
Organs of State	1,962	1,293	1,086	971	1,041	1,006	5,645	34,292	47,296	42,955		
Commercial	6,634	1,774	560	552	603	487	2,311	13,333	26,254	17,286		
Households	5,093	2,871	1,902	1,873	1,824	1,794	10,215	58,734	84,307	74,440		
Other	57	13	11	11	11	11	60	307	481	400		
Total By Customer Group	13,747	5,951	3,560	3,407	3,479	3,298	18,231	106,666	158,338	135,081	-	-



The graph compares debtors' age analysis for 2020/21 financial year and 2021/22 (as at end of Fourth quarter) and noted from the graph there is an increase in the municipal debt book for 2021/22 financial year.

**Table SC4: Creditors Analysis**

Description	Budget Year 2021/22									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	Total	
Creditors Age Analysis By Customer Type										
Bulk Electricity									-	
Bulk Water									-	
PAYE deductions									-	
VAT (output less input)									-	
Pensions / Retirement deductions									-	
Loan repayments									-	
Trade Creditors									-	
Auditor General									-	
Other									-	
<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. No creditors were outstanding for more than 30 days. All invoices were paid within the prescribed period for the Fourth quarter.



**Table SC5: Investment Portfolio Analysis**

Name of institution	Period of Investment	Type of Investment	Interest Rate	Commission Paid	Expiry date	Opening balance	Interest Realised	Withdrawal	Investment Top Up	Closing Balance
Standard Bank 0388235270012	1 Month	Current Investment	4.8%		21-Apr-22	20,007,890	55,255	20,063,145	-	-
Nedbank 03/7881068264/000063	2 Month	Current Investment	5.1%		23-May-22	20,011,266	84,493	-		20,095,759
Nedbank 03/7881068264/000063	2 Month	Current Investment	5.1%		23-May-22	20,095,759	61,962	20,157,721	-	-
Nedbank 03/7881068264/000062	3 Month	Current Investment	5.2%		22-Jun-22	20,096,690	88,159	-	-	20,184,849
Nedbank 03/7881068264/000062	3 Month	Current Investment	5.2%		22-Jun-22	20,184,849	59,721	20,244,570	-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>						<b>60,288,499</b>	<b>176,937</b>	<b>60,465,436</b>		<b>-</b>

Supporting Table SC5 displays the council's investments portfolio and indicates that the municipality had initial investment of R60, 288 million at the beginning of the fourth quarter, earned interest of R176, 937 thousand and withdrew all of it by the end of the fourth quarter.

**Table SC6- Allocation and grant receipts**

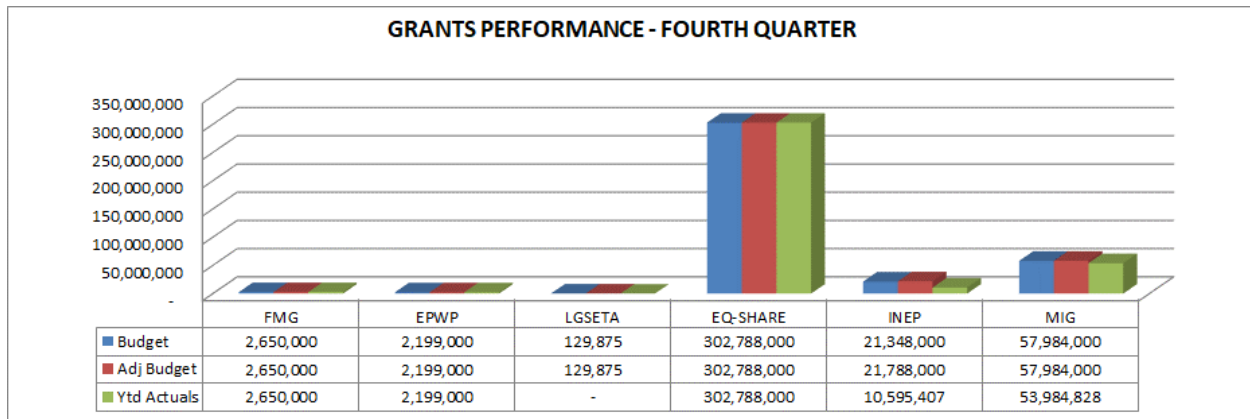
Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Fourth Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	<b>351,806</b>	<b>307,637</b>	<b>307,637</b>	<b>-</b>	<b>307,638</b>	<b>307,638</b>	<b>-</b>		<b>307,637</b>
Local Government Equitable Share	347,525	302,788	302,788	-	302,789	302,789	-		302,788
Finance Management	2,600	2,650	2,650	-	2,650	2,650	-		2,650
EPWP Incentive	1,681	2,199	2,199	-	2,199	2,199	-		2,199
Disaster Relief Grant COVID-19 (Corona virus)							-		-
<b>Other grant providers:</b>	<b>102</b>	<b>130</b>	<b>130</b>	<b>-</b>	<b>130</b>	<b>130</b>	<b>-</b>		<b>130</b>
LGSETA Learnership and Development	102	130	130	-	130	130	-		130
<b>Total Operating Transfers and Grants</b>	<b>351,908</b>	<b>307,767</b>	<b>307,767</b>	<b>-</b>	<b>307,768</b>	<b>307,768</b>	<b>-</b>		<b>307,767</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	<b>68,891</b>	<b>79,332</b>	<b>79,332</b>	<b>-</b>	<b>79,332</b>	<b>79,332</b>	<b>-</b>		<b>79,332</b>
Municipal Infrastructure Grant (MIG)	53,891	57,984	57,984	-	57,984	57,984	-		57,984
Integrated National Electrification Grant	15,000	21,348	21,348	-	21,348	21,348			21,348
<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>68,891</b>	<b>79,332</b>	<b>79,332</b>	<b>-</b>	<b>79,332</b>	<b>79,332</b>	<b>-</b>		<b>79,332</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>420,799</b>	<b>387,099</b>	<b>387,099</b>	<b>-</b>	<b>387,100</b>	<b>387,100</b>	<b>-</b>		<b>387,099</b>

