

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



SECTION 52 REPORT: 2022/23

REPORTING PERIOD: SECOND QUARTER

PART 1: QUARTERLY REPORT

PURPOSE

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

Executive Summary

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

IN YEAR BUDGET STATEMENT TABLES

DESCRIPTION	2022/23			
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE ACTUAL	PERCENT AGE
OPERATING REVENUE	601,350,985	-	334,512,867	56%
OPERATING EXPENDITURE	597,283,011	-	239,916,437	40%
TRANSFER - CAPITAL	79,606,004	-	44,960,279	56%
SURPLUS/(DEFICIT)	83,673,978	-	140,898,630	168%
CAPITAL EXPENDITURE	98,041,001	-	49,780,917	51%

Table C1: Quarterly Budget Statement Summary

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Financial Performance									
Property rates	39,913	44,645	-	14,690	29,361	22,322	7,038	32%	44,645
Service charges	108,243	117,968	-	26,858	52,666	59,386	(6,719)	-11%	117,968
Investment revenue	1,780	3,652	-	402	897	1,480	(583)	-39%	3,652
Transfers and subsidies	297,765	338,906	-	106,051	238,030	254,918	(16,888)	-7%	338,906
Other own revenue	30,108	96,180	-	7,797	13,559	51,150	(37,591)	-73%	96,180
Total Revenue (excluding capital transfers and contributions)	477,810	601,351	-	155,797	334,513	389,256	(54,743)	-14%	601,351
Employee costs	157,625	185,316	-	48,488	87,806	92,667	(4,861)	-5%	185,316
Remuneration of Councillors	24,783	25,580	-	6,299	12,841	12,790	51	0%	25,580
Depreciation & asset impairment	-	59,780	-	-	-	29,890	(29,890)	-100%	59,780
Finance charges	1,121	2,185	-	-	137	1,345	(1,208)	-90%	2,185
Materials and bulk purchases	136,677	148,283	-	33,491	71,558	72,693	(1,135)	-2%	148,283
Transfers and subsidies	1,547	3,292	-	280	552	1,767	(1,214)	-69%	3,292
Other expenditure	143,963	172,846	-	31,958	67,021	100,956	(33,936)	-34%	172,846
Total Expenditure	465,716	597,283	-	120,517	239,916	312,109	(72,192)	-23%	597,283
Surplus/(Deficit)	12,094	4,068	-	35,281	94,596	77,147	17,449	23%	4,068
Transfers and subsidies - capital (monetary allocations) (National / F	67,914	79,606	-	21,858	46,302	59,977	(13,675)	-23%	79,606
Transfers and subsidies - capital (monetary allocations)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	80,008	83,674	-	57,139	140,899	137,124	3,774	3%	83,674
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	80,008	83,674	-	57,139	140,899	137,124	3,774	3%	83,674
Capital expenditure & funds sources									
Capital expenditure	72,706	98,041	-	27,088	49,781	60,797	(11,016)	-18%	98,041
Capital transfers recognised	70,770	79,606	-	23,967	44,960	49,744	(4,784)	-10%	79,606
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	1,936	18,435	-	3,120	4,821	11,053	(6,233)	-56%	18,435
Total sources of capital funds	72,706	98,041	-	27,088	49,781				98,041
Financial position									
Total current assets	133,384	158,966	-		274,817				158,966
Total non current assets	1,223,261	1,325,025	-		1,236,618				1,325,025
Total current liabilities	92,636	120,343	-		176,259				120,343
Total non current liabilities	78,238	113,710	-		99,335		60,797		113,710
Community wealth/Equity	1,185,771	1,249,938	-		1,235,841				1,249,938
Cash flows									
Net cash from (used) operating	72,937	94,811	-	70,930	93,430	84,414	(9,016)	-11%	94,811
Net cash from (used) investing	(70,756)	(78,022)	-	(27,088)	(49,781)	(52,811)	(3,030)	6%	(78,022)
Net cash from (used) financing	(2,441)	(6,971)	-	-	(542)	(510)	32	-6%	(6,971)
Cash/cash equivalents at the month/year end	6,597	24,063	-	-	49,704	45,338	(4,366)	-10%	16,415
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	15,977	5,244	4,594	4,170	3,086	3,780	18,354	121,072	176,278
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

Revenue

For the second quarter of October to December 2023, the year to date actual amounted to R334, 513 million with the year to date budget of R389, 256 which shows negative 14% year to date variance when compared to the year to date budget. Of the total revenue received during the second quarter, the major portion of R104, 805 million is from equitable share. Other receipts are from property rates, service charges and other grants.

Operating Expenditure

The operating expenditure for the second quarter amounts to R120, 517 million with the year to date budget of R312, 109 million which shows negative 23% year to date variance when compared to the year to date budget.

Capital Expenditure

The year to date actual capital expenditure as at end of second quarter amounts to R49, 781 million and the year to date budget amounts to R60, 797 million and this deviates with negative 18% when compared to year to date target.

Surplus/Deficit

Taking the above into consideration the net operating surplus for the second quarter ending 31 December 2022 amounts to R140, 899 million.

Debtors

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of December amounts to R176, 278 million and this shows an increase of R17, 940 million as compared to R158, 338 million as at end of 2021/22 financial year. This increase portrays declining revenue collection of the municipality as the lesser the collection rate the more the increase in consumer debtors.

Consumer debtors is made up of service charges and property rates that amount to R108, 413 million and other debtors amounting to R67, 865 million. Debtors such those relating to traffic fines are reported as other debtors as presented under current assets on Table C6 and as a result, they do not form part of consumer debtors.

Creditors

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

Table C2 – Quarterly Financial Performance (Standard Classification)

