

# **ELIAS MOTSOALEDI LOCAL MUNICIPALITY**



## **MONTHLY BUDGET STATEMENT REPORT**

**AUGUST 2024**

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## PART 1: IN - YEAR REPORT

### PURPOSE

To report to the Council and submit to National and Provincial Treasury on the monthly financial performance of the Municipality as required by Section 71 of the Municipal Finance Management Act.

### EXECUTIVE SUMMARY

Section 71 of the Municipal Finance Management Act deals with requirements for in-year reporting and further state that the Accounting Officer of the Municipality must by no later than 10 working days after end of each month submit to the Mayor of the municipality and relevant Provincial Treasury, the monthly budget statement in the prescribed format on the state of the municipality's financial results.

### IN YEAR BUDGET STATEMENT TABLES

DESCRIPTION	2024/25			
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE ACTUAL	PERCENT AGE
OPERATING REVENUE	752 711 553	-	201 678 863	27%
OPERATING EXPENDITURE	734 364 413	-	103 841 266	14%
		-		
TRANSFER - CAPITAL	95 858 000	-	29 447 109	31%
SURPLUS/(DEFICIT)	114 565 544	-	127 284 706	111%
CAPITAL EXPENDITURE	110 495 280	-	19 723 132	18%

**Table C1 – Budget Statement Summary**

Description	2023/24	Budget Year 2024/25							
	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	59 487	67 168	–	5 260	8 964	11 195	(2 231)	-20%	67 168
Service charges	113 453	146 003	–	14 450	25 567	24 334	1 233	5%	146 003
Investment revenue	7 316	9 404	–	923	1 463	1 326	137	10%	9 404
Transfers and subsidies	363 048	383 099	–	157 887	158 903	139 737	19 166	14%	383 099
Other own revenue	95 694	147 038	–	3 288	6 782	19 018	(12 236)	-64%	147 038
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>638 998</b>	<b>752 712</b>	<b>–</b>	<b>181 807</b>	<b>201 679</b>	<b>195 610</b>	<b>6 069</b>	<b>3%</b>	<b>752 712</b>
Employee costs	178 956	213 757	–	14 768	29 379	35 620	(6 240)	-18%	213 757
Remuneration of Councillors	27 289	28 178	–	2 145	4 167	4 696	(530)	-11%	28 178
Depreciation & asset impairment	60 972	58 901	–	5 828	10 919	6 707	4 212	63%	58 901
Finance charges	1 585	406	–	79	79	29	51	177%	406
Materials and bulk purchases	134 588	158 988	–	15 691	30 384	26 003	4 381	17%	158 988
Transfers and subsidies	10 946	9 404	–	811	1 551	1 736	(185)	-11%	9 404
Other expenditure	195 836	264 731	–	10 213	27 362	37 137	(9 775)	-26%	264 731
<b>Total Expenditure</b>	<b>610 171</b>	<b>734 364</b>	<b>–</b>	<b>49 536</b>	<b>103 841</b>	<b>111 927</b>	<b>(8 086)</b>	<b>-7%</b>	<b>734 364</b>
<b>Surplus/(Deficit)</b>	<b>28 827</b>	<b>18 347</b>	<b>–</b>	<b>132 271</b>	<b>97 838</b>	<b>83 683</b>	<b>14 155</b>	<b>17%</b>	<b>18 347</b>
Transfers and subsidies - capital (monetary allocations)	72 266	95 858	–	12 058	29 447	22 458	6 989	31%	95 858
Transfers and subsidies - capital (monetary allocations)	–	360	–	–	–	54	(54)	-100%	360
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>101 093</b>	<b>114 566</b>	<b>–</b>	<b>144 329</b>	<b>127 285</b>	<b>106 195</b>	<b>21 089</b>	<b>20%</b>	<b>114 566</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>101 093</b>	<b>114 566</b>	<b>–</b>	<b>144 329</b>	<b>127 285</b>	<b>106 195</b>	<b>21 089</b>	<b>20%</b>	<b>114 566</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>90 622</b>	<b>110 495</b>	<b>–</b>	<b>7 725</b>	<b>19 723</b>	<b>10 980</b>	<b>8 743</b>	<b>80%</b>	<b>110 495</b>
Capital transfers recognised	69 153	96 218	–	7 725	19 651	9 862	9 790	99%	96 218
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	21 469	14 277	–	–	72	1 118	(1 046)	-94%	14 277
<b>Total sources of capital funds</b>	<b>90 622</b>	<b>110 495</b>	<b>–</b>	<b>7 725</b>	<b>19 723</b>	<b>10 980</b>	<b>8 743</b>	<b>80%</b>	<b>110 495</b>
<b>Financial position</b>									
Total current assets	213 335	277 229	–		384 157				277 229
Total non current assets	1 251 955	1 474 187	–		1 275 100				1 474 187
Total current liabilities	129 731	124 375	–		148 387				124 375
Total non current liabilities	117 221	117 850	–		124 347				117 850
Community wealth/Equity	1 218 338	1 509 192	–		1 386 523				1 509 192
<b>Cash flows</b>									
Net cash from (used) operating	76 336	175 904	–	(51 056)	109 319	129 350	20 031	15%	175 904
Net cash from (used) investing	(64 108)	(97 741)	–	(7 725)	(19 723)	(13 957)	5 766	-41%	(97 741)
Net cash from (used) financing	(7 122)	–	–	11 268	11 268	(310)	(11 578)	3730%	–
<b>Cash/cash equivalents at the month/year end</b>	<b>38 198</b>	<b>87 372</b>	<b>–</b>	<b>–</b>	<b>110 072</b>	<b>124 291</b>	<b>14 219</b>	<b>11%</b>	<b>87 372</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	17 038	5 897	4 640	4 160	3 919	3 948	3 901	175 795	219 299
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 August is R201, 679 million and the year to date budget of R195, 610 million and this reflects a positive variance of R6, 069 million which is mostly attributable to equitable shares received amounting to R157, 371 million. The following are the secondary revenue item categories reflecting a positive and negative material variance:

- Interest earned - external investments: 10% favorable variance,
- Interest earned – outstanding debtors: 20% favorable variance,
- Rental of Facilities and Equipment: 75% unfavorable variance,
- Fines, penalties and forfeits: 88% unfavorable variance
- Services Charges – electricity revenue: 5% favorable variance
- Services Charges – refuse revenue: 5% favorable variance
- Licenses and permits: 30% unfavorable variance
- Property rates: 20% unfavorable variance
- Other revenue: 35% unfavorable
- Transfer and subsidies: 14% favorable

**Operating Expenditure**

The year to date operational expenditure as at end of August amounts to R103, 841 million and the year to date budget is R111, 927 million. This reflects underspending variance of R8, 086 million that translates to 7% variance. The variance is attributed overspending variance on depreciation and asset impairment and underspending of 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:

- Employee related: 18% under spending
- Remuneration of councilors: 11% under spending
- Debt impairment: 100% under spending
- Depreciation: 63% over spending
- Finance charges: 117% over spending
- Bulk purchase: 29% over spending
- Contracted: 1% under spending
- Other expenditure: 28% over spending
- Losses: 100% under performing

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

## **Capital Expenditure**

The year to date actual capital expenditure as at end of August 2024 amounts to R19, 723 million and the year to date budget amounts to R10, 980 million and this gives rise to R8, 743 million over performance.

## **Surplus/Deficit**

Taking the above into consideration, the net operating surplus for the month of August is R127, 284 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 August amounts to R219,299 million and this shows an increase of R2,649 million as compared to R216, 650 million as at end of 2023-24 financial year.

Consumer debtors is made up of service charges and property rates that amount to R138,575 million and other debtors amounting to R80, 723 million. Debtors relating to traffic fines are reported as other debtors as presented under current assets on Table C6 and as a result, do not form part of consumer debtors.

## **Creditors**

All creditors were paid within 30 days of receipt of invoice in the month of August as required by MFMA and as a result there are no outstanding creditors.