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R387, 100 million of which the major portion is attributed to equitable share. In the reporting period, all gazetted grants were received according to National Treasury's grants payment schedule.

**Table SC7: Transfers and Grant Expenditure**

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Fourth Quarter	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>351,806</b>	<b>307,637</b>	<b>307,637</b>	<b>69,609</b>	<b>307,637</b>	<b>307,637</b>	<b>-</b>		<b>307,637</b>
Local Government Equitable Share	347,525	302,788	302,788	67,983	302,788	302,788	-		302,788
Finance Management	2,600	2,650	2,650	1,047	2,650	2,650	-		2,650
EPWP Incentive	1,681	2,199	2,199	578	2,199	2,199	-		2,199
Disaster Relief Grant COVID-19 (Corona virus)							-		-
<b>Other grant providers:</b>	<b>102</b>	<b>130</b>	<b>130</b>	<b>-</b>	<b>-</b>	<b>130</b>	<b>(130)</b>	<b>-100%</b>	<b>130</b>
LGSETA Learnership and Development	102	130	130	-	-	130	(130)	-100%	130
<b>Total operating expenditure of Transfers and Grants:</b>	<b>351,908</b>	<b>307,767</b>	<b>307,767</b>	<b>69,609</b>	<b>307,637</b>	<b>307,767</b>	<b>(130)</b>	<b>0%</b>	<b>307,767</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>68,891</b>	<b>79,332</b>	<b>79,772</b>	<b>15,522</b>	<b>65,578</b>	<b>79,772</b>	<b>(14,194)</b>	<b>-19%</b>	<b>79,772</b>
Municipal Infrastructure Grant (MIG)	53,891	57,984	57,984	11,131	53,985	57,984	(3,999)	-7%	57,984
Integrated National Electrification Grant	15,000	21,348	21,788	4,391	11,593	21,788	(10,195)	-51%	21,788
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>			<b>-</b>
Cogesta - 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>68,891</b>	<b>79,332</b>	<b>79,772</b>	<b>15,522</b>	<b>65,578</b>	<b>79,772</b>	<b>(14,324)</b>	<b>-19%</b>	<b>79,772</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>420,799</b>	<b>387,099</b>	<b>387,539</b>	<b>85,131</b>	<b>373,215</b>	<b>387,539</b>	<b>(14,324)</b>	<b>-4%</b>	<b>387,539</b>

A total amount of R373, 215 million that have been spent on grants during the fourth quarter and the year to date budget thereof amount to R387, 539 million and this resulted in underspending variance of R14, 324 million that translates to 4%. Of the total spending amounting to R373, 215 million, R307, 768 million is spent on operational grants whilst R79, 332 million is spent of capital grants.