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue - Functional									
Governance and administration	249,584	281,883	-	90,850	189,984	199,169	(9,185)	-5%	281,883
Executive and council	53,432	53,728	-	14,728	28,653	38,653	(10,000)	-26%	53,728
Finance and administration	185,365	214,701	-	71,876	150,876	150,061	815	1%	214,701
Internal audit	10,787	13,455	-	4,246	10,455	10,455	0	0%	13,455
Community and public safety	23,607	96,507	-	12,073	21,605	57,830	(36,225)	-63%	96,507
Community and social services	10,214	10,998	-	5,211	9,901	9,935	(33)	0%	10,998
Sport and recreation	11,148	17,075	-	5,995	10,733	10,753	(19)	0%	17,075
Public safety	2,244	68,435	-	867	970	37,142	(36,172)	-97%	68,435
Economic and environmental services	122,556	124,248	-	31,164	82,308	86,708	(4,400)	-5%	124,248
Planning and development	23,586	20,920	-	7,038	17,759	17,095	664	4%	20,920
Road transport	96,164	102,518	-	23,827	63,738	68,802	(5,065)	-7%	102,518
Environmental protection	2,806	811	-	300	811	811	(0)	0%	811
Trading services	149,977	178,318	-	43,568	86,918	105,526	(18,608)	-18%	178,318
Energy sources	121,594	145,384	-	32,649	63,040	80,575	(17,535)	-22%	145,384
Waste management	28,383	32,935	-	10,920	23,879	24,951	(1,072)	-4%	32,935
Total Revenue - Functional	545,724	680,957	-	177,655	380,815	449,233	(68,418)	-15%	680,957
Expenditure - Functional									
Governance and administration	213,771	220,755	-	49,411	108,375	114,152	(5,778)	-5%	220,755
Executive and council	41,413	47,573	-	9,423	19,475	22,247	(2,772)	-12%	47,573
Finance and administration	161,909	163,419	-	36,098	83,011	86,369	(3,358)	-4%	163,419
Internal audit	10,449	9,764	-	3,890	5,888	5,536	352	6%	9,764
Community and public safety	35,025	89,593	-	11,188	19,368	55,904	(36,536)	-65%	89,593
Community and social services	5,961	8,174	-	1,826	3,265	4,144	(879)	-21%	8,174
Sport and recreation	9,938	16,175	-	2,305	4,379	8,369	(3,991)	-48%	16,175
Public safety	19,126	65,243	-	7,057	11,724	43,391	(31,667)	-73%	65,243
Economic and environmental services	63,229	120,750	-	23,086	42,849	62,723	(19,873)	-32%	120,750
Planning and development	16,804	20,798	-	5,597	9,656	11,055	(1,399)	-13%	20,798
Road transport	46,228	99,257	-	17,489	33,193	51,320	(18,127)	-35%	99,257
Environmental protection	197	696	-	-	-	348	(348)	-100%	696
Trading services	153,690	166,185	-	36,832	69,325	79,330	(10,005)	-13%	166,185
Energy sources	120,044	134,925	-	27,321	52,144	63,829	(11,686)	-18%	134,925
Waste management	33,647	31,260	-	9,511	17,181	15,500	1,680	11%	31,260
Total Expenditure - Functional	465,716	597,283	-	120,517	239,916	312,109	(72,192)	-23%	597,283
Surplus/ (Deficit) for the year	80,008	83,674	-	57,139	140,899	137,124	3,774	3%	83,674

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

Vote Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue by Vote									
Vote 1 - Executive & Council	47,876	47,271	-	12,613	23,196	33,196	(10,000)	-30%	47,271
Vote 2 - Municipal Manager	36,327	46,531	-	17,235	37,531	37,531	0	0%	46,531
Vote 3 - Budget & Treasury	82,410	103,972	-	31,110	62,670	58,845	3,825	7%	103,972
Vote 4 - Corporate Services	44,128	50,627	-	19,216	44,164	45,174	(1,010)	-2%	50,627
Vote 5 - Community Services	62,834	138,801	-	25,720	51,579	88,460	(36,881)	-42%	138,801
Vote 6 - Technical Services	231,991	265,908	-	62,601	137,987	163,003	(25,016)	-15%	265,908
Vote 7 - Developmental Planning	16,336	12,923	-	3,962	11,763	11,099	664	6%	12,923
Vote 8 - Executive Support	23,821	14,925	-	5,198	11,925	11,925	0	0%	14,925
Total Revenue by Vote	545,724	680,957	-	177,655	380,815	449,233	(68,418)	-15%	680,957
Expenditure by Vote									
Vote 1 - Executive & Council	35,397	35,371	-	8,151	16,668	18,488	(1,820)	-10%	35,371
Vote 2 - Municipal Manager	45,887	41,983	-	12,193	24,650	21,699	2,952	14%	41,983
Vote 3 - Budget & Treasury	171,728	66,301	-	68,852	174,175	34,551	139,624	404%	66,301
Vote 4 - Corporate Services	26,478	36,714	-	6,942	14,066	18,242	(4,176)	-23%	36,714
Vote 5 - Community Services	77,045	130,751	-	23,188	41,181	76,364	(35,183)	-46%	130,751
Vote 6 - Technical Services	179,490	248,110	-	47,665	90,968	122,964	(31,996)	-26%	248,110
Vote 7 - Developmental Planning	12,217	15,057	-	4,227	6,774	8,129	(1,355)	-17%	15,057
Vote 8 - Executive Support	22,638	22,996	-	6,437	12,333	11,672	661	6%	22,996
Total Expenditure by Vote	570,880	597,283	-	177,655	380,815	312,109	68,706	22%	597,283
Surplus/ (Deficit) for the year	(25,156)	83,674	-	-	0	137,124	(137,124)	-100%	83,674

Table C2 and C3 measures the quarterly actual against the year to date performance targets which is realized by vote and standard classification. The variances are all reflected in the year to date variance column.

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

Table C4: Quarterly Financial performance by Revenue Source and Expenditure Type

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue By Source									
Property rates	39,913	44,645	-	14,690	29,361	22,322	7,038	32%	44,645
Service charges - electricity revenue	98,860	108,186	-	24,682	48,045	54,374	(6,329)	-12%	108,186
Service charges - refuse revenue	9,383	9,781	-	2,176	4,621	5,011	(391)	-8%	9,781
Rental of facilities and equipment	998	1,004	-	195	415	499	(84)	-17%	1,004
Interest earned - external investments	1,780	3,652	-	402	897	1,480	(583)	-39%	3,652
Interest earned - outstanding debtors	19,283	18,817	-	3,536	6,869	10,060	(3,191)	-32%	18,817
Fines, penalties and forfeits	2,236	68,520	-	855	958	37,185	(36,227)	-97%	68,520
Licences and permits	5,966	6,315	-	1,440	3,127	2,667	460	17%	6,315
Transfers and subsidies	297,765	338,906	-	106,051	238,030	254,918	(16,888)	-7%	338,906
Other revenue	1,624	1,524	-	1,772	2,189	739	1,451	196%	1,524
Total Revenue (excluding capital transfers and contributions)	477,810	601,351	-	155,797	334,513	389,256	(54,743)	-14%	601,351
Expenditure By Type									
Employee related costs	157,625	185,316	-	48,488	87,806	92,667	(4,861)	-5%	185,316
Remuneration of councillors	24,783	25,580	-	6,299	12,841	12,790	51	0%	25,580
Debt impairment	17,950	61,181	-	-	-	41,090	(41,090)	-100%	61,181
Depreciation & asset impairment	-	59,780	-	-	-	29,890	(29,890)	-100%	59,780
Finance charges	1,121	2,185	-	-	137	1,345	(1,208)	-90%	2,185
Bulk purchases	97,917	109,638	-	22,816	44,790	52,241	(7,451)	-14%	109,638
Other materials	38,760	38,645	-	10,675	26,768	20,452	6,316	31%	38,645
Contracted services	82,960	67,165	-	19,094	38,705	31,347	7,358	23%	67,165
Transfers and subsidies	1,547	3,292	-	280	552	1,767	(1,214)	-69%	3,292
Other expenditure	43,053	44,500	-	12,864	28,316	28,519	(203)	-1%	44,500
Total Expenditure	465,716	597,283	-	120,517	239,916	312,109	(72,192)	-23%	597,283
Surplus/(Deficit)	12,094	4,068	-	35,281	94,596	77,147	17,449	23%	4,068
Transfers and subsidies - capital (monetary allocations) (National /	67,914	79,606	-	21,858	46,302	59,977	(13,675)	-23%	79,606
Transfers and subsidies - capital (monetary allocations)							-		-
Transfers and subsidies - capital (in-kind - all)							-		
Surplus/(Deficit) after capital transfers & contributions	80,008	83,674	-	57,139	140,899	137,124			83,674
Taxation									
Surplus/(Deficit) after taxation	80,008	83,674	-	57,139	140,899	137,124			83,674
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	80,008	83,674	-	57,139	140,899	137,124			83,674
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	80,008	83,674	-	57,139	140,899	137,124		-	83,674

