

# **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**



## **MONTHLY BUDGET STATEMENT REPORT**

**MARCH 2022**

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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 March 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 2020-21 financial year amounts are completely audited.

### **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     | 431,342,320         | 79%         |
| OPERATING EXPENDITURE | 532,674,879     | 525,975,343     | 330,461,295         | 63%         |
| TRANSFER - CAPITAL    | 79,332,000      | 80,071,762      | 49,057,834          | 61%         |
| SURPLUS/(DEFICIT)     | 93,283,218      | 100,849,735     | 149,938,859         | 149%        |
| CAPITAL EXPENDITURE   | 88,032,000      | 94,234,423      | 57,479,299          | 61%         |

**Table C1 – Budget Statement Summary**

| Description  | 2020/21          | Budget Year 2021/22 |                   |                    |                    |                    |                     |                 |                    |
|--|------------------|---------------------|-------------------|--------------------|--------------------|--------------------|---------------------|-----------------|--------------------|
|  | 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   | 39,442           | 38,865              | 42,616            | 3,284              | 29,916             | 26,555             | 3,361               | 13%             | 42,616             |
| Service charges  | 97,738           | 113,490             | 130,911           | 9,194              | 82,549             | 87,061             | (4,513)             | -5%             | 130,911            |
| Investment revenue   | 585              | 1,900               | 2,432             | 191                | 1,456              | 1,611              | (155)               | -10%            | 2,432              |
| Transfers and subsidies  | 351,908          | 307,637             | 307,637           | 66,305             | 296,139            | 302,346            | (6,206)             | -2%             | 307,637            |
| Other own revenue  | 27,313           | 84,734              | 63,158            | 2,877              | 21,282             | 26,757             | (5,474)             | -20%            | 63,158             |
| <b>Total Revenue (excluding capital transfers and contributions)</b> | <b>516,985</b>   | <b>546,626</b>      | <b>546,753</b>    | <b>81,851</b>      | <b>431,342</b>     | <b>444,330</b>     | <b>(12,987)</b>     | <b>-3%</b>      | <b>546,753</b>     |
| Employee costs   | 150,619          | 163,212             | 154,891           | 12,418             | 118,808            | 118,379            | 429                 | 0%              | 154,891            |
| Remuneration of Councillors  | 24,279           | 27,334              | 25,386            | 2,069              | 18,576             | 18,811             | (235)               | -1%             | 25,386             |
| Depreciation & asset impairment                                      | 58,788           | 58,392              | 57,692            | -                  | -                  | 41,256             | (41,256)            | -100%           | 57,692             |
| Finance charges  | 3,516            | 3,729               | 745               | -                  | 232                | 616                | (384)               | -62%            | 845                |
| Materials and bulk purchases   | 114,603          | 129,586             | 134,252           | 10,063             | 100,931            | 96,730             | 4,201               | 4%              | 132,762            |
| Transfers and subsidies  | 1,402            | 3,784               | 3,771             | 67                 | 2,127              | 2,573              | (447)               | -17%            | 3,271              |
| Other expenditure  | 189,313          | 146,638             | 149,238           | 12,834             | 89,787             | 102,220            | (12,433)            | -12%            | 151,128            |
| <b>Total Expenditure</b>   | <b>542,520</b>   | <b>532,675</b>      | <b>525,975</b>    | <b>37,450</b>      | <b>330,461</b>     | <b>380,585</b>     | <b>(50,124)</b>     | <b>-13%</b>     | <b>525,975</b>     |
| <b>Surplus/(Deficit)</b>   | <b>(25,535)</b>  | <b>13,951</b>       | <b>20,778</b>     | <b>44,400</b>      | <b>100,881</b>     | <b>63,744</b>      | <b>37,137</b>       | <b>58%</b>      | <b>20,778</b>      |
| Transfers and subsidies - capital (monetary allocations)             | 68,450           | 79,332              | 80,072            | 12,213             | 49,058             | 44,715             | 4,342               | 10%             | 80,072             |
| Surplus/(Deficit) after capital transfers & contributions            | 42,916           | 93,283              | 100,850           | 56,614             | 149,939            | 108,460            | 41,479              | 38%             | 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>56,614</b>      | <b>149,939</b>     | <b>108,460</b>     | <b>41,479</b>       | <b>38%</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>9,067</b>       | <b>57,479</b>      | <b>59,348</b>      | <b>(1,869)</b>      | <b>-3%</b>      | <b>94,234</b>      |
| Capital transfers recognised   | 79,029           | 79,332              | 80,072            | 8,927              | 43,765             | 45,648             | (1,883)             | -4%             | 80,072             |
| Borrowing  | -                | -                   | -                 | -                  | -                  | -                  | -                   | -               | -                  |
| Internally generated funds   | 6,073            | 8,700               | 14,163            | 140                | 13,714             | 13,700             | 14                  | 0%              | 14,163             |
| <b>Total sources of capital funds</b>                                | <b>85,102</b>    | <b>88,032</b>       | <b>94,234</b>     | <b>9,067</b>       | <b>57,479</b>      | <b>59,348</b>      | <b>(1,869)</b>      | <b>-3%</b>      | <b>94,234</b>      |
| <b>Financial position</b>  |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| Total current assets   | 155,157          | 165,299             | 151,516           |                    | 244,327            |                    |                     |                 | 151,516            |
| Total non current assets   | 1,138,294        | 1,305,435           | 1,302,263         |                    | 1,196,311          |                    |                     |                 | 1,302,263          |
| Total current liabilities  | 122,770          | 111,087             | 112,685           |                    | 132,497            |                    |                     |                 | 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         |                    | 1,230,655          |                    |                     |                 | 1,226,187          |
| <b>Cash flows</b>  |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| Net cash from (used) operating                                       | 102,726          | 97,304              | 101,165           | 43,516             | 130,003            | 88,605             | (41,398)            | -47%            | 101,165            |
| Net cash from (used) investing                                       | (84,301)         | (80,993)            | (78,458)          | (9,067)            | (57,479)           | (45,269)           | 12,211              | -27%            | (78,458)           |
| Net cash from (used) financing                                       | (13,938)         | (11,947)            | (11,947)          | 18                 | (2,467)            | (4,418)            | (1,951)             | 44%             | (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>76,472</b>      | <b>45,766</b>      | <b>(30,706)</b>     | <b>-67%</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   | 14,890           | 5,755               | 3,743             | 3,434              | 3,267              | 3,183              | 18,009              | 98,189          | 150,470            |
| 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 March is R431,342 million and the year to date budget of R444,330 million and this reflects a negative variance of R12 987 million which is mostly attributable to equitable shares received amounting to R302, 789 million. The following are the secondary revenue item categories reflecting a positive and negative material variance:

- Interest earned - external investments: 10% unfavorable variance,
- Interest earned – outstanding debtors: 9% favorable variance,
- Rental on Facilities and Equipment: 15% favorable variance,
- Fines, penalties and forfeits: 97% unfavorable variance
- Services Charges – electricity revenue: 6% unfavorable variance
- Services Charges – refuse revenue: 7% favorable variance
- Licenses and permits: 2% favorable variance
- Property rates: 13% favorable variance
- Other revenue: 77% favorable
- Transfer and subsidies: 2% unfavorable

**Operating Expenditure**

The year to date operational expenditure as at end of March amounts to R330,461 million and the year to date budget is R380,585 million. This reflects underspending variance of R50,124 million that translates to 13% 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
- Depreciation and asset impairment: 100% under performance
- Finance charges: 64% under performance
- Other material: 17% over performance
- Contracted services: 10% over performance
- Transfer and subsidies: 17% under performance

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

## **Capital Expenditure**

The year to date actual capital expenditure as at end of March 2022 amounts to R57,479 million and the year to date budget amounts to R59,348 million and this gives rise to R1,869 million under performance.

## **Surplus/Deficit**

Taking the above into consideration, the net operating surplus for the month of March is R149,939 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 March amounts to R150,470 million and this shows an increase of R25,459 million as compared to R125,011 million as at end of 2020/21 financial year.

Consumer debtors is made up of service charges and property rates that amount to R94,155 million and other debtors amounting to R56, 315 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 March as required by MFMA and as a result.

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

| Description                                | 2020/21         | Budget Year 2021/22 |                 |                |                |                |                 |              |                    |
|--|-----------------|---------------------|-----------------|----------------|----------------|----------------|-----------------|--------------|--------------------|
|  | 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>273,364</b>  | <b>245,185</b>      | <b>263,642</b>  | <b>47,934</b>  | <b>237,114</b> | <b>234,474</b> | <b>2,640</b>    | <b>1%</b>    | <b>263,642</b>     |
| Executive and council                      | 56,129          | 48,669              | 48,669          | 10,580         | 53,432         | 53,139         | 293             | 1%           | 48,669             |
| Finance and administration                 | 203,805         | 184,328             | 202,786         | 34,704         | 172,895        | 169,147        | 3,748           | 2%           | 202,786            |
| Internal audit                             | 13,430          | 12,188              | 12,188          | 2,650          | 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>5,093</b>   | <b>21,590</b>  | <b>32,805</b>  | <b>(11,215)</b> | <b>-34%</b>  | <b>54,277</b>      |
| Community and social services              | 11,515          | 9,924               | 9,914           | 2,143          | 10,164         | 13,296         | (3,132)         | -24%         | 9,914              |
| Sport and recreation                       | 17,675          | 13,472              | 13,438          | 2,921          | 11,148         | 11,618         | (469)           | -4%          | 13,438             |
| Public safety                              | 2,853           | 65,000              | 30,925          | 29             | 278            | 7,892          | (7,613)         | -96%         | 30,925             |
| <b>Economic and environmental services</b> | <b>136,383</b>  | <b>126,286</b>      | <b>127,453</b>  | <b>21,645</b>  | <b>109,192</b> | <b>105,154</b> | <b>4,038</b>    | <b>4%</b>    | <b>127,453</b>     |
| Planning and development                   | 30,386          | 24,295              | 24,422          | 4,975          | 22,927         | 22,901         | 26              | 0%           | 24,422             |
| Road transport                             | 104,380         | 99,173              | 100,213         | 16,057         | 83,460         | 77,242         | 6,218           | 8%           | 100,213            |
| Environmental protection                   | 1,617           | 2,818               | 2,818           | 613            | 2,806          | 5,011          | (2,205)         | -44%         | 2,818              |
| <b>Trading services</b>                    | <b>143,645</b>  | <b>166,092</b>      | <b>181,452</b>  | <b>19,392</b>  | <b>112,503</b> | <b>116,612</b> | <b>(4,108)</b>  | <b>-4%</b>   | <b>181,452</b>     |
| Energy sources                             | 109,642         | 134,030             | 149,100         | 13,649         | 86,487         | 91,671         | (5,184)         | -6%          | 149,100            |
| Waste management                           | 34,003          | 32,062              | 32,353          | 5,744          | 26,016         | 24,941         | 1,075           | 4%           | 32,353             |
| <b>Total Revenue - Functional</b>          | <b>585,436</b>  | <b>625,958</b>      | <b>626,825</b>  | <b>94,064</b>  | <b>480,400</b> | <b>489,045</b> | <b>(8,645)</b>  | <b>-2%</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>18,339</b>  | <b>155,288</b> | <b>151,832</b> | <b>3,457</b>    | <b>2%</b>    | <b>198,126</b>     |
| Executive and council                      | 43,307          | 42,577              | 38,500          | 3,214          | 27,373         | 27,900         | (528)           | -2%          | 38,500             |
| Finance and administration                 | 188,602         | 148,683             | 149,540         | 14,750         | 118,908        | 115,135        | 3,773           | 3%           | 149,321            |
| Internal audit                             | 8,045           | 7,995               | 10,305          | 374            | 9,008          | 8,796          | 212             | 2%           | 10,305             |
| <b>Community and public safety</b>         | <b>73,578</b>   | <b>76,374</b>       | <b>69,101</b>   | <b>2,299</b>   | <b>22,704</b>  | <b>37,410</b>  | <b>(14,707)</b> | <b>-39%</b>  | <b>69,071</b>      |
| Community and social services              | 7,157           | 7,280               | 5,977           | 496            | 4,503          | 4,500          | 2               | 0%           | 5,947              |
| Sport and recreation                       | 8,292           | 12,783              | 8,609           | 541            | 5,711          | 5,686          | 24              | 0%           | 8,609              |
| Public safety                              | 58,129          | 56,311              | 54,515          | 1,262          | 12,490         | 27,224         | (14,733)        | -54%         | 54,515             |
| <b>Economic and environmental services</b> | <b>89,082</b>   | <b>103,751</b>      | <b>99,891</b>   | <b>4,912</b>   | <b>44,701</b>  | <b>78,371</b>  | <b>(33,671)</b> | <b>-43%</b>  | <b>98,721</b>      |
| Planning and development                   | 12,907          | 17,950              | 13,868          | 1,052          | 9,951          | 10,306         | (355)           | -3%          | 14,188             |
| Road transport                             | 75,556          | 85,136              | 85,826          | 3,860          | 34,553         | 67,868         | (33,315)        | -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>11,901</b>  | <b>107,768</b> | <b>112,972</b> | <b>(5,203)</b>  | <b>-5%</b>   | <b>160,058</b>     |
| Energy sources                             | 99,470          | 128,242             | 125,419         | 9,894          | 84,514         | 88,945         | (4,432)         | -5%          | 126,809            |
| Waste management                           | 40,435          | 25,053              | 33,219          | 2,007          | 23,255         | 24,026         | (772)           | -3%          | 33,249             |
| <b>Total Expenditure - Functional</b>      | <b>542,520</b>  | <b>532,675</b>      | <b>525,975</b>  | <b>37,450</b>  | <b>330,461</b> | <b>380,585</b> | <b>(50,124)</b> | <b>-13%</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>56,614</b>  | <b>149,939</b> | <b>108,460</b> | <b>41,479</b>   | <b>38%</b>   | <b>100,850</b>     |