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

Description	2023/24	Budget Year 2024/25							
	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>305 586</b>	<b>339 405</b>	–	<b>105 581</b>	<b>112 177</b>	<b>104 904</b>	<b>7 273</b>	<b>7%</b>	<b>339 405</b>
Executive and council	42 864	55 444	–	19 197	19 197	17 173	2 024	12%	55 444
Finance and administration	246 163	265 077	–	78 832	85 427	81 426	4 001	5%	265 077
Internal audit	16 559	18 884	–	7 552	7 552	6 305	1 247	20%	18 884
<b>Community and public safety</b>	<b>103 742</b>	<b>147 318</b>	–	<b>17 320</b>	<b>17 909</b>	<b>26 678</b>	<b>(8 769)</b>	<b>-33%</b>	<b>147 318</b>
Community and social services	11 295	11 332	–	4 946	4 960	3 211	1 749	54%	11 332
Sport and recreation	17 578	17 596	–	9 279	9 279	7 336	1 943	26%	17 596
Public safety	74 870	118 389	–	3 095	3 671	16 131	(12 460)	-77%	118 389
<b>Economic and environmental services</b>	<b>122 266</b>	<b>145 708</b>	–	<b>37 732</b>	<b>56 371</b>	<b>41 443</b>	<b>14 928</b>	<b>36%</b>	<b>145 708</b>
Planning and development	23 780	26 909	–	11 311	11 952	9 459	2 493	26%	26 909
Road transport	97 650	117 962	–	23 169	41 167	31 491	9 676	31%	117 962
Environmental protection	836	836	–	3 252	3 252	493	2 759	559%	836
<b>Trading services</b>	<b>179 670</b>	<b>216 500</b>	–	<b>33 232</b>	<b>44 669</b>	<b>45 097</b>	<b>(428)</b>	<b>-1%</b>	<b>216 500</b>
Energy sources	129 271	176 261	–	22 886	32 999	34 407	(1 408)	-4%	176 261
Waste management	50 399	40 239	–	10 346	11 670	10 690	979	9%	40 239
<b>Total Revenue - Functional</b>	<b>711 265</b>	<b>848 930</b>	–	<b>193 865</b>	<b>231 126</b>	<b>218 122</b>	<b>13 004</b>	<b>6%</b>	<b>848 930</b>
<b>Expenditure - Functional</b>									
<b>Governance and administration</b>	<b>233 659</b>	<b>256 051</b>	–	<b>17 009</b>	<b>42 133</b>	<b>45 380</b>	<b>(3 247)</b>	<b>-7%</b>	<b>256 051</b>
Executive and council	46 681	50 467	–	3 686	7 948	8 925	(977)	-11%	50 467
Finance and administration	175 144	193 168	–	12 939	33 449	34 325	(877)	-3%	193 168
Internal audit	11 835	12 416	–	385	736	2 130	(1 393)	-65%	12 416
<b>Community and public safety</b>	<b>100 864</b>	<b>166 016</b>	–	<b>4 017</b>	<b>7 766</b>	<b>19 447</b>	<b>(11 681)</b>	<b>-60%</b>	<b>166 016</b>
Community and social services	6 912	16 523	–	604	1 130	2 731	(1 601)	-59%	16 523
Sport and recreation	11 854	17 967	–	1 303	2 661	3 195	(535)	-17%	17 967
Public safety	82 098	131 526	–	2 111	3 975	13 520	(9 545)	-71%	131 526
<b>Economic and environmental services</b>	<b>110 217</b>	<b>121 360</b>	–	<b>8 941</b>	<b>19 735</b>	<b>15 169</b>	<b>4 566</b>	<b>30%</b>	<b>121 360</b>
Planning and development	19 513	29 097	–	1 605	4 150	4 740	(590)	-12%	29 097
Road transport	90 704	91 267	–	7 336	15 585	10 306	5 279	51%	91 267
Environmental protection	–	996	–	–	–	123	(123)	-100%	996
<b>Trading services</b>	<b>165 431</b>	<b>190 937</b>	–	<b>19 570</b>	<b>34 208</b>	<b>31 932</b>	<b>2 276</b>	<b>7%</b>	<b>190 937</b>
Energy sources	114 492	139 573	–	15 641	27 672	23 481	4 191	18%	139 573
Waste management	50 939	51 364	–	3 929	6 535	8 451	(1 916)	-23%	51 364
<b>Total Expenditure - Functional</b>	<b>610 171</b>	<b>734 364</b>	–	<b>49 536</b>	<b>103 841</b>	<b>111 927</b>	<b>(8 086)</b>	<b>-7%</b>	<b>734 364</b>
<b>Surplus/ (Deficit) for the year</b>	<b>101 093</b>	<b>114 566</b>	–	<b>144 329</b>	<b>127 285</b>	<b>106 195</b>	<b>21 089</b>	<b>20%</b>	<b>114 566</b>