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

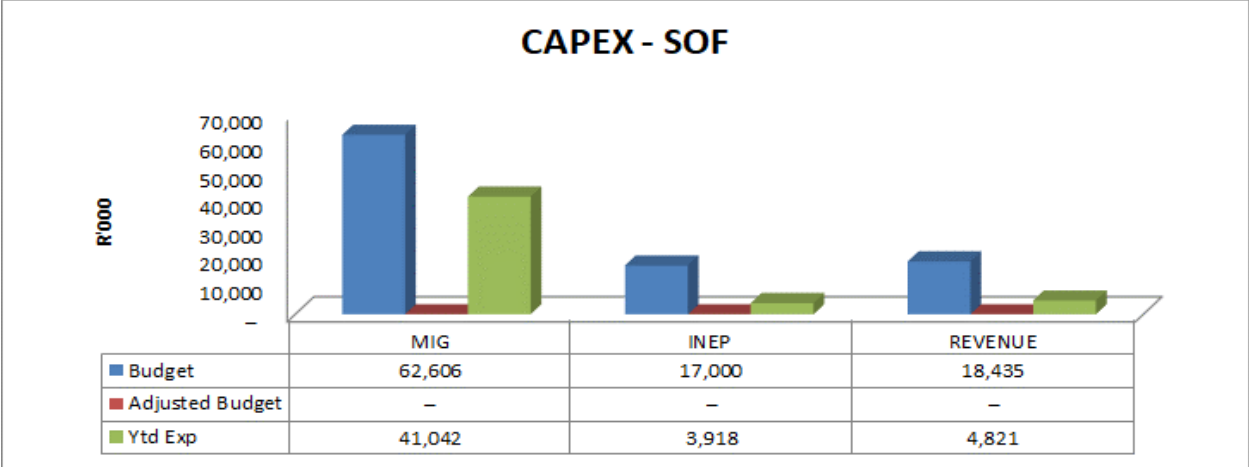
Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding

Vote Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Functional Classification									
Governance and administration	1,945	1,500	-	603	991	943	48	5%	1,500
Executive and council	-						-		
Finance and administration	1,945	1,500	-	603	991	943	48	5%	1,500
Internal audit	-						-		
Community and public safety	498	3,935	-	1,507	1,961	2,080	(119)	-6%	3,935
Community and social services	498	1,538	-	799	1,253	540	714	132%	1,515
Sport and recreation	-	1,680	-	507	507	1,000	(493)	-49%	1,680
Public safety	-	718	-	201	201	540	(339)	-63%	740
Housing							-		
Health							-		
Economic and environmental services	50,458	74,106	-	22,783	42,496	45,535	(3,039)	-7%	73,756
Planning and development	-	1,100	-	538	1,075	526	549	104%	1,100
Road transport	50,458	73,006	-	22,246	41,421	45,009	(3,588)	-8%	72,656
Environmental protection	-						-		
Trading services	19,805	18,500	-	2,196	4,333	12,239	(7,906)	-65%	18,850
Energy sources	13,669	17,250	-	1,905	4,014	11,339	(7,325)	-65%	17,600
Waste management	6,135	1,250	-	291	319	900	(581)	-65%	1,250
Other							-		
Total Capital Expenditure - Functional Classification	72,706	98,041	-	27,088	49,781	60,797	(11,016)	-18%	98,041
Funded by:									
National Government	70,770	79,606	-	23,967	44,960	49,744	(4,784)	-10%	79,606
Provincial Government							-		
District Municipality							-		
Transfers and subsidies - capital (monetary allocations)							-		
Transfers recognised - capital	70,770	79,606	-	23,967	44,960	49,744	(4,784)	-10%	79,606
Borrowing							-		
Internally generated funds	1,936	18,435	-	3,120	4,821	11,053	(6,233)	-56%	18,435
Total Capital Funding	72,706	98,041	-	27,088	49,781	60,797	(11,016)	-18%	98,041

Table C5C: Monthly Capital Expenditure by Vote

Vote Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Multi-Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	866	1,500	-	603	991	943	48	5%	1,500
Vote 5 - Community Services	-	4,368	-	1,306	1,760	2,340	(580)	-25%	4,345
Vote 6 - Technical Services	37,435	25,334	-	8,708	12,172	14,910	(2,738)	-18%	22,815
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	38,301	31,202	-	10,616	14,923	18,193	(3,270)	-18%	28,660
Single Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	6,633	818	-	491	520	640	(120)	-19%	840
Vote 6 - Technical Services	27,771	64,922	-	15,443	33,263	41,438	(8,175)	-20%	67,441
Vote 7 - Developmental Planning	-	1,100	-	538	1,075	526	549	104%	1,100
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	34,405	66,839	-	16,471	34,858	42,605	(7,746)	-18%	69,381
Total Capital Expenditure	72,706	98,041	-	27,088	49,781	60,797	(11,016)	-18%	98,041

Table C5 Capex and C5C present capital expenditure performance for all votes, standard classification and the funding thereof and measures the year-to-date performance targets against the actual capital expenditure figures. R49, 781 million spending was incurred on capital budget, year to date budget is R60, 797 million, and this gave rise to an under performance variance of R11, 016 million that translates to 18%.



The above graph shows the components of sources of finance for capital budget. Of the total capital budget, R62, 606 million is funded from Municipal Infrastructure grant, R17, 000 million from INEP and R18, 435 million from own revenue and the spending per source of finance is presented in the above graph.

Table C6: Quarterly Budget Statement Financial Position

Description	2021/22	Budget Year 2022/23			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash	14,775	24,162		4,457	24,162
Call investment deposits	–	–		45,248	–
Consumer debtors	102,891	61,834		116,594	61,834
Other debtors	5,863	62,845		84,851	62,845
Current portion of long-term receivables	–	119			119
Inventory	9,855	10,005		23,668	10,005
Total current assets	133,384	158,966	–	274,817	158,966
Non current assets					
Long-term receivables	–	–		–	–
Investments	–	17,278		–	17,278
Investment property	93,880	48,547		96,399	48,547
Investments in Associate	–				
Property, plant and equipment	1,128,896	1,258,405		1,138,277	1,258,405
Biological	–	–		–	–
Intangible	23	331		14	331
Other non-current assets	463	463		1,928	463
Total non current assets	1,223,261	1,325,025	–	1,236,618	1,325,025
TOTAL ASSETS	1,356,645	1,483,992	–	1,511,435	1,483,992
LIABILITIES					
Current liabilities					
Bank overdraft	–	–		–	–
Borrowing	1,022	7,459		4,224	7,459
Consumer deposits	5,622	5,700		5,242	5,700
Trade and other payables	83,990	101,172		165,651	101,172
Provisions	2,003	6,012		1,142	6,012
Total current liabilities	92,636	120,343	–	176,259	120,343
Non current liabilities					
Borrowing	–	17,458		14,616	17,458
Provisions	78,238	96,252		84,720	96,252
Total non current liabilities	78,238	113,710	–	99,335	113,710
TOTAL LIABILITIES	170,874	234,053	–	275,594	234,053
NET ASSETS	1,185,771	1,249,938	–	1,235,841	1,249,938
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	1,175,771	1,230,938		1,216,769	1,230,938
Reserves	10,000	19,000		19,071	19,000
TOTAL COMMUNITY WEALTH/EQUITY	1,185,771	1,249,938	–	1,235,841	1,249,938

The above table shows that community wealth amounts to R1, 235 billion, total liabilities R275, 594 million and the total assets R1, 511 billion. Non-current liabilities are mainly made up of provisions for long service award, landfill site and bonus.