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

| Vote Description                       | 2020/21         | Budget Year 2021/22 |                 |                |                |                |                 |              |                    |
|--|-----------------|---------------------|-----------------|----------------|----------------|----------------|-----------------|--------------|--------------------|
|  | 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           | 49,347          | 42,820              | 42,820          | 9,309          | 47,876         | 47,174         | 701             | 1%           | 42,820             |
| Vote 2 - Municipal Manager             | 47,408          | 42,149              | 42,149          | 9,163          | 36,327         | 42,256         | (5,929)         | -14%         | 42,149             |
| Vote 3 - Budget & Treasury             | 84,415          | 74,785              | 93,243          | 10,882         | 69,957         | 64,965         | 4,992           | 8%           | 93,243             |
| Vote 4 - Corporate Services            | 51,431          | 46,749              | 46,748          | 10,171         | 44,112         | 42,651         | 1,461           | 3%           | 46,748             |
| Vote 5 - Community Services            | 75,047          | 130,531             | 97,480          | 12,308         | 57,271         | 69,367         | (12,097)        | -17%         | 97,480             |
| Vote 6 - Technical Services            | 233,125         | 250,001             | 265,336         | 34,076         | 185,360        | 185,351        | 9               | 0%           | 265,336            |
| Vote 7 - Developmental Planning        | 21,988          | 17,052              | 17,179          | 3,401          | 15,677         | 15,411         | 266             | 2%           | 17,179             |
| Vote 8 - Executive Support             | 22,675          | 21,871              | 21,871          | 4,755          | 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>94,064</b>  | <b>480,400</b> | <b>489,045</b> | <b>(8,645)</b>  | <b>-2%</b>   | <b>626,825</b>     |
| <b>Expenditure by Vote</b>             |                 |                     |                 |                |                |                |                 |              |                    |
| Vote 1 - Executive & Council           | 37,311          | 37,114              | 33,832          | 2,865          | 23,856         | 24,277         | (421)           | -2%          | 33,832             |
| Vote 2 - Municipal Manager             | 47,145          | 36,199              | 38,707          | 3,178          | 34,849         | 34,357         | 492             | 1%           | 38,707             |
| Vote 3 - Budget & Treasury             | 78,812          | 56,980              | 58,943          | 8,588          | 49,761         | 46,020         | 3,741           | 8%           | 58,943             |
| Vote 4 - Corporate Services            | 31,806          | 35,707              | 26,629          | 1,674          | 19,223         | 20,075         | (852)           | -4%          | 26,629             |
| Vote 5 - Community Services            | 122,250         | 109,512             | 110,688         | 4,951          | 52,420         | 67,872         | (15,452)        | -23%         | 110,688            |
| Vote 6 - Technical Services            | 195,386         | 228,211             | 226,006         | 13,734         | 126,931        | 164,414        | (37,483)        | -23%         | 226,006            |
| Vote 7 - Developmental Planning        | 8,333           | 13,293              | 9,215           | 692            | 6,498          | 6,827          | (328)           | -5%          | 9,215              |
| Vote 8 - Executive Support             | 21,476          | 15,657              | 21,955          | 1,768          | 16,922         | 16,743         | 179             | 1%           | 21,955             |
| <b>Total Expenditure by Vote</b>       | <b>542,520</b>  | <b>532,675</b>      | <b>525,975</b>  | <b>37,450</b>  | <b>330,461</b> | <b>380,585</b> | <b>(50,124)</b> | <b>-13%</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>56,614</b>  | <b>149,939</b> | <b>108,460</b> | <b>41,479</b>   | <b>38%</b>   | <b>100,850</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  | 2020/21         | Budget Year 2021/22 |                 |                |                |                |                 |              |                    |
|--|-----------------|---------------------|-----------------|----------------|----------------|----------------|-----------------|--------------|--------------------|
|  | 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   | 39,442          | 38,865              | 42,616          | 3,284          | 29,916         | 26,555         | 3,361           | 13%          | 42,616             |
| Service charges - electricity revenue                                | 88,812          | 104,214             | 121,343         | 8,403          | 75,533         | 80,490         | (4,957)         | -6%          | 121,343            |
| Service charges - refuse revenue                                     | 8,926           | 9,276               | 9,568           | 790            | 7,015          | 6,571          | 444             | 7%           | 9,568              |
| Rental of facilities and equipment                                   | 956             | 898                 | 958             | 69             | 605            | 525            | 81              | 15%          | 958                |
| Interest earned - external investments                               | 585             | 1,900               | 2,432           | 191            | 1,456          | 1,611          | (155)           | -10%         | 2,432              |
| Interest earned - outstanding debtors                                | 17,041          | 12,860              | 18,360          | 1,651          | 13,613         | 12,494         | 1,119           | 9%           | 18,360             |
| Fines, penalties and forfeits  | 2,861           | 65,071              | 30,986          | 29             | 273            | 7,909          | (7,636)         | -97%         | 30,986             |
| Licences and permits   | 4,635           | 5,240               | 6,026           | 431            | 4,784          | 4,693          | 91              | 2%           | 6,026              |
| Transfers and subsidies  | 351,908         | 307,637             | 307,637         | 66,305         | 296,139        | 302,346        | (6,206)         | -2%          | 307,637            |
| Other revenue  | 1,819           | 664                 | 6,829           | 698            | 2,007          | 1,137          | 871             | 77%          | 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>81,851</b>  | <b>431,342</b> | <b>444,330</b> | <b>(12,987)</b> | <b>-3%</b>   | <b>546,753</b>     |
| <b>Expenditure By Type</b>   |                 |                     |                 |                |                |                |                 |              |                    |
| Employee related costs   | 150,619         | 163,212             | 154,891         | 12,418         | 118,808        | 118,379        | 429             | 0%           | 154,891            |
| Remuneration of councillors  | 24,279          | 27,334              | 25,386          | 2,069          | 18,576         | 18,811         | (235)           | -1%          | 25,386             |
| Debt impairment  | 61,327          | 48,632              | 48,932          | -              | -              | 19,573         | (19,573)        | -100%        | 48,932             |
| Depreciation & asset impairment                                      | 58,788          | 58,392              | 57,692          | -              | -              | 41,256         | (41,256)        | -100%        | 57,692             |
| Finance charges  | 3,516           | 3,729               | 745             | -              | 232            | 616            | (384)           | -62%         | 845                |
| Bulk purchases   | 88,182          | 110,035             | 100,035         | 8,041          | 68,442         | 68,996         | (554)           | -1%          | 100,035            |
| Other materials  | 26,421          | 19,551              | 34,217          | 2,022          | 32,489         | 27,734         | 4,755           | 17%          | 32,727             |
| Contracted services  | 75,365          | 60,088              | 59,987          | 10,951         | 59,430         | 53,977         | 5,453           | 10%          | 61,570             |
| Transfers and subsidies  | 1,402           | 3,784               | 3,771           | 67             | 2,127          | 2,573          | (447)           | -17%         | 3,271              |
| Other expenditure  | 52,620          | 37,918              | 40,320          | 1,883          | 30,357         | 28,670         | 1,687           | 6%           | 40,626             |
| Losses   |                 |                     |                 |                |                |                | -               |              |                    |
| <b>Total Expenditure</b>   | <b>542,520</b>  | <b>532,675</b>      | <b>525,975</b>  | <b>37,450</b>  | <b>330,461</b> | <b>380,585</b> | <b>(50,124)</b> | <b>-13%</b>  | <b>525,975</b>     |
| <b>Surplus/(Deficit)</b>   | <b>(25,535)</b> | <b>13,951</b>       | <b>20,778</b>   | <b>44,400</b>  | <b>100,881</b> | <b>63,744</b>  | <b>37,137</b>   | <b>58%</b>   | <b>20,778</b>      |
| Transfers and subsidies - capital (monetary allocations)             | 68,450          | 79,332              | 80,072          | 12,213         | 49,058         | 44,715         | 4,342           | 10%          | 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>56,614</b>  | <b>149,939</b> | <b>108,460</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>56,614</b>  | <b>149,939</b> | <b>108,460</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>56,614</b>  | <b>149,939</b> | <b>108,460</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>56,614</b>  | <b>149,939</b> | <b>108,460</b> |                 | <b>-</b>     | <b>100,850</b>     |

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

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

In the 2020/21 financial year an amount of R1, 483 million has been spent to date for COVID 19 danger allowance, which is included on the year to date expenditure of R150, 113 million spent on employees related costs. For the month March 2022, no COVID 19 danger allowances were paid.

Other expenditure relating to COVID 19 amounts to R106, 061 thousand relating to 2020/21 financial year and no COVID 19 expenditure of March, year to date expenditure amounted to R24, 358 thousand for the 2021/22 financial year.