The above graph depicts the gazetted and/or budgeted amounts for all the grants and the expenditure thereof as at end of fourth quarter. The grants expenditure is shown below in percentages:

- Financial Management Grant 100%
- Expanded Public Work Programme 100%
- Equitable Share 100%
- Local Government Sector Education & Training: 0%
- Municipal Infrastructure Grant 48.63%
- Integrated National Electrification Grant 93.10%

**Table SC8: Councilor Allowances and Employee Benefits**

Summary of Employee and Councillor remuneration	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Fourth Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Councillors (Political Office Bearers plus Other)</b>									
Basic Salaries and Wages	14,184	16,008	14,794	3,614	14,470	14,794	(325)	-2%	14,794
Pension and UIF Contributions	1,600	1,847	1,889	500	1,863	1,889	(26)	-1%	1,889
Medical Aid Contributions	396	399	319	22	194	319	(125)	-39%	319
Motor Vehicle Allowance	5,167	5,847	5,408	1,328	5,281	5,408	(126)	-2%	5,408
Cellphone Allowance	2,708	2,992	2,738	688	2,738	2,738	(0)	0%	2,738
Other benefits and allowances	223	243	238	56	238	238	(0)	0%	238
<b>Sub Total - Councillors</b>	<b>24,279</b>	<b>27,334</b>	<b>25,386</b>	<b>6,208</b>	<b>24,783</b>	<b>25,386</b>	<b>(603)</b>	<b>-2%</b>	<b>25,386</b>
<b>% increase</b>		<b>13%</b>	<b>5%</b>						<b>5%</b>
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	3,947	6,226	3,162	773	3,137	3,162	(25)	-1%	3,162
Pension and UIF Contributions	141	299	89	21	88	89	(1)	-2%	89
Medical Aid Contributions	81	92	52	33	80	52	28	54%	52
Motor Vehicle Allowance	420	912	186	47	186	186	(0)	0%	186
Cellphone Allowance	114	151	85	21	85	85	(0)	0%	85
Other benefits and allowances	1,846	491	172	39	211	172	39	23%	172
Payments in lieu of leave							-		
<b>Sub Total - Senior Managers of Municipality</b>	<b>6,549</b>	<b>8,171</b>	<b>3,746</b>	<b>934</b>	<b>3,787</b>	<b>3,746</b>	<b>41</b>	<b>1%</b>	<b>3,746</b>
<b>% increase</b>		<b>25%</b>	<b>-43%</b>						<b>-43%</b>
<b>Other Municipal Staff</b>									
Basic Salaries and Wages	93,585	99,214	98,352	24,728	98,266	98,352	(86)	0%	98,352
Pension and UIF Contributions	18,983	27,125	19,631	4,952	19,579	19,631	(52)	0%	19,631
Medical Aid Contributions	5,228	4,550	5,403	1,412	5,442	5,403	39	1%	5,403
Overtime	1,353	1,005	1,197	185	1,055	1,197	(143)	-12%	1,197
Motor Vehicle Allowance	12,066	12,315	13,024	3,331	13,018	13,024	(6)	0%	13,024
Cellphone Allowance	1,901	1,284	1,916	480	1,917	1,916	0	0%	1,916
Housing Allowances	206	202	217	56	220	217	3	1%	217
Other benefits and allowances	2,655	8,457	10,233	380	10,429	10,233	195	2%	10,233
Payments in lieu of leave	6,688	173	421	19	624	421	202	48%	421
Long service awards	1,405	714	749	338	1,288	749	539	72%	749
Post-retirement benefit obligations							-		
<b>Sub Total - Other Municipal Staff</b>	<b>144,070</b>	<b>155,041</b>	<b>151,144</b>	<b>35,882</b>	<b>151,837</b>	<b>151,144</b>	<b>693</b>	<b>0%</b>	<b>151,144</b>
<b>% increase</b>		<b>8%</b>	<b>5%</b>						<b>5%</b>
<b>Total Parent Municipality</b>	<b>174,898</b>	<b>190,546</b>	<b>180,276</b>	<b>43,023</b>	<b>180,407</b>	<b>180,276</b>	<b>131</b>	<b>0%</b>	<b>180,276</b>
		<b>9%</b>	<b>3%</b>						<b>3%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>174,898</b>	<b>190,546</b>	<b>180,276</b>	<b>43,023</b>	<b>180,407</b>	<b>180,276</b>	<b>131</b>	<b>0%</b>	<b>180,276</b>
<b>% increase</b>		<b>9%</b>	<b>3%</b>						<b>3%</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>150,619</b>	<b>163,212</b>	<b>154,891</b>	<b>36,816</b>	<b>155,624</b>	<b>154,891</b>	<b>733</b>	<b>0%</b>	<b>154,891</b>

This table provides the details for councilor and employee benefits. For the fourth quarter the total salaries, allowances and benefits amounted to R180, 407 million which deviates with R180, 276 million from the planned figure.