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

Vote Description	2023/24	Budget Year 2024/25							
	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	36 200	48 780	–	18 876	18 876	15 497	3 379	22%	48 780
Vote 2 - Municipal Manager	52 692	53 017	–	18 943	18 943	19 887	(944)	-5%	53 017
Vote 3 - Budget & Treasury	127 939	155 069	–	28 083	34 678	35 876	(1 198)	-3%	155 069
Vote 4 - Corporate Services	56 661	46 686	–	22 682	22 682	20 053	2 630	13%	46 686
Vote 5 - Community Services	163 089	197 934	–	32 424	34 915	40 172	(5 257)	-13%	197 934
Vote 6 - Technical Services	245 385	309 085	–	55 987	83 520	73 609	9 911	13%	309 085
Vote 7 - Developmental Planning	13 529	18 658	–	7 992	8 634	6 954	1 679	24%	18 658
Vote 8 - Executive Support	15 770	19 701	–	8 878	8 878	6 075	2 803	46%	19 701
<b>Total Revenue by Vote</b>	<b>711 265</b>	<b>848 930</b>	<b>–</b>	<b>193 865</b>	<b>231 126</b>	<b>218 122</b>	<b>13 004</b>	<b>6%</b>	<b>848 930</b>
<b>Expenditure by Vote</b>									
Vote 1 - Executive & Council	39 933	42 336	–	2 767	6 558	7 411	(853)	-12%	42 336
Vote 2 - Municipal Manager	45 561	43 952	–	3 380	6 572	7 063	(491)	-7%	43 952
Vote 3 - Budget & Treasury	71 103	84 203	–	6 958	19 089	15 640	3 449	22%	84 203
Vote 4 - Corporate Services	28 973	45 697	–	1 340	4 945	7 826	(2 881)	-37%	45 697
Vote 5 - Community Services	160 788	229 017	–	8 686	15 771	29 788	(14 017)	-47%	229 017
Vote 6 - Technical Services	224 368	249 634	–	23 317	44 175	37 758	6 417	17%	249 634
Vote 7 - Developmental Planning	12 706	21 637	–	1 176	2 509	3 619	(1 110)	-31%	21 637
Vote 8 - Executive Support	26 738	17 889	–	1 913	4 223	2 821	1 401	50%	17 889
<b>Total Expenditure by Vote</b>	<b>610 171</b>	<b>734 364</b>	<b>–</b>	<b>49 536</b>	<b>103 841</b>	<b>111 927</b>	<b>(8 086)</b>	<b>-7%</b>	<b>734 364</b>
<b>Surplus/ (Deficit) for the year</b>	<b>101 093</b>	<b>114 566</b>	<b>–</b>	<b>144 329</b>	<b>127 285</b>	<b>106 195</b>	<b>21 089</b>	<b>20%</b>	<b>114 566</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	2023/24	Budget Year 2024/25							
	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	59 487	67 168		5 260	8 964	11 195	(2 231)	-20%	67 168
Service charges - electricity revenue	101 233	133 515		13 336	23 380	22 252	1 128	5%	133 515
Service charges - refuse revenue	12 221	12 488		1 114	2 187	2 081	105	5%	12 488
Rental of facilities and equipment	1 308	2 855		38	69	273	(205)	-75%	2 855
Interest earned - external investments	7 316	9 404		923	1 463	1 326	137	10%	9 404