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**

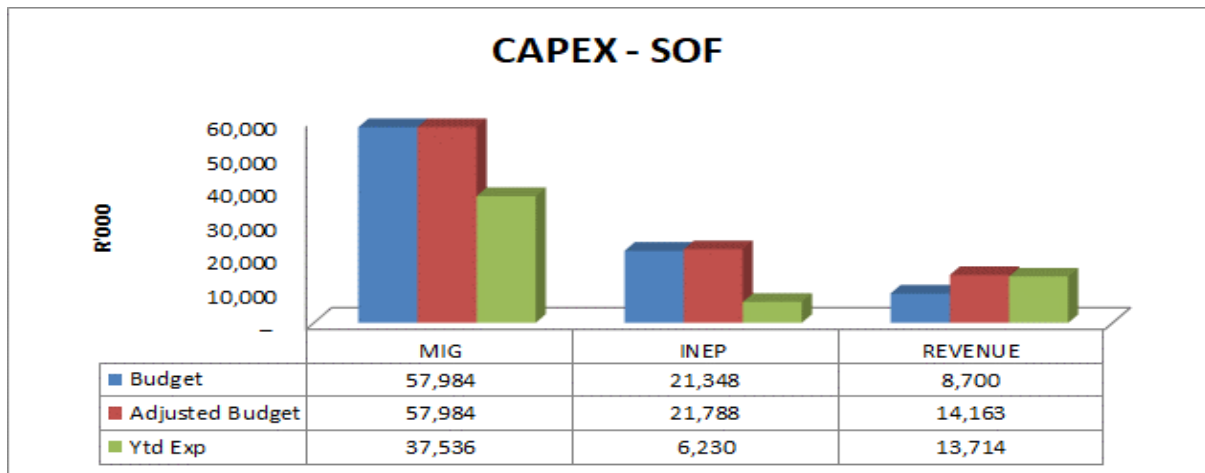
| Vote Description   | 2020/21         | Budget Year 2021/22 |                 |                |               |               |                |              |                    |
|--|-----------------|---------------------|-----------------|----------------|---------------|---------------|----------------|--------------|--------------------|
|  | 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>                         | 1,111           | 1,360               | 1,939           | 60             | 1,598         | 1,664         | (66)           | -4%          | 1,939              |
| Executive and council  |                 |                     |                 |                |               |               | -              |              |                    |
| Finance and administration                                   | 1,111           | 1,360               | 1,939           | 60             | 1,598         | 1,664         | (66)           | -4%          | 1,939              |
| Internal audit   |                 |                     |                 |                |               |               | -              |              |                    |
| <b>Community and public safety</b>                           | 2,063           | 800                 | 500             | -              | 498           | 498           | -              |              | 500                |
| Community and social services                                | 598             | 600                 | 500             | -              | 498           | 498           | -              |              | 500                |
| Sport and recreation   | 1,465           | 200                 | -               | -              | -             | -             | -              |              | -                  |
| Public safety  | -               |                     |                 |                |               |               | -              |              |                    |
| Housing  |                 |                     |                 |                |               |               | -              |              |                    |
| Health   |                 |                     |                 |                |               |               | -              |              |                    |
| <b>Economic and environmental services</b>                   | 62,035          | 63,584              | 58,284          | 4,862          | 37,536        | 39,081        | (1,545)        | -4%          | 58,284             |
| Planning and development                                     |                 | 1,100               | -               | -              | -             | -             | -              |              | -                  |
| Road transport   | 62,035          | 62,484              | 58,284          | 4,862          | 37,536        | 39,081        | (1,545)        | -4%          | 58,284             |
| Environmental protection                                     |                 |                     |                 |                |               |               | -              |              |                    |
| <b>Trading services</b>                                      | 19,894          | 22,288              | 33,512          | 4,144          | 17,848        | 18,106        | (258)          | -1%          | 33,512             |
| Energy sources   | 19,894          | 21,988              | 33,512          | 4,144          | 17,848        | 18,106        | (258)          | -1%          | 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>9,067</b>   | <b>57,479</b> | <b>59,348</b> | <b>(1,869)</b> | <b>-3%</b>   | <b>94,234</b>      |
| <b>Funded by:</b>  |                 |                     |                 |                |               |               |                |              |                    |
| National Government  | 79,029          | 79,332              | 79,772          | 8,927          | 43,765        | 45,482        | (1,717)        | -4%          | 79,772             |
| Provincial Government  |                 |                     | 300             | -              | -             | 166           | (166)          | -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>8,927</b>   | <b>43,765</b> | <b>45,648</b> | <b>(1,883)</b> | <b>-4%</b>   | <b>80,072</b>      |
| Borrowing  |                 |                     |                 |                |               |               | -              |              |                    |
| Internally generated funds                                   | 6,073           | 8,700               | 14,163          | 140            | 13,714        | 13,700        | 14             | 0%           | 14,163             |
| <b>Total Capital Funding</b>                                 | <b>85,102</b>   | <b>88,032</b>       | <b>94,234</b>   | <b>9,067</b>   | <b>57,479</b> | <b>59,348</b> | <b>(1,869)</b> | <b>-3%</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 | Monthly actual | YearTD actual | YearTD budget | YTD variance   | YTD variance | Full Year Forecast |
| <b>Multi-Year expenditure appropriation</b>  |                 |                     |                 |                |               |               |                |              |                    |
| Vote 1 - Executive & Council                 | -               | -                   | -               | -              | -             | -             | -              | -            | -                  |
| Vote 2 - Municipal Manager                   | -               | -                   | -               | -              | -             | -             | -              | -            | -                  |
| Vote 3 - Budget & Treasury                   | -               | -                   | -               | -              | -             | -             | -              | -            | -                  |
| Vote 4 - Corporate Services                  | 1,105           | 460                 | 860             | 59             | 518           | 585           | (67)           | -11%         | 860                |
| Vote 5 - Community Services                  | -               | 300                 | -               | -              | -             | -             | -              | -            | -                  |
| Vote 6 - Technical Services                  | 7,468           | 40,840              | 58,280          | 2,173          | 39,677        | 42,280        | (2,604)        | -6%          | 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>2,232</b>   | <b>40,195</b> | <b>42,865</b> | <b>(2,671)</b> | <b>-6%</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           | 498           | -              | -            | 500                |
| Vote 6 - Technical Services                  | 74,557          | 44,432              | 34,595          | 6,835          | 16,786        | 15,985        | 802            | 5%           | 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>6,835</b>   | <b>17,284</b> | <b>16,483</b> | <b>802</b>     | <b>5%</b>    | <b>35,095</b>      |
| <b>Total Capital Expenditure</b>             | <b>85,102</b>   | <b>88,032</b>       | <b>94,234</b>   | <b>9,067</b>   | <b>57,479</b> | <b>59,348</b> | <b>(1,869)</b> | <b>-3%</b>   | <b>94,234</b>      |

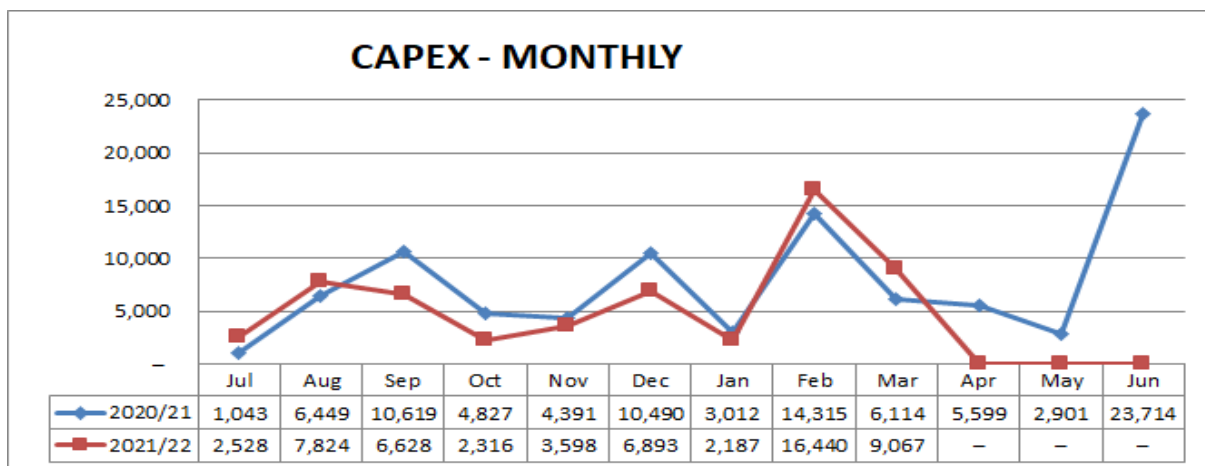
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of March 2022, R9 067 million spending is incurred and that increased the year to date expenditure to R57 479 million whilst the year to date budget is R59 348 million and this gave rise to under spending variance of R1 869 million that translates to 3%.

**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 R94, 234 million, R57, 984 million is funded from Municipal Infrastructure grant, R21, 348 million from Integrated National Electrification Programme and R14, 163 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 2020/21 and 2022/22 monthly capital expenditure performance.

**Table C6: Monthly 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           | 16,442           | 17,310             |
| Call investment deposits                 | –                | 23,315              | –                | 60,031           | –                  |
| Consumer debtors                         | 85,665           | 63,924              | 62,496           | 102,878          | 62,496             |
| Other debtors                            | 51,435           | 60,917              | 62,766           | 53,974           | 62,766             |
| Current portion of long-term receivables | 119              | –                   | 119              | –                | 119                |
| Inventory                                | 11,082           | 8,606               | 8,826            | 11,003           | 8,826              |
| <b>Total current assets</b>              | <b>155,157</b>   | <b>165,299</b>      | <b>151,516</b>   | <b>244,327</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           | 80,622           | 55,840             |
| Investments in Associate                 | –                |                     |                  |                  |                    |
| Property, plant and equipment            | 1,056,321        | 1,229,559           | 1,230,890        | 1,113,738        | 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>1,196,311</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>1,440,638</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            | 5,758            | 5,700              |
| Trade and other payables                 | 110,690          | 87,165              | 88,763           | 122,614          | 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>132,497</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>209,983</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>1,230,655</b> | <b>1,226,187</b>   |
| <b>COMMUNITY WEALTH/EQUITY</b>           |                  |                     |                  |                  |                    |
| <b>Accumulated Surplus/(Deficit)</b>     | <b>1,095,868</b> | <b>1,234,739</b>    | <b>1,216,187</b> | <b>1,230,655</b> | <b>1,216,187</b>   |
| <b>Reserves</b>                          |                  | <b>10,000</b>       | <b>10,000</b>    | –                | <b>10,000</b>      |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b>     | <b>1,095,868</b> | <b>1,244,739</b>    | <b>1,226,187</b> | <b>1,230,655</b> | <b>1,226,187</b>   |

The above table shows that community wealth amounts to R1,230 billion, total liabilities R209,983 million and the total assets R1, 440 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 1.5:1 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                                      | 2020/21         | Budget Year 2021/22 |                 |                |                 |                 |                 |              |                    |
|--|-----------------|---------------------|-----------------|----------------|-----------------|-----------------|-----------------|--------------|--------------------|
|  | 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                                   | 47,281          | 29,997              | 34,083          | 2,815          | 21,463          | 18,976          | 2,487           | 13%          | 34,083             |
| Service charges                                  | 128,148         | 107,419             | 99,738          | 9,422          | 72,781          | 62,228          | 10,553          | 17%          | 99,738             |
| Other revenue                                    | 13,218          | 20,923              | 22,389          | 2,310          | 49,507          | 11,692          | 37,816          | 323%         | 22,389             |
| Transfers and Subsidies - Operational            | 249,240         | 307,637             | 307,637         | 75,697         | 307,767         | 231,410         | 76,357          | 33%          | 307,637            |
| Transfers and Subsidies - Capital                | 70,918          | 79,332              | 79,772          | 15,390         | 79,332          | 63,786          | 15,546          | 24%          | 79,772             |
| Interest   | 941             | 3,018               | 2,432           | 289            | 2,390           | 1,762           | 628             | 36%          | 2,432              |
| <b>Payments</b>                                  |                 |                     |                 |                |                 |                 |                 |              |                    |
| Suppliers and employees                          | (404,748)       | (443,509)           | (443,527)       | (62,340)       | (400,874)       | (298,392)       | 102,482         | -34%         | (443,527)          |
| Finance charges                                  | (786)           | (3,729)             | (845)           | -              | (237)           | (804)           | (568)           | 71%          | (845)              |
| Transfers and Grants                             | (1,487)         | (3,784)             | (513)           | (67)           | (2,127)         | (2,052)         | 75              | -4%          | (513)              |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> | <b>102,726</b>  | <b>97,304</b>       | <b>101,165</b>  | <b>43,516</b>  | <b>130,003</b>  | <b>88,605</b>   | <b>(41,398)</b> | <b>-47%</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              |
| Decrease (increase) in non-current receivables   | -               | -                   | -               | -              | -               | -               | -               | -            | -                  |
| Decrease (increase) in non-current investments   | -               | -                   | -               | -              | -               | -               | -               | -            | -                  |
| <b>Payments</b>                                  |                 |                     |                 |                |                 |                 |                 |              |                    |
| Capital assets                                   | (84,243)        | (80,993)            | (84,002)        | (9,067)        | (57,479)        | (45,269)        | 12,211          | -27%         | (84,002)           |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> | <b>(84,301)</b> | <b>(80,993)</b>     | <b>(78,458)</b> | <b>(9,067)</b> | <b>(57,479)</b> | <b>(45,269)</b> | <b>12,211</b>   | <b>-27%</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             | 18             | (26)            | (45)            | 19              | -42%         | 325                |
| <b>Payments</b>                                  |                 |                     |                 |                |                 |                 |                 |              |                    |
| Repayment of borrowing                           | (13,938)        | (12,271)            | (12,271)        | -              | (2,441)         | (4,374)         | (1,933)         | 44%          | (12,271)           |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> | <b>(13,938)</b> | <b>(11,947)</b>     | <b>(11,947)</b> | <b>18</b>      | <b>(2,467)</b>  | <b>(4,418)</b>  | <b>(1,951)</b>  | <b>44%</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>34,468</b>  | <b>70,057</b>   | <b>38,918</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          |                | 76,472          | 45,766          |                 |              | 17,176             |

Table C7 presents details pertaining to cash flow performance. As at end of March 2022, the net cash inflow from operating activities is R130,003 million whilst net cash outflow from investing activities is R57,479 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R2,467 million. The cash and cash equivalent held at end of March 2022 amounted to R76,472 million and the net effect of the above cash flows is cash inflow movement of 70,057 million. The cash and cash equivalent at end of the reporting period of R76,472 million, is mainly made up of cash in the primary bank account amounting to R16,442, with a short term investment amounting to R60,031 million at the end of March 2022.