**Table SC9: Actual and Revised Targets for Cash Receipts**

Description	Current Year				2021/22 Medium Term Revenue & Expenditure Framework		
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Year +1	Year +2	Year +2
	Outcome	Outcome	Outcome	Budgeted	2021/22	2022/23	2023/24
<b>Cash Receipts By Source</b>							
Property rates	7,266	6,936	7,261	7,121	28,584	30,907	31,931
Service charges - electricity revenue	23,969	21,715	23,416	22,390	91,490	101,965	102,930
Service charges - refuse	1,264	1,187	1,230	1,231	4,912	8,755	9,978
Rental of facilities and equipment	142	179	169	143	633	936	977
Interest earned - external investments	357	160	405	435	1,357	1,980	2,067
Interest earned - outstanding debtors	337	586	545	584	2,051	796	641
Fines, penalties and forfeits	70	42	191	107	409	15,331	16,006
Licences and permits	1,623	1,516	1,645	729	5,513	5,460	5,701
Transfers and Subsidies - Operational	129,492	101,918	76,357	–	307,767	322,626	316,577
Other revenue	7,116	8,825	27,990	14,641	58,572	692	722
<b>Cash Receipts by Source</b>	<b>171,636</b>	<b>143,065</b>	<b>139,208</b>	<b>47,380</b>	<b>501,288</b>	<b>489,449</b>	<b>487,530</b>
<b>Other Cash Flows by Source</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>			
Transfers and subsidies - capital (monetary allocations)	46,000	17,942	15,390	–	79,332	72,606	76,364
Borrowing long term/refinancing	–	–	–	–			
Increase (decrease) in consumer deposits	(37)	(8)	19	(7)	(33)	(3,247)	(3,247)
Decrease (increase) in non-current receivables	–	–	–	–			
Decrease (increase) in non-current investments	–	–	–	–			
<b>Total Cash Receipts by Source</b>	<b>217,599</b>	<b>160,999</b>	<b>154,616</b>	<b>47,373</b>	<b>580,587</b>	<b>558,808</b>	<b>560,648</b>
<b>Cash Payments by Type</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>			
Employee related costs	35,298	45,292	38,218	36,816	155,624	170,102	177,553
Remuneration of councillors	6,061	6,289	6,226	6,208	24,783	28,428	29,565
Interest paid	37	7	193	(193)	44	2,653	1,880
Bulk purchases - Electricity	33,420	23,207	22,882	20,137	99,647	114,656	119,701
Other materials	22,702	6,962	15,181	11,846	56,691	28,778	30,507
Contracted services	27,525	28,981	11,814	17,559	85,879	51,538	45,479
Grants and subsidies paid - other	764	648	714	498	2,625	3,943	4,116
General expenses	20,358	18,460	31,997	14,179	84,994	33,203	34,663
<b>Cash Payments by Type</b>	<b>146,166</b>	<b>129,847</b>	<b>127,224</b>	<b>107,051</b>	<b>510,288</b>	<b>433,300</b>	<b>443,465</b>
<b>Other Cash Flows/Payments by Type</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>			
Capital assets	16,980	12,807	27,693	12,213	69,692	85,145	78,358
Repayment of borrowing	2,196	245	–	–	2,441	11,347	8,120
Other Cash Flows/Payments	–	–	–	–	–	19,580	29,705
<b>Total Cash Payments by Type</b>	<b>165,342</b>	<b>142,899</b>	<b>154,917</b>	<b>119,264</b>	<b>582,421</b>	<b>549,373</b>	<b>559,648</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>52,257</b>	<b>18,100</b>	<b>(301)</b>	<b>(71,891)</b>	<b>(1,834)</b>	<b>9,435</b>	<b>1,000</b>
Cash/cash equivalents at the month/year beginning:	191,959	106,580	175,917	156,226	6,415	4,581	14,016
Cash/cash equivalents at the month/year end:	244,216	124,681	175,616	84,336	4,581	14,016	15,016

Supporting Table SC9 provides the details of the cash inflow for the budget setting out receipt by source and payments by type. As at end of fourth quarter, cash receipts reflect an amount of R47, 373 million whilst the total cash payment is R119, 264 million. The cash and cash equivalent at end the quarter amounted to R84, 336 million that is inclusive of unspent conditional grants amounting to R14, 881 million.