Interest earned - outstanding debtors	15 871	19 888		1 466	2 917	2 426	491	20%	19 888
Fines, penalties and forfeits	71 118	113 999		1 110	1 698	14 104	(12 406)	-88%	113 999
Licences and permits	5 872	7 302		611	1 189	1 698	(510)	-30%	7 302
Transfers and subsidies	363 048	383 099		157 887	158 903	139 737	19 166	14%	383 099
Other revenue	1 525	2 994		64	336	516	(180)	-35%	2 994
Gains					574		574	0%	
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>638 998</b>	<b>752 712</b>	<b>-</b>	<b>181 807</b>	<b>201 679</b>	<b>195 610</b>	<b>6 069</b>	<b>3%</b>	<b>752 712</b>
<b>Expenditure By Type</b>									
Employee related costs	178 956	213 757		14 768	29 379	35 620	(6 240)	-18%	213 757
Remuneration of councillors	27 289	28 178		2 145	4 167	4 696	(530)	-11%	28 178
Debt impairment	63 819	125 207		-	-	12 807	(12 807)	-100%	131 672
Depreciation & asset impairment	60 972	58 901		5 828	10 919	6 707	4 212	63%	58 901
Finance charges	1 585	406		79	79	29	51	177%	406
Bulk purchases	91 699	121 123		14 733	26 026	20 187	5 839	29%	121 123
Other materials	42 889	37 865		958	4 358	5 815	(1 457)	-25%	37 865
Contracted services	73 485	70 102		7 381	12 709	12 846	(137)	-1%	70 102
Transfers and subsidies	10 946	9 404		811	1 551	1 736	(185)	-11%	9 404
Other expenditure	58 226	69 371		2 832	14 653	11 472	3 181	28%	62 906
Losses	306	50		-	-	12	(12)	-100%	50
<b>Total Expenditure</b>	<b>610 171</b>	<b>734 364</b>	<b>-</b>	<b>49 536</b>	<b>103 841</b>	<b>111 927</b>	<b>(8 086)</b>	<b>-7%</b>	<b>734 364</b>
<b>Surplus/(Deficit)</b>	<b>28 827</b>	<b>18 347</b>	<b>-</b>	<b>132 271</b>	<b>97 838</b>	<b>83 683</b>	<b>14 155</b>	<b>17%</b>	<b>18 347</b>
Transfers and subsidies - capital (monetary allocations)	72 266	95 858		12 058	29 447	22 458	6 989	31%	95 858
Transfers and subsidies - capital (monetary allocations)		360				54	(54)	-100%	360
Surplus/(Deficit) after capital transfers & contributions	101 093	114 566	-	144 329	127 285	106 195			114 566
<b>Taxation</b>							-		
Surplus/(Deficit) after taxation	101 093	114 566	-	144 329	127 285	106 195			114 566
<b>Attributable to minorities</b>									
Surplus/(Deficit) attributable to municipality	101 093	114 566	-	144 329	127 285	106 195			114 566
<b>Share of surplus/ (deficit) of associate</b>									
<b>Surplus/ (Deficit) for the year</b>	<b>101 093</b>	<b>114 566</b>	<b>-</b>	<b>144 329</b>	<b>127 285</b>	<b>106 195</b>			<b>114 566</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.