## 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                         | 13%      | The projected monthly revenue appear to be lower in light of the actual revenue performance  | The variance is immaterial and no remedial action is needed.  |
| Service charges - electricity revenue  | -6%      | The projected monthly revenue appear to be higher in light of the actual revenue performance   | No remedial action is needed as it shows the municipality has improved on the electricity revenue.  |
| Service charges - refuse revenue       | 7%       | The actual revenue generated is more than the projected monthly revenue  | No remedial action is needed as the revenue is high.  |
| Rental of facilities and equipment     | 15%      | The actual revenue generated is more than the projected monthly revenue and the majority of the rented assets are not at arm's length transactions | The municipality should look into the revenue generated on their rental of facilities to see if they generate cash as they are rented out |
| Interest earned - external investments | -10%     | The municipality has short term investment portfolios with NEDBANK and STANDARD BANK.  | The municipality should draft cash flow projections plan which will assist if there is a need to invest                                   |
| Interest earned - outstanding debtors  | 9%       | The projected revenue is less than the actual revenue generated.   | The municipality should encourage customers to pay the accounts on time to avoid incurring interest.                                      |
| Fines, penalties and forfeits          | -97%     | The contract of the speed fine cameras has been appointed and it anticipated that the municipality will collect revenue.                           | The municipality has cut down the revenue budget during the main adjustment.  |
| Licences and permits                   | 2%       | The actual revenue generated is higher than the projected monthly revenue  | No remedial action is needed since the adjustment budget has completed.   |
| Transfers and subsidies                | -2%      | The equitable share trenches received is slightly lower than the projections thereof.  | The budget unit should make use of the payment schedule during budget preparations.   |
| Other revenue                          | 77%      | The actual revenue generated is higher than the projected monthly revenue.   | No remedial action is needed as the variance is positive.   |
| <b>Expenditure By Type</b>             |          |  |   |
| Employee related costs                 | 0%       | The actual expenditure incurred on employee related costs is more than the projections thereof   | No remedial action is needed.   |
| Remuneration of councillors            | -1%      | The actual expenditure incurred on remuneration of councillors is less than the projected monthly expenditure                                      | No remedial action is needed.   |
| Debt impairment                        | -100%    | Debt impairment is still calculated at bi-annually   | The municipality should do away with this approach as it not viable   |
| Depreciation & asset impairment        | -100%    | Depreciation is still calculated bi-annually.  | The municipality should do away with this approach as it not viable   |
| Finance charges                        | -62%     | Finance charges is mainly for finance lease and the lease contract has appointed recently.   | No remedial action is needed.   |
| Bulk purchases                         | -1%      | The municipal licenced electrification areas have increased and the projections are more than the actual expenditure.                              | The end users which happens to be the infrastructure department should sent invoices on time to the supply chain for orders.              |
| Other materials                        | 17%      | The projected expenditure is less than the actual expenditure thereof.   | No remedial action is needed.   |
| Contracted services                    | 10%      | The actual expenditure incurred is less than the projected monthly expenditure   | Major contracted payments should be captured immediately when they are paid to minimize the difference between the actual and projected.  |
| Transfers and subsidies                | -17%     | The actual expenditure incurred is less than the projected monthly expenditure   | No remedial action is needed  |
| Other expenditure                      | 6%       | The actual expenditure incurred is more than the projected monthly expenditure   | No remedial action is needed  |



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

| Description                              | Variance | Reasons for material deviations   | Remedial or corrective steps/remarks   |
|--|----------|---|--|
| <b>Capital Expenditure</b>               |          |   |  |
| National Government                      | -4%      | The projections on capital grants is more than the spending thereof.                        | No remedial action is needed   |
| Provincial Government                    | -100%    | The unspent amount for the COGHSTA grant has not spent.                                     | The municipality should return the unspent funds to the department.  |
| Internally generated funds               | 0%       | The actual spending on internally generated funds is slightly more the projections thereof. | No remedial action is needed since internally generated projects are discontinued.   |
| <b>Cash Flow</b>                         |          |   |  |
| Property rates                           | 13%      | The actual collection rate on property rates is slightly less than the projected rate       | The municipality should improve on the actual collection on residential and business areas.  |
| Service charges                          | 17%      | The collection rate on service charges is higher than the projected rate                    | The municipality should come up strategies of collection methods in licenced municipal areas on electricity billings and refuse removal.   |
| Other revenue                            | 323%     | The collection rate on leased assets are under projected                                    | The municipality should come up with strategies to ensure that all leased municipal assets are rented out as projected   |
| Government - operating                   | 33%      | The receipted trenches of operational grants are under projected.                           | The municipality should make use of DORA during the draft and final budget preparations.   |
| Government - Capital                     | 24%      | The receipted trenches of capital grants are under projected.                               | During the main budget preparation division of revenue act (DORA) should be used as a guideline.   |
| Interest                                 | 36%      | Interest on other revenue is under projected to the under collection from other debtors     | No remedial action is needed   |
| Suppliers and employees                  | -34%     | The actual costs incurred is way higher than the projected costs                            | The variance is caused by outstanding payment on Contracted services, Other materials and general expenses therefore the municipality should avoid closing the year end with outstanding creditors |
| Finance charges                          | 71%      | The finance charges have been over projected.   | No remedial action is needed   |
| Transfers and Grants                     | -4%      | The payments relating to this account are slightly lower than the projections thereof       | No remedial action is needed   |
| Capital assets                           | -27%     | The projected capital expenditure on capex is more than the actual spending thereof.        | All the expected trenches of the grants have been received in line with their payment schedule   |
| Increase (decrease) in consumer deposits | -42%     | The actual payments on consumer deposit is less than the projections thereof                | No remedial action is needed   |
| Repayment of borrowing                   | 44%      | The projections is not in line with the amortisation schedule                               | No remedial action is needed   |

**Supporting Table: SC 3 - Debtors Age Analysis**

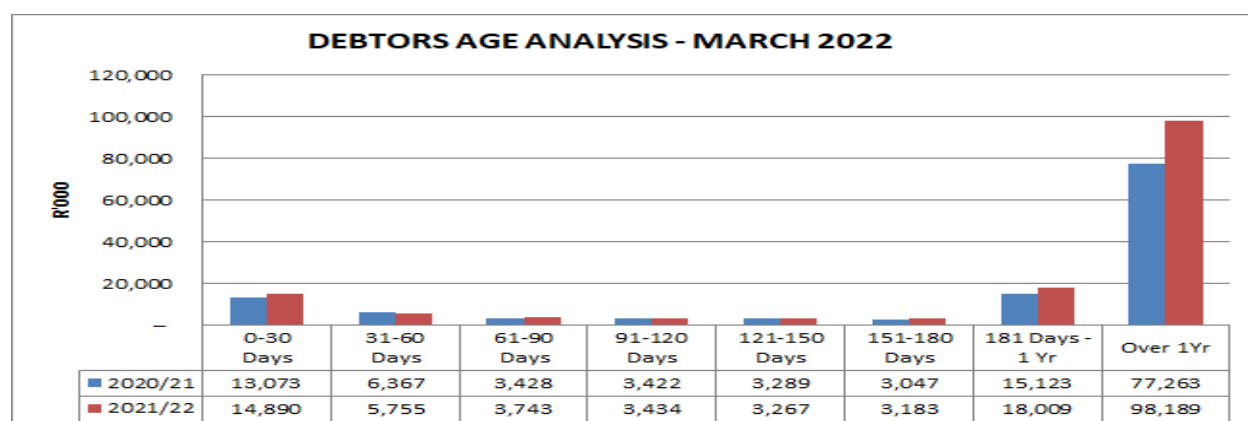
| Description   | Budget Year 2021/22 |              |              |              |              |              |               |               |                |                    |                       |                        |
|---|---------------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|----------------|--------------------|-----------------------|------------------------|
|   | 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 |
| <b>Debtors Age Analysis By Income Source</b>                            |                     |              |              |              |              |              |               |               |                |                    |                       |                        |
| Trade and Other Receivables from Exchange Transactions - Electricity    | 7,904               | 1,856        | 321          | 195          | 103          | 113          | 448           | 2,195         | 13,134         | 3,054              |                       |                        |
| Receivables from Non-exchange Transactions - Property Rates             | 3,353               | 1,662        | 1,346        | 1,262        | 1,227        | 1,176        | 6,680         | 42,861        | 59,568         | 53,206             |                       |                        |
| Receivables from Exchange Transactions - Waste Management               | 793                 | 504          | 422          | 410          | 407          | 404          | 2,328         | 14,681        | 19,950         | 18,230             |                       |                        |
| Receivables from Exchange Transactions - Property Rental Debtors        | 67                  | 48           | 40           | 35           | 31           | 31           | 150           | 1,100         | 1,503          | 1,349              |                       |                        |
| Interest on Arrear Debtor Accounts                                      | 1,667               | 1,608        | 1,555        | 1,512        | 1,477        | 1,436        | 8,171         | 35,504        | 52,930         | 48,100             |                       |                        |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure |                     |              |              |              |              |              |               |               | -              | -                  |                       |                        |
| Other   | 1,106               | 77           | 58           | 21           | 22           | 23           | 232           | 1,847         | 3,385          | 2,145              |                       |                        |
| <b>Total By Income Source</b>   | <b>14,890</b>       | <b>5,755</b> | <b>3,743</b> | <b>3,434</b> | <b>3,267</b> | <b>3,183</b> | <b>18,009</b> | <b>98,189</b> | <b>150,470</b> | <b>126,083</b>     | -                     | -                      |
| <b>2019/20 - totals only</b>  | <b>13,073</b>       | <b>6,367</b> | <b>3,428</b> | <b>3,422</b> | <b>3,289</b> | <b>3,047</b> | <b>15,123</b> | <b>77,263</b> | <b>125,011</b> | <b>102,144</b>     |                       |                        |
| <b>Debtors Age Analysis By Customer Group</b>                           |                     |              |              |              |              |              |               |               |                |                    |                       |                        |
| Organs of State   | 2,144               | 1,217        | 1,085        | 1,021        | 992          | 993          | 5,755         | 31,311        | 44,517         | 40,071             |                       |                        |
| Commercial  | 7,809               | 1,716        | 666          | 541          | 503          | 455          | 2,134         | 12,319        | 26,142         | 15,951             |                       |                        |
| Households  | 4,896               | 2,810        | 1,982        | 1,863        | 1,762        | 1,724        | 10,063        | 54,281        | 79,381         | 69,693             |                       |                        |
| Other   | 40                  | 11           | 11           | 10           | 11           | 11           | 58            | 278           | 430            | 368                |                       |                        |
| <b>Total By Customer Group</b>  | <b>14,890</b>       | <b>5,755</b> | <b>3,743</b> | <b>3,434</b> | <b>3,267</b> | <b>3,183</b> | <b>18,009</b> | <b>98,189</b> | <b>150,470</b> | <b>126,083</b>     | -                     | -                      |

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of March amount to R150,470 million. The debtors' book is made up as follows:

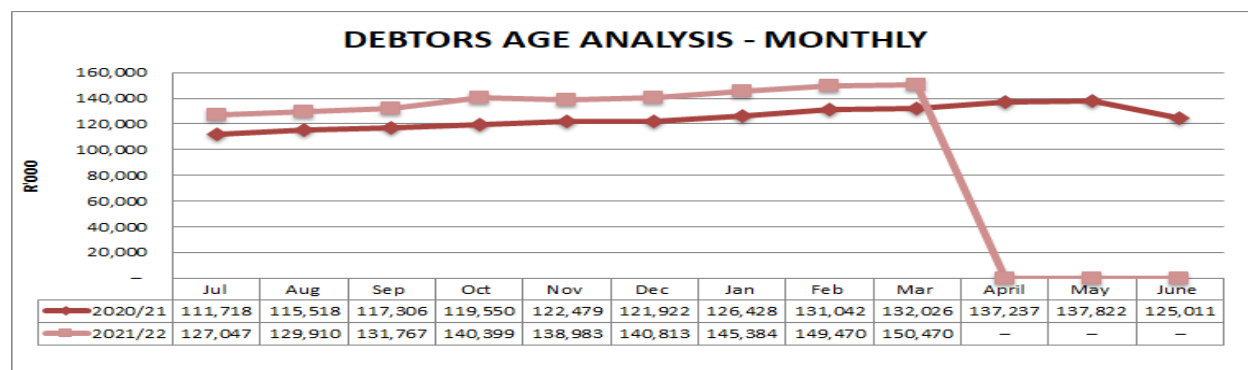
- Rates 40%
- Electricity 9%
- Rental 1%
- Refuse removal 13%
- Interest on Debtors 35%
- Other 2%

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 2020/21 financial year and 2021/22 (as at end of March 2022) whilst the latter shows monthly movement of debtors for both the current financial year and the 2020/21 financial year. The debtors book is materially less than the 2021/22 monthly figures and this is an indication that the municipality is not performing well in terms of collection.