**Table SC12: Capital Expenditure Trend**

Month	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Fourth Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
<b>Monthly expenditure performance trend</b>									
First Quarter	18,111	38,757	16,980	16,980	29,859	29,859	(0)	(0)	34%
Second Quarter	19,708	26,993	12,807	12,807	71,975	71,975	–	–	82%
Third Quarter	23,441	12,341	22,200	27,693	137,865	132,372	(5,493)	(0)	157%
Fourth Quarter	23,842	9,942	42,248	13,377	201,222	212,969	11,748	0	228%
<b>Total Capital expenditure</b>	<b>85,102</b>	<b>88,032</b>	<b>94,234</b>	<b>70,856</b>					

Supporting table SC12 provides information on the monthly trends for capital expenditure and this table serves as a supporting table for table C5. In terms of this table the capital expenditure for fourth quarter amounts to R13, 377 million. The year to date actual amounts to R201, 222 and year to date capital budget is R212, 969 million that gives rise to underspending variance of R11, 748 million that translate to 228%.



**Table SC13a: Quarterly Capital Expenditure on New Assets**

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Fourth Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on new assets by Asset Class</b>									
<b>Infrastructure</b>	10,855	22,048	28,088	3,566	16,095	28,088	12,884	46%	28,088
<b>Roads Infrastructure</b>	-	500	-	-	-	-	-		-
Roads		500	-	-	-	-	-		-
Road Furniture							-		
Capital Spares							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Attenuation							-		
<b>Electrical Infrastructure</b>	10,855	21,348	28,088	3,566	16,095	28,088	12,884	46%	28,088
HV Substations							-		
HV Switching Station							-		
MV Networks	10,855	21,348	28,088	3,566	16,095	28,088	12,884	46%	28,088
LV Networks							-		
<b>Solid Waste Infrastructure</b>	-	200	-	-	-	-	-		-
Landfill Sites							-		
Waste Transfer Stations							-		
Capital Spares		200	-	-	-	-	-		-
<b>Community Assets</b>	-	100	-	-	-	-	-		-
Community Facilities	-	100	-	-	-	-	-		-
Libraries							-		
Cemeteries/Crematoria							-		
Police							-		
<b>Other assets</b>	727	-	-	-	-	-	-		-
Municipal Offices	727						-		
Workshops	-						-		
<b>Intangible Assets</b>	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		
<b>Computer Equipment</b>	769	460	860	305	824	860	36	4%	860
Computer Equipment	769	460	860	305	824	860	36	4%	860
<b>Furniture and Office Equipment</b>	1,607	-	-	-	-	-	-		-
Furniture and Office Equipment	1,607						-		
<b>Machinery and Equipment</b>	1,760	400	300	20	214	300	86	29%	300
Machinery and Equipment	1,760	400	300	20	214	300	86	29%	300
Transport Assets	-	800	1,079	-	1,079	1,079	(1)	0%	1,079
Transport Assets		800	1,079	-	1,079	1,079	(1)	0%	1,079
<b>Land</b>	-	1,100	-	-	-	-	-		-
Land		1,100	-	-	-	-	-		-
<b>Total Capital Expenditure on new assets</b>	15,718	24,908	30,326	3,891	18,213	30,326	13,005	43%	30,326

**Table SC13b: Quarterly Expenditure on Existing Assets**

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Fourth Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on renewal of existing assets by Asset Class</b>									
<b>Infrastructure</b>	<b>52,855</b>	<b>39,750</b>	<b>44,874</b>	<b>7,337</b>	<b>36,366</b>	<b>44,874</b>	<b>8,508</b>	<b>19%</b>	<b>44,874</b>
Roads Infrastructure	50,943	39,750	39,750	7,337	31,242	39,750	8,508	21%	39,750
Roads	50,943	39,750	39,750	7,337	31,242	39,750	8,508	21%	39,750
Road Furniture							-		
Capital Spares							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
<b>Electrical Infrastructure</b>	<b>1,912</b>	<b>-</b>	<b>5,124</b>	<b>-</b>	<b>5,124</b>	<b>5,124</b>	<b>0</b>	<b>0%</b>	<b>5,124</b>
HV Substations							-		
MV Networks			5,124	-	5,124	5,124	0	0%	5,124
LV Networks	1,912	-					-		
<b>Solid Waste Infrastructure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Landfill Sites							-		
Waste Transfer Stations							-		
<b>Community Assets</b>	<b>687</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Libraries							-		
Cemeteries/Crematoria	687						-		
Police							-		
<b>Sport and Recreation Facilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Indoor Facilities							-		
Outdoor Facilities							-		
<b>Other assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Operational Buildings	-	-	-	-	-	-	-		-
Municipal Offices							-		
Workshops							-		
<b>Intangible Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		
<b>Computer Equipment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Computer Equipment							-		
<b>Furniture and Office Equipment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Furniture and Office Equipment							-		
<b>Machinery and Equipment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Machinery and Equipment							-		
<b>Transport Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Transport Assets							-		
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>53,543</b>	<b>39,750</b>	<b>44,874</b>	<b>7,337</b>	<b>36,366</b>	<b>44,874</b>	<b>8,508</b>	<b>19.0%</b>	<b>44,874</b>