Total current assets appear to be fairly reasonable relative to total current liabilities and this as a result portray a much better picture of the municipality's current ratio of 1.5:1 which is below the acceptable norm of 2:1.

Table C7: Quarterly Budgeted Statement Cash Flow

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	28,584	40,092		7,790	17,839	17,968	(130)	-1%	40,092
Service charges	96,925	122,434		22,417	46,338	48,655	(2,317)	-5%	122,434
Other revenue	8,077	17,752		27,763	35,635	15,345	20,290	132%	17,752
Transfers and Subsidies - Operational	307,767	338,906		105,614	239,274	245,396	(6,122)	-2%	338,906
Transfers and Subsidies - Capital	69,330	79,606		27,088	63,020	63,762	(742)	-1%	79,606
Interest	1,570	3,652		774	2,204	2,102	102	5%	3,652
Payments									
Suppliers and employees	(437,783)	(508,739)		(120,237)	(310,190)	(308,125)	2,065	-1%	(508,739)
Finance charges	(1,300)	(2,185)		-	(137)	(142)	(4)	3%	(2,185)
Transfers and Grants	(232)	3,292		(280)	(552)	(548)	4	-1%	3,292
NET CASH FROM/(USED) OPERATING ACTIVITIES	72,937	94,811	-	70,930	93,430	84,414	(9,016)	-11%	94,811
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	1,778	5,544				421	(421)	-100%	5,544
Decrease (increase) in non-current receivables	-	-					-		-
Decrease (increase) in non-current investments	-	(1,776)				(1,780)	1,780	-100%	(1,776)
Payments									
Capital assets	(72,534)	(81,790)		(27,088)	(49,781)	(51,452)	(1,671)	3%	(81,790)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(70,756)	(78,022)	-	(27,088)	(49,781)	(52,811)	(3,030)	6%	(78,022)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-					-		-
Borrowing long term/refinancing	-	488				42	(42)	-100%	488
Increase (decrease) in consumer deposits	-						-		
Payments									
Repayment of borrowing	(2,441)	(7,459)		-	(542)	(552)	(10)	2%	(7,459)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(2,441)	(6,971)	-	-	(542)	(510)	32	-6%	(6,971)
NET INCREASE/ (DECREASE) IN CASH HELD	(261)	9,818	-	43,842	43,107	31,093			9,818
Cash/cash equivalents at beginning:	6,858	14,245			6,597	14,245			6,597
Cash/cash equivalents at month/year end:	6,597	24,063			49,704	45,338			16,415

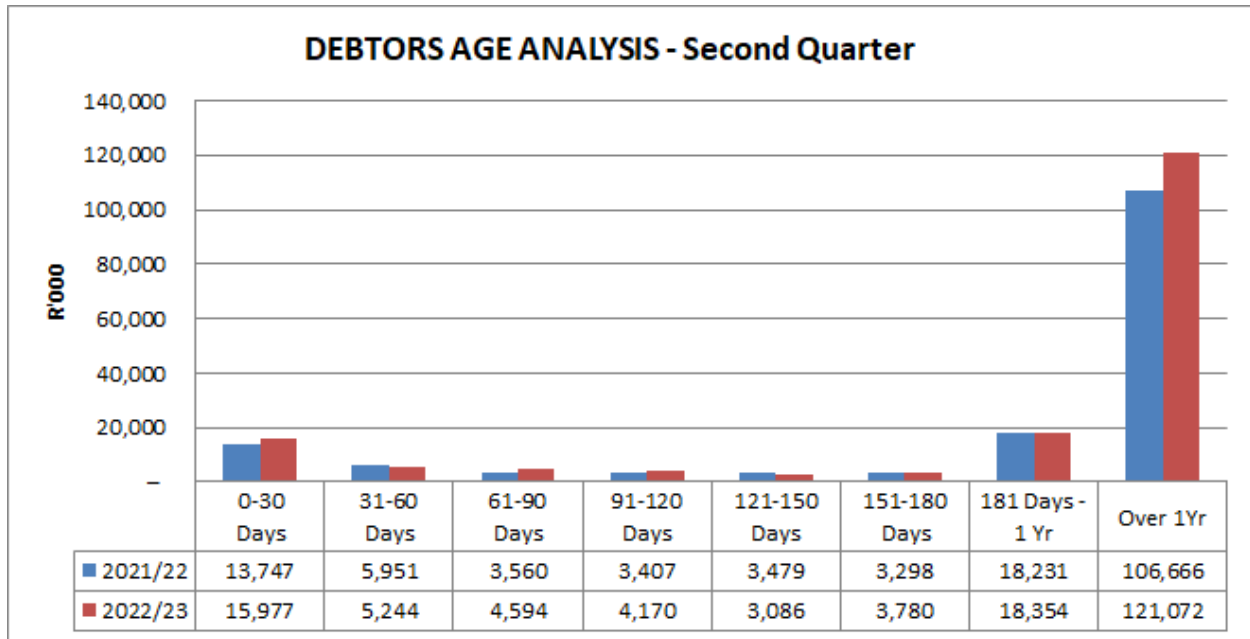
Table C7 provides details of the monthly cash in and outflow. For the quarter ending 31 December 2022 the net cash from operating activities is R93, 430 million whilst cash used for investing activities is R49, 781 million and the net cash from financing activities is R542 thousand. The cash and cash equivalent held at end of the second quarter amounted to R49, 704 million.

PART 2: SUPPORTING TABLES

Table SC3: Debtors Analysis

Table provides a breakdown of the consumer and sundry debtors at the end of the second quarter. The outstanding debtors amounted to R176, 278 million as at 31 December 2022. Consumer debtors amounts to R108, 413 million and sundry debtors amounts to R 67, 865 million as at end of the second quarter.

Description	Budget Year 2022/23											
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Bad Debts Written Off	Impairment - Bad Debts
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Electricity	7,985	1,141	457	344	139	131	603	2,553	13,352	3,769	0%	-
Receivables from Non-exchange Transactions - Property Rates	4,911	2,626	2,389	2,257	2,207	2,175	6,164	49,089	71,816	61,891	0%	-
Receivables from Exchange Transactions - Waste Management	811	503	438	406	401	400	2,318	17,967	23,245	21,492	0%	-
Receivables from Exchange Transactions - Property Rental Debtors	65	29	24	24	19	22	135	1,272	1,591	1,472	0%	-
Interest on Arrear Debtor Accounts	1,206	1,172	1,140	1,112	1,083	1,054	9,426	46,344	62,536	59,018	0%	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-	0%	-
Other	1,000	(226)	145	27	(763)	(1)	(291)	3,848	3,739	2,820	0%	-
Total By Income Source	15,977	5,244	4,594	4,170	3,086	3,780	18,354	121,072	176,278	150,463	-	-
2021/22 - totals only	13,747	5,951	3,560	3,407	3,479	3,298	18,231	106,666	158,338	135,081		
Debtors Age Analysis By Customer Group												
Organs of State	2,466	1,548	1,776	1,609	961	1,340	5,884	39,483	55,066	49,276	-	-
Commercial	8,267	1,176	714	580	204	499	933	8,133	20,507	10,350	-	-
Households	5,053	2,585	2,061	1,953	1,909	1,907	10,989	70,594	97,050	87,352	-	-
Other	192	(66)	43	28	13	34	549	2,862	3,655	3,486	-	-
Total By Customer Group	15,977	5,244	4,594	4,170	3,086	3,780	18,354	121,072	176,278	150,463	-	-



The graph compares debtors' age analysis for 2021/22 financial year and 2022/23 (as at end of Second quarter) and noted from the graph there is an increase in the municipal debt book for 2022/23 financial year.