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

## TOP TWENTY DEBTORS

| ACCOUNT NO   | ACCOUNT HOLDER NAME                                | ACCOUNT STATUS | OCC/OWN  | OUTSTANDING BALANCE |
|--------------|--|----------------|----------|---------------------|
| 9005301      | TWIN CITY TRADING PTY LTD 0000 PLUS 1 OTHER        | ACTIVE         | OWNER    | 1,766,634           |
| 9000276      | DEPARTMENT OF PUBLIC WORKS-PROVINCIAL              | ACTIVE         | OWNER    | 1,333,219           |
| 9012345      | BREED J & OOSTHUIZEN J F                           | ACTIVE         | OCCUPIER | 634,691             |
| 6000908      | DEPARTMENT OF EDUCATION                            | ACTIVE         | OWNER    | 781,169             |
| 800000478    | DAYBREAK PROP 3 PTY LTD                            | ACTIVE         | OWNER    | 482,588             |
| 1501364      | JAN JOUBERT TR (JO JO TANKS)                       | ACTIVE         | OCCUPIER | 453,486             |
| 9002065      | GOVERNMENT OF KWANDEBELE                           | ACTIVE         | OWNER    | 179,723             |
| 7000918      | MATHEBULA JABULANI JACK TITUS                      | ACTIVE         | OWNER    | 274,153             |
| 2200702      | NAMIB FAMILY TRUST                                 | ACTIVE         | OWNER    | 188,180             |
| 9001763      | TSHEHLA TRUST MAMAILE GEORGE                       | ACTIVE         | OWNER    | 187,544             |
| 20494        | BREAKAWAY TRUST                                    | ACTIVE         | OWNER    | 282,819             |
| 9000177      | DEPARTMENT OF PUBLIC WORKS (NATIONAL) (SAPS G/DAL) | ACTIVE         | OWNER    | 311,047             |
| 9900067      | WATER PURIFICATION PLANT (SDM)                     | ACTIVE         | OCCUPIER | 368,774             |
| 9002503      | GOUWS BOERDERY TRUST 1999/022459/07                | ACTIVE         | OWNER    | 172,402             |
| 9002958      | PROVINCIAL GOVERNMENT OF LIMPO                     | ACTIVE         | OWNER    | 128,685             |
| 9019006      | TIGER STRIPES INVESTMENTS (PTY                     | ACTIVE         | OWNER    | 168,340             |
| 1200062      | GREAT NORTH TRANSPORT                              | ACTIVE         | OCCUPIER | 296,643             |
| 5000305      | NKANGALA DISTRICT MUNICIPALITY                     | ACTIVE         | OWNER    | 206,562             |
| 207447       | CHOPPIES GROBLERSDAL                               | ACTIVE         | OCCUPIER | 288,144             |
| 2200691      | EHLERS JA  | ACTIVE         | OWNER    | 167,504             |
| <b>TOTAL</b> |  |                |          | <b>8,672,307</b>    |

## Supporting Table: SC 4 - Creditors Age 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. The municipality is having challenges relating to extraction of creditors age analysis and below are the contributing factors:

- Goods received vouchers (GRV) are only processed on the system as and when we are about to pay and this approach distorts the entire picture of ageing our creditors since the system will count the number of days taken to process an invoice from the date the GRV is processed.
- The contracted services are to be paid through order system payments and that should feed the age analysis module.

Proposal was made that the municipality need to maintain the invoice register that should be used for manually updating the creditors age analysis and the Budget and Treasury department is in a process of implementing the proposed register.

## TOP CREDITORS PAID

The Municipality had an amount of R22, 865 million as outstanding creditors by the end of the month of March 2022.

| CODE         | CREDITOR NAME                  | AMOUNT            |
|--------------|--------------------------------|-------------------|
| 1            | ESKOM                          | 8,375,480         |
| 81039        | LEPHATA LA BASHA TRADING AND P | 2,177,574         |
| 80984        | GUBIS 85 SOLUTION              | 2,022,977         |
| 81168        | LKCENTRIX SOLUTIONS            | 1,759,740         |
| 81207        | AFRIKAINVEST                   | 1,734,200         |
| 81054        | KGWADI YA MADIBA GENERAL       | 1,725,000         |
| 37581        | PHELADI NOKO B1 FUNERAL        | 1,265,076         |
| 81001        | JUST-BREEZE JV TLOU YA HLAKA   | 625,000           |
| 81042        | MATUPUNUKA ICT                 | 539,618           |
| 80654        | MPOFU ELECTRICAL SERVICES      | 409,952           |
| 81167        | RALEMA CONSULTING ENGINEERS    | 343,938           |
| 81147        | DZANGI CONSULTING SERVICES     | 306,395           |
| 81041        | LEKONAKONETSI CONSULTING SERVI | 284,570           |
| 81025        | STOP AND GO PROPERTIES         | 251,735           |
| 81155        | AMBITION PARTNERS CHARTERED    | 250,212           |
| 41095        | REAKGONA TRAVEL SERVICES       | 183,564           |
| 81164        | SEJAGOBE ENGINEERS             | 168,172           |
| 530          | RENA BATSWAKO TRANSPORT AND CO | 166,040           |
| 41027        | KDM TRAVEL EXPRESS             | 151,198           |
| 10           | SAGE VIP (PTY) LTD             | 124,766           |
| <b>TOTAL</b> |                                | <b>22,865,207</b> |

## Supporting Table: SC 5 - Investment Portfolio

| 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 0388235270011           | 1 Month              | Current Investment | 4.7%          |                 | 14-Mar-22   | 30,290,466        | 53,507            | -30,343,973        | -                 | -                 |
| Standard Bank 0388235270012           | 1 Month              | Current Investment | 4.8%          |                 | 21-Apr-22   | -                 | 7,890             | -                  | 20,000,000        | 20,007,890        |
| Nedbank 03/7881068264/000063          | 2 Month              | Current Investment | 5.1%          |                 | 23-May-22   | -                 | 11,266            | -                  | 20,000,000        | 20,011,266        |
| Nedbank 03/7881068264/000062          | 3 Month              | Current Investment | 5.2%          |                 | 22-Jun-22   | -                 | 11,375            |                    | 20,000,000        | 20,011,375        |
| <b>TOTAL INVESTMENTS AND INTEREST</b> |                      |                    |               |                 |             | <b>30,290,466</b> |                   | <b>-30,343,973</b> | <b>60,000,000</b> | <b>60,030,532</b> |

The Municipality's current investment portfolio during the month March opening balance amounted R30,290 million in different portfolio investments, withdrew R30,343 million, earned an interest of R53, 507 thousand and invested an amount of R60 million in different investment portfolios closed off with R60, 030 million investment.

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

| Description                                     | 2020/21         | Budget Year 2021/22 |                 |                |                |                |              |              |                    |
|---|-----------------|---------------------|-----------------|----------------|----------------|----------------|--------------|--------------|--------------------|
|   | 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>351,806</b>  | <b>307,637</b>      | <b>307,637</b>  | <b>75,697</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         | 75,697         | 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>75,697</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>15,390</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          | 15,390         | 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>15,390</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>91,087</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 R295,353 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R302, 789 million; Financial Management Grant amounting to R2,650 million; Local Government Sector Education and Training amounting to R129 thousand; Municipal Infrastructure Grant amounting to R57, 984 million; Integrated National Energy Grant R21, 348 million and Expanded Public Works Programme R1, 539 million were received. Most of the first trench of the grants allocated for the current financial year, so far have been received in line with National Treasury payment schedule.

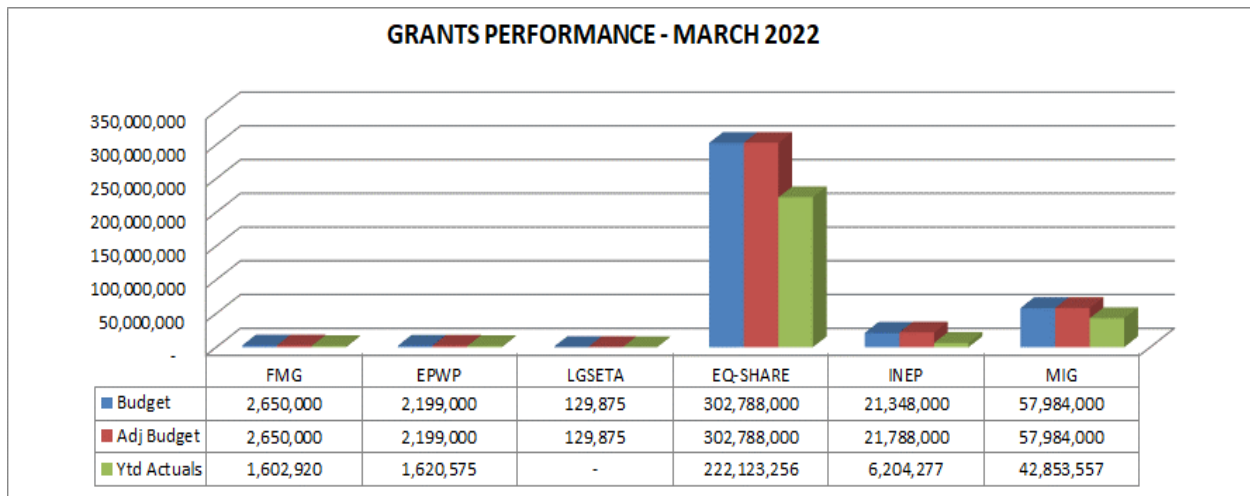
## Supporting Table: SC 7 Transfers and grants – Expenditure

| Description   | 2020/21         | Budget Year 2021/22 |                 |                |                |                |                |              |                    |
|---|-----------------|---------------------|-----------------|----------------|----------------|----------------|----------------|--------------|--------------------|
|   | 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>351,806</b>  | <b>307,637</b>      | <b>307,637</b>  | <b>25,694</b>  | <b>225,347</b> | <b>226,372</b> | <b>(1,025)</b> | <b>0%</b>    | <b>307,637</b>     |
| Local Government Equitable Share                            | 347,525         | 302,788             | 302,788         | 25,304         | 222,123        | 222,123        | -              |              | 302,788            |
| Finance Management  | 2,600           | 2,650               | 2,650           | 180            | 1,603          | 2,650          | (1,047)        | -40%         | 2,650              |
| EPWP Incentive  | 1,681           | 2,199               | 2,199           | 210            | 1,621          | 1,598          | 22             | 1%           | 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>25,694</b>  | <b>225,347</b> | <b>226,501</b> | <b>(1,155)</b> | <b>-1%</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>12,213</b>  | <b>49,058</b>  | <b>50,918</b>  | <b>(1,860)</b> | <b>-4%</b>   | <b>79,772</b>      |
| Municipal Infrastructure Grant (MIG)                        | 53,891          | 57,984              | 57,984          | 7,986          | 42,854         | 38,843         | 4,011          | 10%          | 57,984             |
| Intergrated National Electrification Grant                  | 15,000          | 21,348              | 21,788          | 4,228          | 6,204          | 12,075         | (5,870)        | -49%         | 21,788             |
| <b>Provincial Government:</b>                               | <b>-</b>        | <b>-</b>            | <b>-</b>        | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       |              | <b>-</b>           |
| Coghsta - Development                                       |                 | -                   |                 |                |                |                | -              |              |                    |
| <b>District Municipality:</b>                               | <b>-</b>        | <b>-</b>            | <b>-</b>        | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       |              | <b>-</b>           |
| N/A   |                 |                     |                 |                |                |                | -              |              |                    |
| <b>Other grant providers:</b>                               | <b>-</b>        | <b>-</b>            | <b>-</b>        | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       |              | <b>-</b>           |
| N/A   |                 |                     |                 |                |                |                | 0              |              |                    |
| <b>Total capital expenditure of Transfers and Grants</b>    | <b>68,891</b>   | <b>79,332</b>       | <b>79,772</b>   | <b>12,213</b>  | <b>49,058</b>  | <b>50,918</b>  | <b>(1,860)</b> | <b>-4%</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>37,908</b>  | <b>274,405</b> | <b>277,419</b> | <b>(3,014)</b> | <b>-1%</b>   | <b>387,539</b>     |

An amount of R37,908 million has been spent on grants during the month of March 2022 and the year to date actuals is R274, 405 million whilst the year to date budget amounts to R277, 419 million and this results in an under spending variance of R3 014 million that translates to 1%. Of the total spending amounting to R37,908 million, R25, 694 million is spent on operational grants whilst capital grants spent R12, 213 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 March 2022. The grants expenditure are shown below in percentages:

- Financial Management Grant 60.49%
- Expanded Public Work Programme 73.70%
- LGSETA 0%
- Equitable Share 73.36%
- Integrated National Electrification Grant 28.48%
- Municipal Infrastructure Grant 73.91%