**Table SC13c: Quarterly Expenditure on Repairs & Maintenance**

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Fourth Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Repairs and maintenance expenditure by Asset Class</b>									
<b>Infrastructure</b>	13,320	12,276	25,528	6,460	30,270	25,528	(4,742)	-19%	24,138
<b>Roads Infrastructure</b>	8,367	7,802	11,748	2,044	13,895	11,748	(2,147)	-18%	10,358
Roads	8,367	7,802	11,748	2,044	13,895	11,748	(2,147)	-18%	10,358
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
<b>Electrical Infrastructure</b>	2,195	2,033	9,099	3,309	12,201	9,099	(3,102)	-34%	9,099
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Networks	2,195	2,033	9,099	3,309	12,201	9,099	(3,102)	-34%	9,099
<b>Solid Waste Infrastructure</b>	2,757	2,441	4,681	1,107	4,175	4,681	507	11%	4,681
Landfill Sites	2,757	2,441	4,681	1,107	4,175	4,681	507	11%	4,681
Waste Transfer Stations							-		
<b>Community Assets</b>	164	385	185	10	166	185	19	10%	185
Community Facilities	164	385	185	10	166	185	19	10%	185
Police							-		
Parks	164	385	185	10	166	185	19	10%	185
<b>Sport and Recreation Facilities</b>	-	-	-	-	-	-	-		-
Indoor Facilities							-		
Outdoor Facilities							-		
<b>Other assets</b>	1,991	1,756	616	46	575	616	41	7%	616
Municipal Offices	1,991	527	537	40	541	537	(4)	-1%	537
Stores		1,229	79	5	34	79	46	58%	79
<b>Intangible Assets</b>	-	187	60	11	38	60	22	36%	60
Servitudes							-		
Computer Software and Applications		187	60	11	38	60	22	36%	60
<b>Computer Equipment</b>	5	-	-	-	-	-	-		-
Computer Equipment	5						-		
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
<b>Machinery and Equipment</b>	1,561	2,083	2,195	970	3,214	2,195	(1,018)	-46%	2,195
Machinery and Equipment	1,561	2,083	2,195	970	3,214	2,195	(1,018)	-46%	2,195
<b>Transport Assets</b>	3,099	1,313	2,589	1,871	4,117	2,589	(1,528)	-59%	2,589
Transport Assets	3,099	1,313	2,589	1,871	4,117	2,589	(1,528)	-59%	2,589
<b>Total Repairs and Maintenance Expenditure</b>	20,140	17,999	31,174	9,368	38,380	31,174	(7,206)	-23.1%	29,784

Supporting Tables SC13a and SC13b provide the details of capital expenditure by asset classification for new and replacements of assets separately, whilst Supporting Table SC13c measure's the extent to which the municipality's assets are maintained.

The capital expenditure on new assets amounted to R18, 213 million for the fourth quarter, which reflects 43.0% variance when compared to the quarterly target.

For renewal and upgrading of existing assets to R36, 366 million has been spent during the fourth quarter on renewal of assets. This reflects positive 19% variance when compared to the target.

The repairs and maintenance for the fourth quarter amounted to R38, 380 million reflecting a negative 23% variance when compared to the Fourth quarter target.

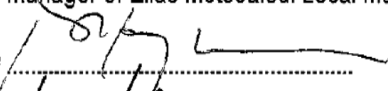
## Quality Certificate

I, **KGWALE MAHLAGAUME MESHACK**, Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the quarterly report and supporting documentation for the quarter ending 30 June 2022 have been prepared in accordance with the Municipal Finance Management Act and the regulation made under the Act

Municipal Manager of Elias Motsoaledi Local Municipality (LIM472)

Signature

Date

  
15/09/2022