Table SC4: Creditors Analysis

Description	Budget Year 2021/22									Prior year totals
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type										
Bulk Electricity										-
Bulk Water										-
PAYE deductions										-
VAT (output less input)										-
Pensions / Retirement deductions										-
Loan repayments										-
Trade Creditors										-
Auditor General										-
Other										-
Total By Customer Type	-	-	-	-	-	-	-	-	-	-

Supporting table SC4 provides creditors age analysis. In terms of section 65 of the MFMA all creditors must be paid within 30 days of receiving an invoice. No creditors were outstanding for more than 30 days. All invoices were paid within the prescribed period for the Second quarter.

Table SC5: Investment Portfolio Analysis

Name of institution	Period of Investment	Type of Investment	Interest Rate ^a	Commission Paid	Expiry date	Opening balance	Interest realised	Withdrawal	Investment Top Up	Closing Balance
Municipality										
STANDARD BANK 015 (038823527016)	1 Month	Current Investment	8.0%		21-Feb-23	-	109,247	-	20,000,000	20,109,247
STANDARD BANK 015 (038823527017)	3 Month	Current Investment	8.1%		3-Mar-23		138,271		25,000,000	25,138,271
TOTAL INVESTMENTS AND INTEREST						-		-	45,000,000	45,247,517

Supporting Table SC5 displays the council's investments portfolio and indicates that the municipality had invested R45, 000 million during the second quarter, earned interest of R247, 153 thousand.

Table SC6- Allocation and grant receipts

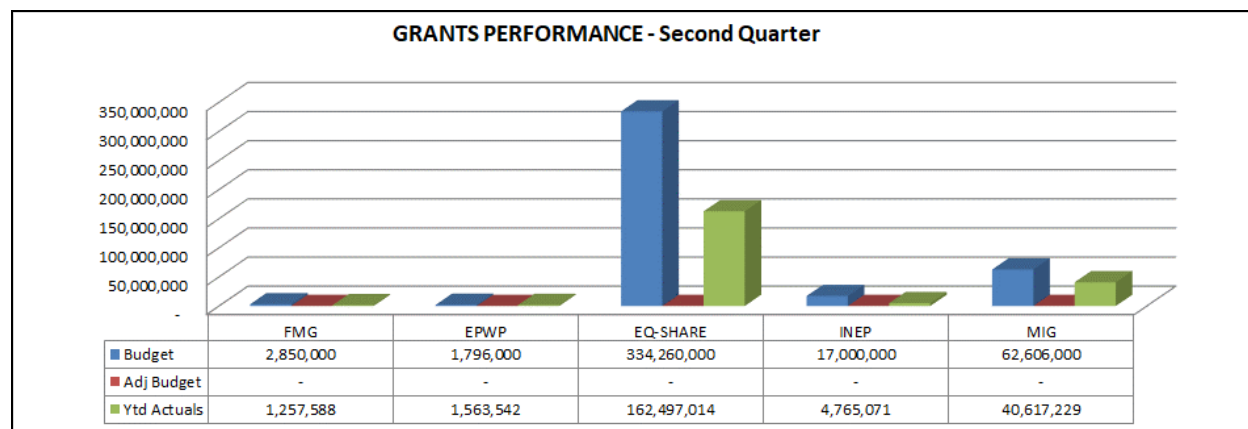
Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
RECEIPTS:									
Operating Transfers and Grants									
National Government:	307,637	338,906	-	104,805	239,274	168,745	70,529	42%	338,906
Local Government Equitable Share	302,788	334,260		104,805	235,166	164,638	70,528	43%	334,260
Finance Management	2,650	2,850		-	2,850	2,850	-		2,850
EPWP Incentive	2,199	1,796		-	1,258	1,257	1	0%	1,796
Disaster Relief Grant COVID-19 (Corona virus)							-		-
Total Operating Transfers and Grants	307,637	338,906	-	104,805	239,274	168,745	70,529	42%	338,906
Capital Transfers and Grants									
National Government:	74,315	79,606	-	16,750	63,020	59,977	3,043	5%	79,606
Municipal Infrastructure Grant (MIG)	57,924	62,606		16,750	54,020	45,989	8,031	17%	62,606
Intergrated National Electrification Grant	16,391	17,000		-	9,000	13,988	(4,988)	-36%	17,000
Total Capital Transfers and Grants	74,315	79,606	-	16,750	63,020	59,977	3,043	5%	79,606
TOTAL RECEIPTS OF TRANSFERS & GRANTS	381,952	418,512	-	121,555	302,294	228,722	73,572	32%	418,512

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R302, 294 million of which the major portion is attributed to equitable share. In the reporting period, all gazetted grants were received according to National Treasury's grants payment schedule.

Table SC7: Transfers and Grant Expenditure

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	307,637	338,906	-	84,560	165,318	168,745	(3,426)	-2%	338,906
Local Government Equitable Share	302,788	334,260		82,820	162,497	164,638	(2,141)	-1%	334,260
Finance Management	2,650	2,850		308	1,258	2,850	(1,592)	-56%	2,850
EPWP Incentive	2,199	1,796		1,432	1,564	1,257	307	24%	1,796
Total operating expenditure of Transfers and Grants	307,637	338,906	-	84,560	165,318	168,745	(3,426)	-2%	338,906
Capital expenditure of Transfers and Grants									
National Government:	79,332	79,606	-	23,967	45,382	59,977	(14,595)	-24%	79,606
Municipal Infrastructure Grant (MIG)	57,984	62,606		22,159	40,617	45,989	(5,372)	-12%	62,606
Intergrated National Electrification Grant	21,348	17,000		1,809	4,765	13,988	(9,223)	-66%	17,000
Total capital expenditure of Transfers and Grants	79,332	79,606	-	23,967	45,382	59,977	(14,595)	-24%	79,606
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	386,969	418,512	-	108,527	210,700	228,722	(18,021)	-8%	418,512

A total amount of R210, 700 million that have been spent on grants by the end second quarter and the year to date budget thereof amount to R228, 722 million and this resulted in underspending variance of R18, 021 million that translates to 8%. Of the total spending amounting to R210, 700 million, R165, 318 million is spent on operational grants whilst R45, 382 million is spent of capital grants.