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

| Summary of Employee and Councillor remuneration          | 2020/21         | Budget Year 2021/22 |                 |                |                |                |              |              |                    |
|--|-----------------|---------------------|-----------------|----------------|----------------|----------------|--------------|--------------|--------------------|
|  | 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                                 | 14,184          | 16,008              | 14,794          | 1,205          | 10,856         | 10,985         | (129)        | -1%          | 14,794             |
| Pension and UIF Contributions                            | 1,600           | 1,847               | 1,889           | 167            | 1,363          | 1,373          | (10)         | -1%          | 1,889              |
| Medical Aid Contributions                                | 396             | 399                 | 319             | 7              | 172            | 217            | (45)         | -21%         | 319                |
| Motor Vehicle Allowance                                  | 5,167           | 5,847               | 5,408           | 443            | 3,953          | 4,004          | (51)         | -1%          | 5,408              |
| Cellphone Allowance                                      | 2,708           | 2,992               | 2,738           | 229            | 2,050          | 2,050          | -            | 0%           | 2,738              |
| Other benefits and allowances                            | 223             | 243                 | 238             | 19             | 182            | 182            | -            | 0%           | 238                |
| <b>Sub Total - Councillors</b>                           | <b>24,279</b>   | <b>27,334</b>       | <b>25,386</b>   | <b>2,069</b>   | <b>18,576</b>  | <b>18,811</b>  | <b>(235)</b> | <b>-1%</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           | 260            | 2,364          | 2,372          | (8)          | 0%           | 3,162              |
| Pension and UIF Contributions                            | 141             | 299                 | 89              | 7              | 66             | 67             | (1)          | -1%          | 89                 |
| Medical Aid Contributions                                | 81              | 92                  | 52              | 9              | 47             | 39             | 9            | 23%          | 52                 |
| Motor Vehicle Allowance                                  | 420             | 912                 | 186             | 16             | 140            | 140            | -            | 0%           | 186                |
| Cellphone Allowance                                      | 114             | 151                 | 85              | 7              | 64             | 64             | -            | 0%           | 85                 |
| Other benefits and allowances                            | 1,846           | 491                 | 172             | 0              | 172            | 172            | -            | 0%           | 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>298</b>     | <b>2,853</b>   | <b>2,852</b>   | <b>0</b>     | <b>0%</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          | 8,269          | 73,538         | 73,555         | (17)         | 0%           | 98,352             |
| Pension and UIF Contributions                            | 18,983          | 27,125              | 19,631          | 1,655          | 14,627         | 14,641         | (14)         | 0%           | 19,631             |
| Medical Aid Contributions                                | 5,228           | 4,550               | 5,403           | 469            | 4,030          | 4,017          | 13           | 0%           | 5,403              |
| Overtime   | 1,353           | 1,005               | 1,197           | 48             | 870            | 900            | (30)         | -3%          | 1,197              |
| Motor Vehicle Allowance                                  | 12,066          | 12,315              | 13,024          | 1,106          | 9,687          | 9,695          | (8)          | 0%           | 13,024             |
| Cellphone Allowance                                      | 1,901           | 1,284               | 1,916           | 160            | 1,437          | 1,437          | -            | 0%           | 1,916              |
| Housing Allowances                                       | 206             | 202                 | 217             | 19             | 164            | 162            | 2            | 1%           | 217                |
| Other benefits and allowances                            | 2,655           | 8,457               | 10,233          | 126            | 10,049         | 9,963          | 86           | 1%           | 10,233             |
| Payments in lieu of leave                                | 6,688           | 173                 | 421             | 159            | 605            | 408            | 197          | 48%          | 421                |
| Long service awards                                      | 1,405           | 714                 | 749             | 108            | 950            | 749            | 201          | 27%          | 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>12,119</b>  | <b>115,956</b> | <b>115,527</b> | <b>429</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>14,487</b>  | <b>137,384</b> | <b>137,190</b> | <b>194</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>14,487</b>  | <b>137,384</b> | <b>137,190</b> | <b>194</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>12,418</b>  | <b>118,808</b> | <b>118,379</b> | <b>429</b>   | <b>0%</b>    | <b>154,891</b>     |

Table SC8 provides details for Remuneration of Councilors and Employee related cost. The total salaries, allowances and benefits paid as at end of March 2022 amounts to R137 384 million and the year to date budget is R137 190 million and the expenditure for remuneration of councilors amounts to R18,576million while the year to date budget is R18,811 million. The year to date actual expenditure for senior managers is R2,853 million and the year to date budget thereof is R2,852 million. There are four senior managerial vacant positions (Budget and Treasury, Executive Support, Infrastructure and Planning) and this is causing underspending variance on budget performance for senior management. The year to date actuals for other municipal staff is R115,956 million and the year to date budget is R115,527 million. The remuneration of councilors and other municipal staff category has under spending variance, and there are four vacant positions in the senior management level and the positions should be filled in the new financial year 2022/23.

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

| Description  | Budget Year 2021/22 |                 |                 |                 |                |                |                 |                 |                |                 |                 |                 | 2021/22 Medium Term Revenue & Expenditure Framework |                |                |  |
|--|---------------------|-----------------|-----------------|-----------------|----------------|----------------|-----------------|-----------------|----------------|-----------------|-----------------|-----------------|---|----------------|----------------|--|
|  | July                | August          | Sept            | October         | Nov            | Dec            | January         | Feb             | March          | April           | May             | June            | Year  | Year +1        | Year +2        |  |
|  | Outcome             | Outcome         | Outcome         | Outcome         | Outcome        | Outcome        | Outcome         | Outcome         | Outcome        | Budgeted        | Budgeted        | Budgeted        | 2021/22   | 2022/23        | 2023/24        |  |
| <b>Cash Receipts By Source</b>                           |                     |                 |                 |                 |                |                |                 |                 |                |                 |                 |                 |   |                |                |  |
| Property rates   | 2,693               | 2,286           | 2,287           | 2,035           | 2,302          | 2,599          | 2,173           | 2,273           | 2,815          | 2,474           | 2,480           | 3,580           | 29,997  | 30,907         | 31,931         |  |
| Service charges - electricity revenue                    | 8,269               | 7,581           | 8,119           | 7,580           | 6,434          | 7,702          | 6,394           | 8,004           | 9,017          | 7,776           | 8,569           | 14,553          | 99,998  | 101,965        | 102,930        |  |
| Service charges - refuse                                 | 461                 | 393             | 411             | 383             | 399            | 405            | 376             | 449             | 405            | 529             | 512             | 2,699           | 7,421   | 8,755          | 9,978          |  |
| Rental of facilities and equipment                       | 54                  | 69              | 19              | 48              | 51             | 80             | 101             | 35              | 32             | 60              | 60              | 288             | 898   | 936            | 977            |  |
| Interest earned - external investments                   | 200                 | 98              | 59              | -               | -              | 160            | 250             | 155             | -              | -               | 451             | 527             | 1,900   | 1,980          | 2,067          |  |
| Interest earned - outstanding debtors                    | 111                 | 162             | 64              | 67              | 109            | 410            | 120             | 136             | 289            | 50              | 176             | (576)           | 1,118   | 796            | 641            |  |
| Fines, penalties and forfeits                            | 43                  | 21              | 6               | 15              | 14             | 13             | 123             | 39              | 29             | 1,049           | 1,091           | 11,678          | 14,120  | 15,331         | 16,006         |  |
| Licences and permits                                     | 415                 | 534             | 674             | 551             | 479            | 486            | 664             | 549             | 431            | 65              | 938             | (547)           | 5,240   | 5,460          | 5,701          |  |
| Transfers and Subsidies - Operational                    | 126,712             | 2,780           | -               | -               | 989            | 100,929        | -               | 660             | 75,697         | -               | -               | (130)           | 307,637   | 322,626        | 316,577        |  |
| Other revenue  | 821                 | 1,230           | 5,065           | 1,355           | 6,061          | 1,409          | 14,711          | 11,461          | 1,818          | -               | -               | (43,267)        | 664   | 692            | 722            |  |
| <b>Cash Receipts by Source</b>                           | <b>139,778</b>      | <b>15,154</b>   | <b>16,704</b>   | <b>12,033</b>   | <b>16,837</b>  | <b>114,194</b> | <b>24,913</b>   | <b>23,762</b>   | <b>90,533</b>  | <b>12,003</b>   | <b>14,277</b>   | <b>(11,194)</b> | <b>468,994</b>                                      | <b>489,449</b> | <b>487,530</b> |  |
| <b>Other Cash Flows by Source</b>                        |                     |                 |                 |                 |                |                |                 |                 |                |                 |                 |                 |   |                |                |  |
| Transfers and subsidies - capital (monetary allocations) | 31,000              | -               | 15,000          | -               | 11,348         | 6,594          | -               | -               | 15,390         | -               | -               | -               | 79,332  | 72,606         | 76,364         |  |
| Borrowing long term/refinancing                          |                     |                 |                 |                 |                |                |                 |                 |                |                 |                 |                 |   |                |                |  |
| Increase (decrease) in consumer deposits                 | -                   | (10)            | (26)            |                 | (32)           | 25             | (35)            | 35              | 18             |                 |                 | 350             | 325   | (3,247)        | (3,247)        |  |
| Decrease (increase) in non-current receivables           |                     |                 |                 |                 |                |                |                 |                 |                |                 |                 |                 |   |                |                |  |
| Decrease (increase) in non-current investments           |                     |                 |                 |                 |                |                |                 |                 |                |                 |                 |                 |   |                |                |  |
| <b>Total Cash Receipts by Source</b>                     | <b>170,778</b>      | <b>15,144</b>   | <b>31,677</b>   | <b>12,033</b>   | <b>28,153</b>  | <b>120,813</b> | <b>24,878</b>   | <b>23,797</b>   | <b>105,941</b> | <b>12,003</b>   | <b>14,277</b>   | <b>(10,844)</b> | <b>548,651</b>                                      | <b>558,808</b> | <b>560,648</b> |  |
| <b>Cash Payments by Type</b>                             |                     |                 |                 |                 |                |                |                 |                 |                |                 |                 |                 |   |                |                |  |
| Employee related costs                                   | 11,813              | 11,829          | 11,656          | 12,948          | 12,165         | 20,179         | 13,462          | 12,338          | 12,418         | 12,700          | 12,700          | 19,003          | 163,212   | 170,102        | 177,553        |  |
| Remuneration of councillors                              | 2,020               | 2,020           | 2,020           | 2,020           | 1,866          | 2,403          | 2,085           | 2,072           | 2,069          | 2,250           | 2,250           | 4,259           | 27,334  | 28,428         | 29,565         |  |
| Interest paid  | 20                  | 12              | 4               | 4               | 2              | -              | 193             | -               | -              | -               | -               | 3,492           | 3,729   | 2,653          | 1,880          |  |
| Bulk purchases - Electricity                             | 11,178              | 10,612          | 11,630          | 8,572           | 6,954          | 7,681          | 7,345           | 7,496           | 8,041          | 9,249           | 10,296          | 10,981          | 110,035   | 114,656        | 119,701        |  |
| Other materials  | 13,325              | 2,022           | 7,355           | 4,096           | 1,265          | 1,601          | 10,271          | 2,889           | 2,022          | 1,650           | 1,106           | (14,913)        | 32,689  | 28,778         | 30,507         |  |
| Contracted services                                      | 12,814              | 8,210           | 6,502           | 9,462           | 6,734          | 12,786         | 6,313           | (5,451)         | 10,951         | 3,775           | 4,068           | (12,062)        | 64,102  | 51,538         | 45,479         |  |
| Grants and subsidies paid - other                        | 235                 | 365             | 164             | 259             | 223            | 166            | 404             | 244             | 67             | 270             | 270             | 1,118           | 3,784   | 3,943          | 4,116          |  |
| General expenses   | 11,709              | 6,905           | 1,744           | 3,421           | 2,161          | 12,877         | 2,252           | 2,906           | 26,839         | 2,356           | 2,347           | (43,654)        | 31,864  | 33,203         | 34,663         |  |
| <b>Cash Payments by Type</b>                             | <b>63,114</b>       | <b>41,976</b>   | <b>41,076</b>   | <b>40,783</b>   | <b>31,371</b>  | <b>57,693</b>  | <b>42,324</b>   | <b>22,493</b>   | <b>62,407</b>  | <b>32,250</b>   | <b>33,038</b>   | <b>(31,777)</b> | <b>436,748</b>                                      | <b>433,300</b> | <b>443,465</b> |  |
| <b>Other Cash Flows/Payments by Type</b>                 |                     |                 |                 |                 |                |                |                 |                 |                |                 |                 |                 |   |                |                |  |
| Capital assets   | 2,528               | 7,824           | 6,628           | 2,316           | 3,598          | 6,893          | 2,187           | 16,440          | 9,067          | 6,041           | 7,048           | 10,425          | 80,993  | 85,145         | 78,358         |  |
| Repayment of borrowing                                   | 965                 | 973             | 258             | 245             | -              | -              | -               | -               | -              | 1,612           | 1,712           | 6,505           | 12,271  | 11,347         | 8,120          |  |
| Other Cash Flows/Payments                                |                     |                 |                 |                 |                |                |                 |                 |                |                 |                 | 14,274          | 14,274  | 19,580         | 29,705         |  |
| <b>Total Cash Payments by Type</b>                       | <b>66,607</b>       | <b>50,773</b>   | <b>47,962</b>   | <b>43,344</b>   | <b>34,968</b>  | <b>64,586</b>  | <b>44,511</b>   | <b>38,933</b>   | <b>71,473</b>  | <b>39,903</b>   | <b>41,798</b>   | <b>(573)</b>    | <b>544,286</b>                                      | <b>549,373</b> | <b>559,648</b> |  |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>              | <b>104,172</b>      | <b>(35,630)</b> | <b>(16,285)</b> | <b>(31,311)</b> | <b>(6,815)</b> | <b>56,226</b>  | <b>(19,633)</b> | <b>(15,136)</b> | <b>34,468</b>  | <b>(27,900)</b> | <b>(27,521)</b> | <b>(10,271)</b> | <b>4,364</b>  | <b>9,435</b>   | <b>1,000</b>   |  |
| Cash/cash equivalents at the month/year beginning:       | 6,415               | 110,587         | 74,957          | 58,673          | 27,362         | 20,546         | 76,773          | 57,140          | 42,004         | 76,472          | 48,572          | 21,051          | 6,415   | 10,780         | 20,214         |  |
| Cash/cash equivalents at the month/year end:             | 110,587             | 74,957          | 58,673          | 27,362          | 20,546         | 76,773         | 57,140          | 42,004          | 76,472         | 48,572          | 21,051          | 10,780          | 10,780  | 20,214         | 21,214         |  |

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 R105, 941 million and the total cash payment for the month were R71, 473 million and this resulted in net increase in cash held amounting to R34, 468 million. With cash and cash equivalent of R42, 004 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting of R76, 472 million. This is a supporting table for table C7 – Cash Flow Statement.