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**

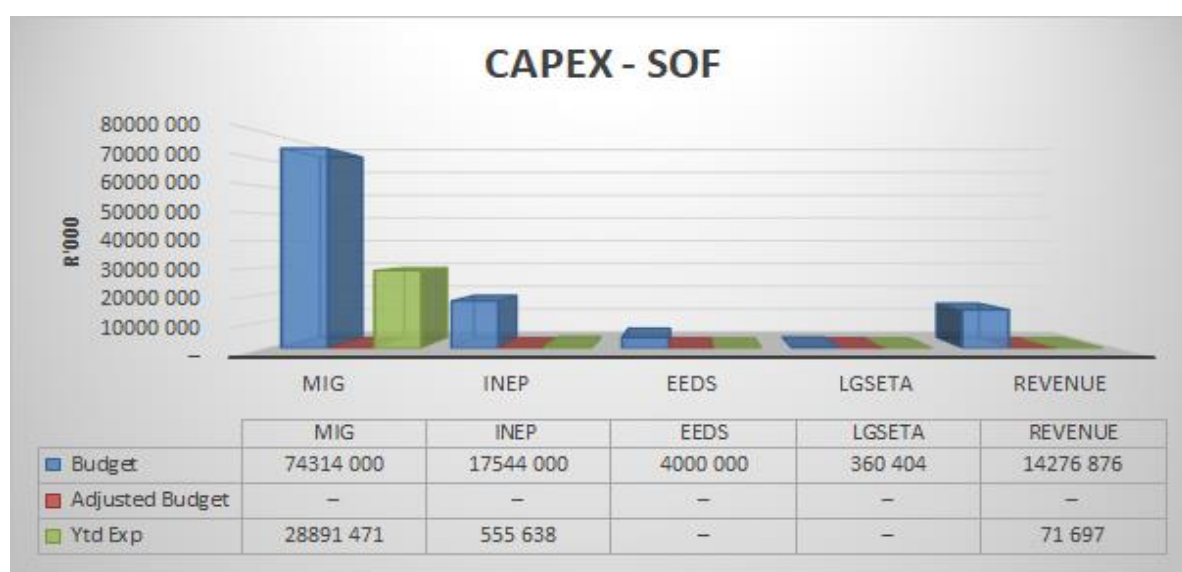
Vote Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>	7 572	7 170	–	–	–	347	(347)	-100%	7 170
Executive and council	–	–					–		–
Finance and administration	7 572	7 170		–	–	347	(347)	-100%	7 170
Internal audit	–	–					–		–
<b>Community and public safety</b>	245	11 100	–	–	–	198	(198)	-100%	11 100
Community and social services	–	800	–	–	–	129	(129)	-100%	800
Sport and recreation	245	10 300	–	–	–	69	(69)	-100%	10 300
Public safety	–	–	–	–	–	–	–		–
Housing							–		
Health							–		
<b>Economic and environmental services</b>	64 560	68 949	–	7 242	19 240	8 275	10 964	132%	68 949
Planning and development	–	–	–	–	–	–	–		–
Road transport	64 560	68 949	–	7 242	19 240	8 275	10 964	132%	68 949
Environmental protection	–	–	–	–	–	–	–		–
<b>Trading services</b>	13 737	23 277	–	483	483	2 159	(1 676)	-78%	23 277
Energy sources	12 842	22 227		483	483	1 885	(1 402)	-74%	22 227
Waste management	895	1 050		–	–	274	(274)	-100%	1 050
Other							–		
<b>Total Capital Expenditure - Functional Classification</b>	<b>86 114</b>	<b>110 495</b>	<b>–</b>	<b>7 725</b>	<b>19 723</b>	<b>10 980</b>	<b>8 743</b>	<b>80%</b>	<b>110 495</b>
<b>Funded by:</b>									
National Government	69 153	96 218		7 725	19 651	9 862	9 790	99%	96 218
Provincial Government							–		
District Municipality							–		
Transfers and subsidies - capital (monetary allocations)							–		
<b>Transfers recognised - capital</b>	<b>69 153</b>	<b>96 218</b>	<b>–</b>	<b>7 725</b>	<b>19 651</b>	<b>9 862</b>	<b>9 790</b>	<b>99%</b>	<b>96 218</b>
Borrowing							–		
Internally generated funds	21 469	14 277		–	72	1 118	(1 046)	-94%	14 277
<b>Total Capital Funding</b>	<b>90 622</b>	<b>110 495</b>	<b>–</b>	<b>7 725</b>	<b>19 723</b>	<b>10 980</b>	<b>8 743</b>	<b>80%</b>	<b>110 495</b>