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

- Financial Management Grant 44.13%
- Expanded Public Work Programme 87.06%
- Equitable Share 48.61%
- Municipal Infrastructure Grant 64.88%
- Integrated National Electrification Grant 28.03%

Table SC8: Councilor Allowances and Employee Benefits

Summary of Employee and Councillor remuneration	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	14,470	14,476		3,732	7,728	7,238	490	7%	14,476
Pension and UIF Contributions	1,863	2,504		515	1,025	1,252	(227)	-18%	2,504
Medical Aid Contributions	194	89		22	44	44	-		89
Motor Vehicle Allowance	5,281	5,536		1,350	2,830	2,768	62	2%	5,536
Cellphone Allowance	2,738	2,753		622	1,081	1,376	(295)	-21%	2,753
Other benefits and allowances	238	223		58	132	112	21	18%	223
Sub Total - Councillors	24,783	25,580	-	6,299	12,841	12,790	51	0%	25,580
% increase		3%							3%
Senior Managers of the Municipality									
Basic Salaries and Wages	3,137	4,315		355	1,059	2,157	(1,099)	-51%	4,315
Pension and UIF Contributions	88	338		28	49	169	(120)	-71%	338
Medical Aid Contributions	80	1,464		29	49	732	(683)	-93%	1,464
Motor Vehicle Allowance	186	519		51	93	259	(166)	-64%	519
Cellphone Allowance	85	166		14	34	83	(49)	-59%	166
Other benefits and allowances	211	312		40	92	156	(64)	-41%	312
Post-retirement benefit obligations							-		
Sub Total - Senior Managers of Municipality	3,787	7,112	-	517	1,374	3,556	(2,182)	-61%	7,112
% increase		88%							88%
Other Municipal Staff									
Basic Salaries and Wages	98,265	115,473		28,109	54,143	57,736	(3,594)	-6%	115,473
Pension and UIF Contributions	19,580	26,387		5,155	10,338	13,193	(2,855)	-22%	26,387
Medical Aid Contributions	5,442	5,593		1,421	2,847	2,796	51	2%	5,593
Overtime	1,053	1,163		74	209	581	(373)	-64%	1,163
Motor Vehicle Allowance	13,018	15,702		3,508	7,042	7,851	(809)	-10%	15,702
Cellphone Allowance	1,917	1,426		479	963	713	250	35%	1,426
Housing Allowances	220	230		64	125	115	10	9%	230
Other benefits and allowances	10,429	11,279		8,821	9,348	5,649	3,699	65%	11,279
Payments in lieu of leave	624	442		228	867	221	646	293%	442
Long service awards	1,288	510		112	550	255	295	115%	510
Post-retirement benefit obligations	2,002	-		-	-	-	-		-
Sub Total - Other Municipal Staff	153,838	178,204	-	47,971	86,432	89,111	(2,679)	-3%	178,204
% increase		16%							16%
Total Parent Municipality	182,408	210,897	-	54,787	100,648	105,458	(4,810)	-5%	210,897
		16%							16%
TOTAL SALARY, ALLOWANCES & BENEFITS	182,408	210,897	-	54,787	100,648	105,458	(4,810)	-5%	210,897
% increase		16%							16%
TOTAL MANAGERS AND STAFF	157,625	185,316	-	48,488	87,806	92,667	(4,861)	-5%	185,316

This table provides the details for councilor and employee benefits. For the second quarter the total salaries, allowances and benefits amounted to R100, 648 million which deviates with R4, 810 million from the planned figure.

Table SC9: Actual and Revised Targets for Cash Receipts

Description					2022/23 Medium Term Revenue		
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Year	Year +1	Year +2
	Outcome	Outcome	Budgeted	Budgeted	2022/23	2023/24	2024/25
Cash Receipts By Source							
Property rates	10,049	7,790	10,023	12,231	40,092	41,856	43,740
Service charges - electricity revenue	22,569	21,234	28,707	42,317	114,826	119,873	125,264
Service charges - refuse	1,352	1,184	1,927	3,246	7,708	8,047	8,409
Rental of facilities and equipment	116	93	578	1,526	2,312		
Interest earned - external investments	552	402	86	(651)	389	3,669	3,675
Interest earned - outstanding debtors	877	372	2,029	3,234	6,512	7,551	8,541
Fines, penalties and forfeits	103	855	1,058	2,216	4,232	9,300	9,718
Licences and permits	1,688	1,440	1,579	1,609	6,315	6,593	6,890
Transfers and Subsidies - Operational	133,660	105,614	94,132	5,500	338,906	359,874	384,977
Other revenue	5,965	25,376	5,632	(14,445)	22,528	2,640	2,758
Cash Receipts by Source	176,931	164,359	145,751	56,782	543,823	559,405	593,974
Other Cash Flows by Source							
(National / Provincial and District)	42,270	20,750	16,586	-	79,606	76,364	79,794
Borrowing long term/refinancing	-	-	-	-			
Increase (decrease) in consumer deposits	-	-	-	488	488	237	505
Decrease (increase) in non-current receivables	-	-	-	-			
Decrease (increase) in non-current investments	-	-	-	-			
Total Cash Receipts by Source	219,201	185,109	162,337	57,270	623,917	636,006	674,273
Cash Payments by Type							
Employee related costs	39,318	48,488	50,472	63,611	201,889	210,668	219,614
Remuneration of councillors	6,542	6,299	6,208	7,352	26,401	30,493	34,153
Interest paid	137	-	1,014	2,070	3,221	2,326	2,472
Bulk purchases - Electricity	21,974	22,816	27,410	37,438	109,638	114,462	119,613
Other materials	16,093	10,675	9,961	3,115	39,844	35,165	36,667
Contracted services	19,611	19,094	17,416	13,543	69,664	63,305	66,069
Grants and subsidies paid - other	273	280	823	1,917	3,292	3,436	3,588
General expenses	15,452	12,864	10,515	10,116	48,946	61,842	52,478
Cash Payments by Type	119,400	120,517	123,818	139,162	502,897	521,699	534,655
Other Cash Flows/Payments by Type							
Capital assets	22,693	27,088	20,001	10,223	80,005	81,383	90,922
Repayment of borrowing	542	-	6,552	17,823	24,917	25,723	26,588
Other Cash Flows/Payments	38,153	32,810	6,197	(37,305)	39,855	31,800	46,694
Total Cash Payments by Type	62,679	88,829	156,568	129,903	647,674	660,605	698,859
NET INCREASE/(DECREASE) IN CASH HELD	(26,049)	45,570	5,770	(72,634)	(23,757)	(24,599)	(24,586)
Cash/cash equivalents at the month/year beginning:	71,059	4,134	48,465	64,358	6,597	(17,160)	(41,759)
Cash/cash equivalents at the month/year end:	45,010	49,704	54,235	(8,276)	(17,160)	(41,759)	(66,345)

Supporting Table SC9 provides the details of the cash inflow for the budget setting out receipt by source and payments by type. As at end of second quarter, cash receipts reflect an amount of R185, 109 million whilst the total cash payment is R180, 415 million. The cash and cash equivalent at end of the quarter amounted to R49, 704 million that is inclusive of unspent conditional grants amounting to R15, 881 million.

Table SC12: Capital Expenditure Trend

Month	2021/22	Budget Year 2022/23							% spend of Original Budget
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	
Monthly expenditure performance trend									
First Quarter	16,980	33,034	–	22,693	22,693	33,034	10,341	31%	23%
Second Quarter	12,807	27,236	–	27,088	49,781	60,271	10,490	17%	51%
Third Quarter	27,693	21,546	–	–	–	81,817	–	–	0%
Fourth Quarter	15,226	16,224	–	–	–	98,041	–	–	0%
Total Capital expenditure	72,706	98,041	–	49,781					

Supporting table SC12 provides information on the monthly trends for capital expenditure and this table serves as a supporting table for table C5. In terms of this table the capital expenditure for second quarter amounts to R27, 0886 million. The year to date actual amounts to R49, 781 and year to date capital budget is R60, 271 million that gives rise to underspending variance of R10, 490 million that translate to 17%.