### Supporting Table: SC 12 Capital Expenditure Trend

| Month  | 2020/21         | Budget Year 2021/22 |                 |                |               |               |              |              |                            |
|--|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|--------------|----------------------------|
|  | 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   | 1,043           | 12,915              | 2,528           | 2,528          | 2,528         | 2,528         | –            |              | 3%                         |
| August                                       | 6,449           | 13,723              | 7,824           | 7,824          | 10,352        | 10,352        | (0)          | 0%           | 12%                        |
| September                                    | 10,619          | 12,118              | 6,628           | 6,628          | 16,980        | 16,980        | –            |              | 19%                        |
| October                                      | 4,827           | 12,156              | 2,316           | 2,316          | 19,296        | 19,296        | –            |              | 22%                        |
| November                                     | 4,391           | 6,553               | 3,598           | 3,598          | 22,893        | 22,893        | –            |              | 26%                        |
| December                                     | 10,490          | 8,285               | 6,893           | 6,893          | 29,786        | 29,786        | –            |              | 34%                        |
| January                                      | 3,012           | 5,367               | 2,187           | 2,187          | 31,973        | 31,973        | (0)          | 0%           | 36%                        |
| February                                     | 14,315          | 3,856               | 16,440          | 16,440         | 48,413        | 48,413        | –            |              | 55%                        |
| March  | 6,114           | 3,118               | 3,574           | 9,067          | 57,479        | 51,986        | (5,493)      | -11%         | 65%                        |
| April  | 5,599           | 3,357               | 4,687           |                |               | 56,674        | –            |              |                            |
| May  | 2,901           | 3,686               | 5,388           |                |               | 62,061        | –            |              |                            |
| June   | 15,342          | 2,899               | 32,173          |                |               | 94,234        | –            |              |                            |
| <b>Total Capital expenditure</b>             | <b>85,102</b>   | <b>88,032</b>       | <b>94,234</b>   | <b>57,479</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 March amounts to R9,067 million. The year to date actual expenditure incurred is R57,479 million whilst the year to date budget is R51,986 million that gives rise to under spending variance of R5, 493 million that translate to 11%.

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

| Description   | 2020/21         | Budget Year 2021/22 |                 |                |               |               |              |              |                    |
|---|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|--------------|--------------------|
|   | 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>                                   | 10,855          | 22,048              | 28,088          | 4,064          | 12,529        | 17,065        | 4,536        | 27%          | 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          | 4,064          | 12,529        | 17,065        | 4,536        | 27%          | 28,088             |
| HV Substations  |                 |                     |                 |                |               |               | -            |              |                    |
| HV Switching Station                                    |                 |                     |                 |                |               |               | -            |              |                    |
| MV Networks   | 10,855          | 21,348              | 28,088          | 4,064          | 12,529        | 17,065        | 4,536        | 27%          | 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             | 59             | 518           | 585           | 67           | 11%          | 860                |
| Computer Equipment                                      | 769             | 460                 | 860             | 59             | 518           | 585           | 67           | 11%          | 860                |
| <b>Furniture and Office Equipment</b>                   | 1,607           | -                   | -               | -              | -             | -             | -            |              | -                  |
| Furniture and Office Equipment                          | 1,607           |                     |                 |                |               |               | -            |              |                    |
| <b>Machinery and Equipment</b>                          | 1,760           | 400                 | 300             | 80             | 194           | 114           | (80)         | -70%         | 300                |
| Machinery and Equipment                                 | 1,760           | 400                 | 300             | 80             | 194           | 114           | (80)         | -70%         | 300                |
| Transport Assets  | -               | 800                 | 1,079           | 1              | 1,079         | 1,079         | (1)          | 0%           | 1,079              |
| Transport Assets  |                 | 800                 | 1,079           | 1              | 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          | 4,204          | 14,321        | 18,843        | 4,522        | 24%          | 30,326             |

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

| Description   | 2020/21         | Budget Year 2021/22 |                 |                |               |               |              |              |                    |
|---|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|--------------|--------------------|
|   | 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> |                 |                     |                 |                |               |               |              |              |                    |
| <b>Infrastructure</b>   | 52,855          | 39,750              | 44,874          | 3,585          | 29,029        | 25,666        | (3,363)      | -13%         | 44,874             |
| Roads Infrastructure  | 50,943          | 39,750              | 39,750          | 3,585          | 23,905        | 20,542        | (3,363)      | -16%         | 39,750             |
| Roads   | 50,943          | 39,750              | 39,750          | 3,585          | 23,905        | 20,542        | (3,363)      | -16%         | 39,750             |
| Road Furniture  |                 |                     |                 |                |               |               | -            |              |                    |
| Capital Spares  |                 |                     |                 |                |               |               | -            |              |                    |
| Storm water Infrastructure  | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| <b>Electrical Infrastructure</b>  | 1,912           | -                   | 5,124           | -              | 5,124         | 5,124         | -            |              | 5,124              |
| HV Substations  |                 |                     |                 |                |               |               | -            |              |                    |
| MV Networks   |                 |                     | 5,124           | -              | 5,124         | 5,124         | -            |              | 5,124              |
| LV Networks   | 1,912           | -                   |                 |                |               |               | -            |              |                    |
| <b>Solid Waste Infrastructure</b>                                       | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| Landfill Sites  |                 |                     |                 |                |               |               | -            |              |                    |
| Waste Transfer Stations   |                 |                     |                 |                |               |               | -            |              |                    |
| <b>Community Assets</b>   | 687             | -                   | -               | -              | -             | -             | -            |              | -                  |
| Libraries   |                 |                     |                 |                |               |               | -            |              |                    |
| Cemeteries/Crematoria   | 687             |                     |                 |                |               |               | -            |              |                    |
| Police  |                 |                     |                 |                |               |               | -            |              |                    |
| <b>Sport and Recreation Facilities</b>                                  | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| Indoor Facilities   |                 |                     |                 |                |               |               | -            |              |                    |
| Outdoor Facilities  |                 |                     |                 |                |               |               | -            |              |                    |
| <b>Other assets</b>   | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| Operational Buildings   | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| Municipal Offices   |                 |                     |                 |                |               |               | -            |              |                    |
| Workshops   |                 |                     |                 |                |               |               | -            |              |                    |
| <b>Intangible Assets</b>  | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| Servitudes  |                 |                     |                 |                |               |               | -            |              |                    |
| 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 renewal of existing assets</b>          | 53,543          | 39,750              | 44,874          | 3,585          | 29,029        | 25,666        | (3,363)      | -13.1%       | 44,874             |

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

| Description   | 2020/21         | Budget Year 2021/22 |                 |                |               |               |              |              |                    |
|---|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|--------------|--------------------|
|   | 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>                                     | 13,320          | 12,276              | 25,528          | 1,500          | 23,810        | 20,548        | (3,262)      | -16%         | 24,138             |
| <b>Roads Infrastructure</b>                               | 8,367           | 7,802               | 11,748          | 1,500          | 11,852        | 8,166         | (3,685)      | -45%         | 10,358             |
| Roads   | 8,367           | 7,802               | 11,748          | 1,500          | 11,852        | 8,166         | (3,685)      | -45%         | 10,358             |
| Road Structures   |                 |                     |                 |                |               |               | -            |              |                    |
| Road Furniture  |                 |                     |                 |                |               |               | -            |              |                    |
| Storm water Infrastructure                                | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| <b>Electrical Infrastructure</b>                          | 2,195           | 2,033               | 9,099           | -              | 8,891         | 8,891         | (0)          | 0%           | 9,099              |
| HV Substations  |                 |                     |                 |                |               |               | -            |              |                    |
| HV Switching Station                                      |                 |                     |                 |                |               |               | -            |              |                    |
| HV Transmission Conductors                                |                 |                     |                 |                |               |               | -            |              |                    |
| MV Networks   | 2,195           | 2,033               | 9,099           | -              | 8,891         | 8,891         | (0)          | 0%           | 9,099              |
| <b>Solid Waste Infrastructure</b>                         | 2,757           | 2,441               | 4,681           | -              | 3,067         | 3,491         | 424          | 12%          | 4,681              |
| Landfill Sites  | 2,757           | 2,441               | 4,681           | -              | 3,067         | 3,491         | 424          | 12%          | 4,681              |
| Waste Transfer Stations                                   |                 |                     |                 |                |               |               | -            |              |                    |
| <b>Community Assets</b>                                   | 164             | 385                 | 185             | -              | 156           | 155           | (1)          | 0%           | 185                |
| Community Facilities                                      | 164             | 385                 | 185             | -              | 156           | 155           | (1)          | 0%           | 185                |
| Police  |                 |                     |                 |                |               |               | -            |              |                    |
| Parks   | 164             | 385                 | 185             | -              | 156           | 155           | (1)          | 0%           | 185                |
| <b>Sport and Recreation Facilities</b>                    | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| Indoor Facilities   |                 |                     |                 |                |               |               | -            |              |                    |
| Outdoor Facilities  |                 |                     |                 |                |               |               | -            |              |                    |
| <b>Other assets</b>                                       | 1,991           | 1,756               | 616             | 2              | 529           | 518           | (11)         | -2%          | 616                |
| Operational Buildings                                     | 1,991           | 1,756               | 616             | 2              | 529           | 518           | (11)         | -2%          | 616                |
| Stores  |                 | 1,229               | 79              | -              | 28            | 28            | -            |              | 79                 |
| <b>Intangible Assets</b>                                  | -               | 187                 | 60              | -              | 27            | 44            | 16           | 38%          | 60                 |
| Servitudes  |                 |                     |                 |                |               |               | -            |              |                    |
| Computer Software and Applications                        |                 | 187                 | 60              | -              | 27            | 44            | 16           | 38%          | 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           | 361            | 2,244         | 1,928         | (316)        | -16%         | 2,195              |
| Machinery and Equipment                                   | 1,561           | 2,083               | 2,195           | 361            | 2,244         | 1,928         | (316)        | -16%         | 2,195              |
| <b>Transport Assets</b>                                   | 3,099           | 1,313               | 2,589           | 32             | 2,246         | 1,951         | (295)        | -15%         | 2,589              |
| Transport Assets  | 3,099           | 1,313               | 2,589           | 32             | 2,246         | 1,951         | (295)        | -15%         | 2,589              |
| <b>Total Repairs and Maintenance Expenditure</b>          | 20,140          | 17,999              | 31,174          | 1,895          | 29,012        | 25,145        | (3,867)      | -15.4%       | 29,784             |