Table SC13a: Quarterly Capital Expenditure on New Assets

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on new assets by Asset Class									
Infrastructure	13,378	18,500	-	2,196	4,333	11,984	7,651	64%	18,500
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-
Road Structures									
Road Furniture									
Attenuation									
Electrical Infrastructure	13,378	17,250	-	1,905	4,014	11,084	7,070	64%	17,250
MV Substations		50				45	45	100%	50
MV Networks	14,210	17,000		1,809	3,918	10,839	6,921	64%	17,000
LV Networks	(832)								
Capital Spares		200		97	97	200	103	52%	200
Solid Waste Infrastructure	-	1,250	-	291	319	900	581	65%	1,250
Landfill Sites									
Waste Transfer Stations									
Capital Spares		1,250	-	291	319	900	581	65%	1,250
Community Assets	-	418	-	201	201	300	99	33%	418
Community Facilities	-	418	-	201	201	300	99	33%	418
Libraries									
Cemeteries/Crematoria									
Capital Spares		418		201	201	300	99	33%	418
Other assets	-	458	-	-	454	145	(309)	-213%	458
Municipal Offices	-								
Stores		458		-	454	145	(309)	-213%	458
Intangible Assets	-	300	-	-	-	200	200	100%	300
Servitudes									
Licences and Rights	-	300	-	-	-	200	200	100%	300
Unspecified		300				200	200	100%	300
Computer Equipment	866	700	-	316	555	561	6	1%	700
Computer Equipment	866	700		316	555	561	6	1%	700
Furniture and Office Equipment	-	500	-	287	436	423	(13)	-3%	500
Furniture and Office Equipment		500		287	436	423	(13)	-3%	500
Machinery and Equipment	291	1,610	-	87	379	1,030	651	63%	1,610
Machinery and Equipment	291	1,610		87	379	1,030	651	63%	1,610
Transport Assets	1,079	-	-	-	-	-	-		-
Transport Assets	1,079								
Total Capital Expenditure on new assets	15,615	22,485	-	3,086	6,358	14,643	8,285	57%	22,485

Table SC13b: Quarterly Expenditure on Existing Assets

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class									
Infrastructure	34,499	32,631	-	12,837	18,845	19,859	1,015	5%	32,631
Roads Infrastructure	34,499	28,631	-	8,861	14,869	15,859	990	6%	28,631
Roads	34,499	28,331		8,861	14,869	15,659	790	5%	28,331
Road Structures							-		
Road Furniture		300		-	-	200	200	100%	300
Attenuation							-		
Electrical Infrastructure	-	-	-	-	-	-	-		-
HV Substations							-		
HV Switching Station							-		
LV Networks		-					-		
Solid Waste Infrastructure	-	4,000	-	3,975	3,975	4,000	25	1%	4,000
Landfill Sites		4,000		3,975	3,975	4,000	25	1%	4,000
Waste Transfer Stations							-		
Community Assets	-	1,000	-	799	799	801	2	0%	1,000
Cemeteries/Crematoria		1,000		799	799	801	2	0%	1,000
Police							-		
Public Open Space							-		
Sport and Recreation Facilities	-	-	-	-	-	-	-		-
Indoor Facilities							-		
Outdoor Facilities							-		
Other assets	-	-	-	-	-	-	-		-
Operational Buildings	-	-	-	-	-	-	-		-
Municipal Offices							-		
Workshops							-		
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
Computer Software and Applications							-		
Load Settlement Software Applications							-		
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	-	-	-	-	-	-	-		-
Machinery and Equipment							-		
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets							-		
Total Capital Expenditure on renewal of existing assets	34,499	33,631	-	13,636	19,644	20,660	1,017	4.9%	33,631

Table SC13c: Quarterly Expenditure on Repairs & Maintenance

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Repairs and maintenance expenditure by Asset Class									
Infrastructure	33,280	24,286	–	7,954	18,437	18,565	129	1%	24,753
Roads Infrastructure	13,895	14,300	–	5,860	13,811	14,512	701	5%	14,217
Roads	13,895	14,300	–	5,860	13,811	14,512	701	5%	14,217
Road Structures							–		
Road Furniture							–		
Storm water Infrastructure	–	–	–	–	–	–	–		–
Electrical Infrastructure	12,201	8,263	–	1,613	3,422	3,073	(349)	-11%	9,536
HV Substations							–		
MV Networks	12,201	8,263	–	1,613	3,422	3,073	(349)	-11%	9,536
LV Networks							–		
Solid Waste Infrastructure	7,184	1,722	–	482	1,204	980	(224)	-23%	1,000
Landfill Sites	7,184	1,722	–	482	1,204	980	(224)	-23%	1,000
Waste Transfer Stations							–		
Community Assets	166	594	–	72	388	389	1	0%	594
Community Facilities	166	594	–	72	388	389	1	0%	594
Libraries							–		
Cemeteries/Crematoria							–		
Parks	166	594	–	72	388	389	1	0%	594
Sport and Recreation Facilities	–	–	–	–	–	–	–		–
Indoor Facilities							–		
Outdoor Facilities							–		
Other assets	541	1,013	–	888	1,004	1,546	542	35%	2,645
Municipal Offices	541	1,013	–	888	1,004	1,546	542	35%	2,645
Stores							–		
Intangible Assets	44	200	–	–	–	99	99	100%	200
Servitudes							–		
Computer Software and Applications	44	200	–	–	–	99	99	100%	200
Computer Equipment	–	–	–	–	–	–	–		–
Computer Equipment							–		
Furniture and Office Equipment	–	–	–	–	–	–	–		–
Furniture and Office Equipment							–		
Machinery and Equipment	3,388	7,806	–	3,433	4,825	3,646	(1,179)	-32%	6,445
Machinery and Equipment	3,388	7,806	–	3,433	4,825	3,646	(1,179)	-32%	6,445
Transport Assets	3,268	3,794	–	1,444	2,999	2,342	(656)	-28%	3,904
Transport Assets	3,268	3,794	–	1,444	2,999	2,342	(656)	-28%	3,904
Total Repairs and Maintenance Expenditure	40,687	37,692	–	13,791	27,652	26,588	(1,064)	-4.0%	38,542

Table SC13d: Quarterly Expenditure on Depreciation

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Depreciation by Asset Class/Sub-class									
Infrastructure	42,368	44,007	-	-	-	11,002	11,002	100%	44,007
Roads Infrastructure	37,502	39,127	-	-	-	9,782	9,782	100%	39,127
Roads	37,502	39,127				9,782	9,782	100%	39,127
Road Structures							-		
Storm water Infrastructure	399	418	-	-	-	104	104	100%	418
Drainage Collection	-	418				104	104	100%	418
Storm water Conveyance	399						-		
Electrical Infrastructure	3,754	3,724	-	-	-	931	931	100%	3,724
HV Switching Station							-		
HV Transmission Conductors		3,724				931	931	100%	3,724
MV Networks	3,754						-		
LV Networks							-		
Solid Waste Infrastructure	714	738	-	-	-	184	184	100%	738
Landfill Sites	714	738				184	184	100%	738
Waste Transfer Stations							-		
Community Assets	1,231	1,266	-	-	-	316	316	100%	1,266
Parks	1,231						-		
Public Open Space		1,266				316	316	0	1,266
Heritage assets	5	6	-	-	-	1	1	100%	6
Other Heritage	5	6				1	1	0	6
Other assets	4,140	4,229	-	-	-	1,057	1,057	0	4,229
Municipal Offices	4,140	4,229				1,057	1,057	100%	4,229
Workshops							-		
Intangible Assets	-	53	-	-	-	13	13	100%	-
Servitudes							-		
Computer Software and Applications		53				13	13	100%	
Computer Equipment	692	725	-	-	-	181	181	100%	725
Computer Equipment	692	725				181	181	100%	725
Furniture and Office Equipment	590	618	-	-	-	154	154	100%	618
Furniture and Office Equipment	590	618				154	154	100%	618
Machinery and Equipment	674	2,961	-	-	-	740	740	100%	707
Machinery and Equipment	674	2,961				740	740	100%	707
Transport Assets	5,751	5,915	-	-	-	1,479	1,479	100%	5,915
Transport Assets	5,751	5,915				1,479	1,479	100%	5,915
Total Depreciation	55,452	59,780	-	-	-	14,945	14,945	100%	57,472

Table SC13e: Quarterly Capital Expenditure on Upgrading of Existing Assets

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on upgrading of existing assets by Asset Class									
Infrastructure	22,060	39,525	-	9,322	22,198	23,776	1,579	7%	39,525
Roads Infrastructure	15,925	39,525	-	9,322	22,198	23,776	1,579	7%	39,525
Roads	15,925	39,525		9,322	22,198	23,776	1,579	7%	39,525
Road Structures							-		
Road Furniture							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Drainage Collection							-		
Electrical Infrastructure	-	-	-	-	-	-	-		-
HV Substations							-		
HV Switching Station							-		
MV Networks							-		
LV Networks							-		
Solid Waste Infrastructure	6,135	-	-	-	-	-	-		-
Landfill Sites	6,135						-		
Community Assets	498	1,300	-	507	507	509	3	1%	1,300
Libraries							-		
Cemeteries/Crematoria	498						-		
Police							-		
Parks		1,300		507	507	509	3	1%	1,300
Other assets	33	1,100	-	538	1,075	1,208	133	0	1,100
Municipal Offices	33						-		
Workshops							-		
Yards		1,100		538	1,075	1,208	133	11%	1,100
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
Solid Waste Licenses							-		
Computer Software and Applications							-		
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	-	-	-	-	-	-	-		-
Machinery and Equipment							-		
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets							-		
Total Capital Expenditure on upgrading of existing assets	22,592	41,925	-	10,366	23,779	25,494	1,714	7%	41,925

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

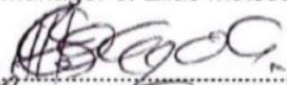
List of Capital Projects

Department	Project Description	Type	Asset Class	2022/23 Medium Term Revenue and Expenditure Framework			
				Original Budget	Adjusted Budget	YTD Actuals	Percentage
Community Services	No Illegal Dumping Boards	Single	Solid Waste Infrastructure	100,000	-	28,500	29%
	Street litter Bibs	Multi	Solid Waste Infrastructure	850,000	-	-	0%
	Fencing of Elandsdoorn/Ntwane Cemetery	Multi	Community Assets	1,000,000	-	799,000	80%
	Upgrading and Development of Parks	Multi	Community Assets	1,300,000	-	506,614	39%
	6.4 Disaster Management Centre & Emergency Relief Store room	Multi	Operational Buildings	457,500	-	454,230	99%
	500 Twenty skip bins 500	Single	Solid Waste Infrastructure	300,000	-	290,500	97%
	Machinery and Equipment	Multi	Machinery and Equipment	380,000	-	-	0%
	Trailer	Multi	Machinery and Equipment	380,000	-	-	0%
	Vehicles	Single	Community Assets	417,500	-	200,905	48%
	Corporate Services	Computer Equipment	Multi	Computer Equipment	700,000	-	554,550
Furniture and Office Equipment		Multi	Furniture and Office Equipment	500,000	-	436,290	87%
Record Management System		Multi	Intangible Assets	300,000	-	-	0%
Economic Development	Razor Fencing of Portion 39 of Farm Klipbank 26 JS (Game Farm)	Single	Other assets	1,100,000	-	1,075,000	98%
Technical Services	Culverts and Road signs 600	Multi	Roads Infrastructure	300,000	-	-	0%
	Motetema Streets Upgrade	Multi	Roads Infrastructure	3,500,000	-	-	0%
	Upgrading of Bloomport and Uitspanning Access Road	Single	Roads Infrastructure	24,830,820	-	14,869,181	60%
	Groblersdal Landfill site 6.6	Multi	Solid Waste Infrastructure	4,000,000	-	3,975,492	99%
	Upgrading of Stompo Bus Road	Multi	Roads Infrastructure	800,000	-	-	0%
	Upgrading Maraganeng Access Road 600	Multi	Roads Infrastructure	900,000	-	-	0%
	Upgrading of Hlogottlou-Bopanang Road	Multi	Roads Infrastructure	800,000	-	-	0%
	Upgrading of Kgobokwane-Kgaphamadi Road	Multi	Roads Infrastructure	800,000	-	-	0%
	Upgrading of Malaeneng A Ntwane Access Road	Multi	Roads Infrastructure	900,000	-	-	0%
	Upgrading of Masoing Bus route	Multi	Roads Infrastructure	850,000	-	-	0%
	Upgrading of Mokumong access road to Marateng taxi rank (MIG)	Multi	Roads Infrastructure	700,000	-	-	0%
	Upgrading of Dipakapakeng	Multi	Roads Infrastructure	2,169,180	-	1,111,481	51%
	Upgrading of Nyakoroane Internal Access Road	Multi	Roads Infrastructure	4,604,885	-	3,352,895	73%
	Upgrading of Tafelkop stadium Access Road	Single	Roads Infrastructure	27,001,116	-	17,733,412	66%
	Electrification of Makaepea	Single	Electrical Infrastructure	3,240,000	-	289,557	9%
	Electrification of Masakaneng	Multi	Electrical Infrastructure	3,960,000	-	3,256,966	82%
	Electrification of Nyakelang Extension	Single	Electrical Infrastructure	3,800,000	-	217,896	6%
Electrification of Phomola	Single	Electrical Infrastructure	2,000,000	-	153,400	8%	
Electrification of Phooko	Single	Electrical Infrastructure	4,000,000	-	-	0%	
Main substation	Single	Electrical Infrastructure	50,000	-	-	0%	
Aircons	Multi	Electrical Infrastructure	200,000	-	96,501	48%	
Machinery and Equipment	Multi	Machinery and Equipment	850,000	-	378,547	45%	

Quality Certificate

I, **KGWALE MAHLAGAUME MESHACK**, Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the quarterly report and supporting documentation for the quarter ending 31 December 2022 have been prepared in accordance with the Municipal Finance Management Act and the regulation made under the Act

Municipal Manager of Elias Motsoaledi Local Municipality (LIM472)

Signature 

Date 