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

| Description                                  | 2020/21         | Budget Year 2021/22 |                 |                |               |               |              |              |                    |
|--|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|--------------|--------------------|
|  | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance | Full Year Forecast |
| <b>Depreciation by Asset Class/Sub-class</b> |                 |                     |                 |                |               |               |              |              |                    |
| <b>Infrastructure</b>                        | 45,372          | 43,068              | 42,368          | -              | -             | 41,349        | 41,349       | 100%         | 42,368             |
| <b>Roads Infrastructure</b>                  | 40,540          | 38,002              | 37,502          | -              | -             | 37,502        | 37,502       | 100%         | 37,502             |
| Roads  | 40,540          | 38,002              | 37,502          |                |               | 37,502        | 37,502       | 100%         | 37,502             |
| Road Structures                              |                 |                     |                 |                |               |               | -            |              |                    |
| Road Furniture                               |                 |                     |                 |                |               |               | -            |              |                    |
| Storm water Infrastructure                   | -               | 399                 | 399             | -              | -             | 33            | 33           | 100%         | 399                |
| Attenuation                                  |                 |                     |                 |                |               |               | -            |              |                    |
| <b>Electrical Infrastructure</b>             | 4,281           | 3,954               | 3,754           | -              | -             | 3,754         | 3,754        | 100%         | 3,754              |
| HV Substations                               |                 |                     |                 |                |               |               | -            |              |                    |
| HV Switching Station                         |                 |                     |                 |                |               |               | -            |              |                    |
| HV Transmission Conductors                   | 4,281           | 3,954               | 3,754           |                |               | 3,754         | 3,754        | 100%         | 3,754              |
| LV Networks                                  |                 |                     |                 |                |               |               | -            |              |                    |
| <b>Solid Waste Infrastructure</b>            | 551             | 714                 | 714             | -              | -             | 59            | 59           | 100%         | 714                |
| Landfill Sites                               | 551             | 714                 | 714             |                |               | 59            | 59           | 100%         | 714                |
| Waste Transfer Stations                      |                 |                     |                 |                |               |               | -            |              |                    |
| <b>Community Assets</b>                      | 1,153           | 1,231               | 1,231           | -              | -             | 103           | 103          | 100%         | 1,231              |
| Cemeteries/Crematoria                        |                 |                     |                 |                |               |               | -            |              |                    |
| Public Open Space                            | 1,153           | 1,231               | 1,231           |                |               | 103           | 103          | 0            | 1,231              |
| <b>Heritage assets</b>                       | -               | 5                   | 5               | -              | -             | 0             | 0            | 100%         | 5                  |
| Other Heritage                               | -               | 5                   | 5               |                |               | 0             | 0            | 0            | 5                  |
| <b>Other assets</b>                          | 3,935           | 4,140               | 4,140           | -              | -             | 345           | 345          | 0            | 4,140              |
| Operational Buildings                        | 3,935           | 4,140               | 4,140           | -              | -             | 345           | 345          | 100%         | 4,140              |
| Workshops                                    |                 |                     |                 |                |               |               | -            |              |                    |
| <b>Intangible Assets</b>                     | 8               | 51                  | 51              | -              | -             | 4             | 4            | 100%         | 51                 |
| Licences and Rights                          | 8               | 51                  | 51              | -              | -             | 4             | 4            | 100%         | 51                 |
| Computer Software and Applications           | 8               | 51                  | 51              |                |               | 4             | 4            | 100%         | 51                 |
| <b>Computer Equipment</b>                    | -               | 692                 | 692             | -              | -             | 58            | 58           | 100%         | 692                |
| Computer Equipment                           | -               | 692                 | 692             |                |               | 58            | 58           | 100%         | 692                |
| <b>Furniture and Office Equipment</b>        | 623             | 590                 | 590             | -              | -             | 49            | 49           | 100%         | 590                |
| Furniture and Office Equipment               | 623             | 590                 | 590             |                |               | 49            | 49           | 100%         | 590                |
| <b>Machinery and Equipment</b>               | 2,684           | 2,864               | 2,864           | -              | -             | 239           | 239          | 100%         | 2,864              |
| Machinery and Equipment                      | 2,684           | 2,864               | 2,864           |                |               | 239           | 239          | 100%         | 2,864              |
| <b>Transport Assets</b>                      | 4,399           | 5,751               | 5,751           | -              | -             | 479           | 479          | 100%         | 5,751              |
| Transport Assets                             | 4,399           | 5,751               | 5,751           |                |               | 479           | 479          | 100%         | 5,751              |
| <b>Total Depreciation</b>                    | 58,174          | 58,392              | 57,692          | -              | -             | 42,626        | 42,626       | 100%         | 57,692             |

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

| Description   | 2020/21         | Budget Year 2021/22 |                 |                |               |               |              |              |                    |
|---|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|--------------|--------------------|
|   | 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>   | 15,239          | 22,674              | 18,534          | 1,278          | 13,631        | 14,339        | 708          | 5%           | 18,534             |
| <b>Roads Infrastructure</b>   | 15,239          | 13,184              | 18,534          | 1,278          | 13,631        | 14,339        | 708          | 5%           | 18,534             |
| Roads   | 15,239          | 13,184              | 18,534          | 1,278          | 13,631        | 14,339        | 708          | 5%           | 18,534             |
| Road Structures   |                 |                     |                 |                |               |               | -            |              |                    |
| Road Furniture  |                 |                     |                 |                |               |               | -            |              |                    |
| Storm water Conveyance  |                 |                     |                 |                |               |               | -            |              |                    |
| Attenuation   |                 |                     |                 |                |               |               | -            |              |                    |
| <b>Electrical Infrastructure</b>  | -               | 340                 | -               | -              | -             | -             | -            |              | -                  |
| HV Substations  |                 |                     |                 |                |               |               | -            |              |                    |
| HV Switching Station  |                 |                     |                 |                |               |               | -            |              |                    |
| LV Networks   |                 |                     |                 |                |               |               | -            |              |                    |
| Capital Spares  |                 | 340                 | -               | -              | -             | -             | -            |              | -                  |
| <b>Solid Waste Infrastructure</b>   | -               | 9,150               | -               | -              | -             | -             | -            |              | -                  |
| Landfill Sites  |                 | 9,150               | -               | -              | -             | -             | -            |              | -                  |
| <b>Community Assets</b>   | 602             | 700                 | 500             | -              | 498           | 500           | 2            | 0%           | 500                |
| <b>Community Facilities</b>   | 602             | 700                 | 500             | -              | 498           | 500           | 2            | 0%           | 500                |
| Libraries   |                 |                     |                 |                |               |               | -            |              |                    |
| Cemeteries/Crematoria   |                 | 500                 | 500             | -              | 498           | 500           | 2            | 0%           | 500                |
| Police  |                 |                     |                 |                |               |               | -            |              |                    |
| Parks   | 602             | 200                 | -               | -              | -             | -             | -            |              | -                  |
| <b>Other assets</b>   | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| Operational Buildings   |                 |                     |                 |                |               |               | -            |              |                    |
| Workshops   |                 |                     |                 |                |               |               | -            |              |                    |
| <b>Intangible Assets</b>  | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| Servitudes  |                 |                     |                 |                |               |               | -            |              |                    |
| 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>          | 15,841          | 23,374              | 19,034          | 1,278          | 14,129        | 14,839        | 710          | 5%           | 19,034             |

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 R14,321 million and the year to date budget is R18,843 million that reflects over spending variance of R4,522 million that translates to 24% variance.

The year to date actuals on renewal of existing assets amounts R29,029 million and with the year to date budget of R25,666 million and this reflects under spending variance of R3, 363 million that translates to 13.1% variance.

The year to date actual expenditure on repairs and maintenance is R29,012 million, and the year to date budget is R25,145 million, reflecting over spending variance of R3,867 million that translates to 15.4%.

The year to date actual expenditure on upgrading of existing assets is R14,129 million and the year to date budget is R14,839 million, reflecting over spending variance of R710 thousands that translates to 5%.

The year to date actual expenditure on depreciation and asset impairment is R0 and the year to date budget is R42, 626 million, reflecting spending variance of R42, 626 million, that translates to 100% which means the integration between asset management system and core financial system is done bi-annually and this is one of the requirements for implementation of mSCOA. This is basically mean that the municipality is partially complying with some of mSCOA requirements.

## List of Capital Programmes and Projects

| Department                    | Project Description                             | Type      | Asset Class                | Asset Sub-Class         | Medium Term Revenue and Expenditure Framework |                 |             |            |
|-------------------------------|---|-----------|----------------------------|-------------------------|---|-----------------|-------------|------------|
|                               |   |           |                            |                         | Budget Year 2021/22                           |                 |             |            |
|                               |   |           |                            |                         | Original Budget                               | Adjusted Budget | YTD Actuals | Percentage |
| <b>Parent municipality:</b>   |   |           |                            |                         |   |                 |             |            |
| Technical Services            | Grblersdal Traffic Lights                       | Upgrading | Electrical Infrastructure  | Capital Spares          | 340,000                                       | -               | -           | 0%         |
| Technical Services            | Aircons   | New       | Machinery and Equipment    | Transport Assets        | 300,000                                       | 300,000         | 194,455     | 65%        |
| Technical Services            | Electrification of Ga Posa                      | New       | Electrical Infrastructure  | MV Networks             | 2,088,000                                     | 4,530,000       | 2,145,425   | 47%        |
| Technical Services            | Electrification of Maleoskop                    | New       | Electrical Infrastructure  | MV Networks             | 3,348,000                                     | 3,300,000       | 669,199     | 20%        |
| Technical Services            | Electrification of Masakaneng                   | New       | Electrical Infrastructure  | MV Networks             | 5,508,000                                     | 6,722,000       | 338,578     | 5%         |
| Technical Services            | Electrification of Matlala Lehwelere            | New       | Electrical Infrastructure  | MV Networks             | 3,438,000                                     | 4,428,000       | 1,159,889   | 26%        |
| Technical Services            | Electrification of Rondebosch                   | New       | Electrical Infrastructure  | MV Networks             | 1,206,000                                     | 1,332,000       | 627,020     | 47%        |
| Technical Services            | Electrification of Vlakkfontein                 | New       | Electrical Infrastructure  | MV Networks             | 5,760,000                                     | 1,476,012       | 1,289,402   | 87%        |
| Technical Services            | Groblersdal Lanfillsite                         | Upgrading | Solid Waste Infrastructure | Landfill Sites          | 9,050,000                                     | -               | -           | 0%         |
| Technical Services            | Culverts and Road signs                         | New       | Roads Infrastructure       | Roads                   | 500,000                                       | -               | -           | 0%         |
| Technical Services            | kgapamadi Bus Road                              | Renewal   | Roads Infrastructure       | Roads                   | 1,000,000                                     | -               | -           | 0%         |
| Technical Services            | Motetema Streets Upgrade                        | New       | Roads Infrastructure       | Roads                   | 1,500,000                                     | -               | -           | 0%         |
| Technical Services            | Rehabilitaion of roads/streets in various wards | Renewal   | Roads Infrastructure       | Roads                   | 2,500,000                                     | -               | -           | 0%         |
| Technical Services            | Dipakapakeng Access Road                        | Upgrading | Roads Infrastructure       | Roads                   | 21,750,000                                    | 21,750,000      | 10,485,277  | 48%        |
| Technical Services            | Bloompoort Road                                 | Renewal   | Roads Infrastructure       | Roads                   | 13,000,000                                    | 18,000,000      | 13,419,693  | 75%        |
| Technical Services            | Tafelkop stadium                                | Upgrading | Roads Infrastructure       | Roads                   | 13,184,000                                    | 18,234,000      | 13,630,689  | 75%        |
| Information Technology        | Computer Equipment                              | New       | Computer Equipment         | Computer Equipment      | 460,000                                       | 860,000         | 518,100     | 60%        |
| Fleet Management              | Vehicles  | New       | Transport Assets           | Transport Assets        | 800,000                                       | 1,078,503       | 1,079,482   | 100%       |
| Finance                       | Forklift  | New       | Machinery and Equipment    | Machinery and Equipment | 100,000                                       | -               | -           | 0%         |
| Community Services            | Fencing of Elandsdoorn Cemeteries               | Renewal   | Community Facilities       | Cemeteries/Crematoria   | 500,000                                       | 500,000         | 498,001     | 100%       |
| Community Services            | Development of Parks                            | Upgrading | Community Facilities       | Parks                   | 200,000                                       | -               | -           | 0%         |
| Community Services            | Disaster Management Centre                      | New       | Community Facilities       | Centres                 | 100,000                                       | -               | -           | 0%         |
| Community Services            | No Illegal Dumping                              | New       | Solid Waste Infrastructure | Capital Spares          | 200,000                                       | -               | -           | 0%         |
| Economic Development Planning | Fencing of Game Farm                            | New       | Land                       | Land                    | 1,100,000                                     | -               | -           | 0%         |
| Technical Services            | Masakaneng Internal Roads                       | Upgrading | Roads Infrastructure       | Roads                   | -   | 299,764         | -           | 0%         |
| Technical Services            | Electrification of Rossenekal                   | New       | Electrical Infrastructure  | MV Networks             | -   | 6,299,821       | 6,299,821   | 100%       |
| Technical Services            | Groblersdal Smart Metering                      | New       | Electrical Infrastructure  | MV Networks             | -   | 5,124,276       | 5,124,268   | 100%       |
| Community Services            | Rosenekal Concrete Palisade                     | Upgrading | Solid Waste Infrastructure | Landfill Sites          | 100,000                                       | -               | -           | 0%         |

# Quality certificate

I, **MESHACK MAHLAGAUME KGWALE**, the Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the monthly budget statement report and supporting documentation for the month of March 2022 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 PP. G. Mashauwa  
Date 14/04/2022