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

Vote Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Expenditure of multi-year capital appropriation</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-		-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-		-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-		-
Vote 4 - Corporate Services	2 102	1 000	-	-	-	262	(262)	-100%	1 000
Vote 5 - Community Services	869	10 000	-	-	-	-	-		10 000
Vote 6 - Technical Services	74 273	70 688	-	7 242	19 168	8 290	10 879	131%	70 688
Vote 7 - Developmental Planning	-	-	-	-	-	-	-		-
Vote 8 - Executive Support	-	-	-	-	-	-	-		-
<b>Total multi-year capital expenditure</b>	<b>77 244</b>	<b>81 688</b>	<b>-</b>	<b>7 242</b>	<b>19 168</b>	<b>8 551</b>	<b>10 617</b>	<b>124%</b>	<b>81 688</b>
<b>Expenditure of single-year capital appropriation</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-		-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-		-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-		-
Vote 4 - Corporate Services	5 470	6 170	-	-	-	86	(86)	-100%	6 170
Vote 5 - Community Services	271	2 150	-	-	-	472	(472)	-100%	2 150
Vote 6 - Technical Services	7 638	20 487	-	483	555	1 871	(1 316)	-70%	20 487
Vote 7 - Developmental Planning	-	-	-	-	-	-	-		-
Vote 8 - Executive Support	-	-	-	-	-	-	-		-
<b>Total single-year capital expenditure</b>	<b>13 379</b>	<b>28 807</b>	<b>-</b>	<b>483</b>	<b>555</b>	<b>2 428</b>	<b>(1 874)</b>	<b>-77%</b>	<b>28 807</b>
<b>Total Capital Expenditure</b>	<b>90 622</b>	<b>110 495</b>	<b>-</b>	<b>7 725</b>	<b>19 723</b>	<b>10 980</b>	<b>8 743</b>	<b>80%</b>	<b>110 495</b>

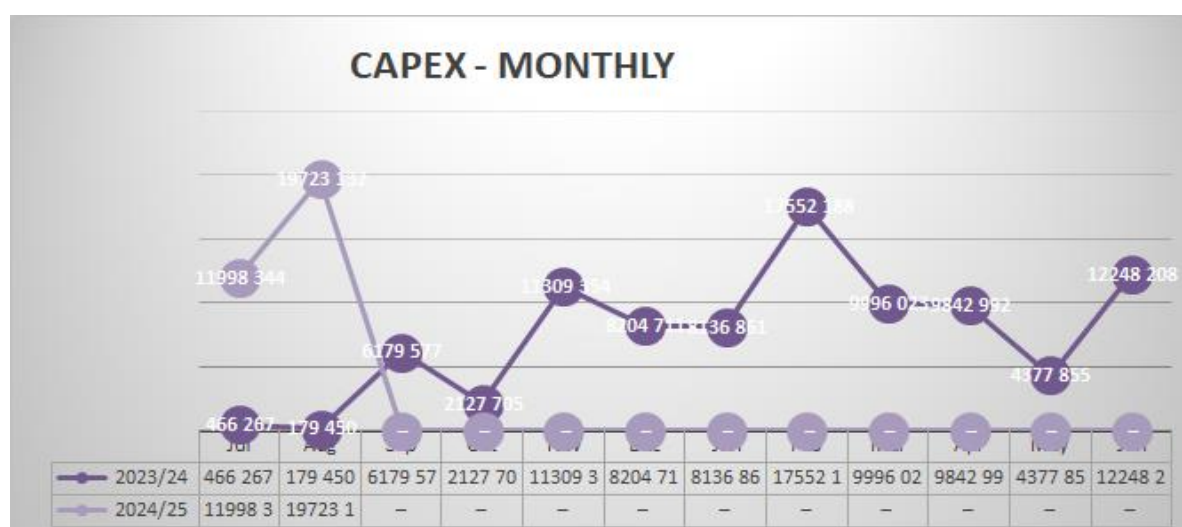
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of August 2024, R7,726 spending is incurred and the year-to-date expenditure amounts to R19, 723 whilst the year to date budget is R10, 980 million and this gave rise to over spending variance of R8, 743 million that translates to 80%.

**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 R110, 495 million, R74, 314 million is funded from Municipal Infrastructure grant, R17, 544 million from Integrated National Electrification Programme, Energy Efficiency and Demand Side Management grant, R4, 000 million, LGSETA amounts to R360 and R14, 277 million from own revenue and the spending per source of finance is presented in the above graph.

**Figure 2: Monthly capital expenditure**



The above graph compares the 2022-23 and 2023/24 monthly capital expenditure performance.

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

Description	2023/24	Budget Year 2024/25			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	23 456	76 076		8 880	76 076
Call investment deposits	–	–		101 192	–
Consumer debtors	132 262	145 085		149 237	145 085
Other debtors	19 167	13 993		91 539	13 993
Current portion of long-term receivables	10 417	119		–	119
Inventory	28 034	41 956		33 308	41 956
<b>Total current assets</b>	<b>213 335</b>	<b>277 229</b>	<b>–</b>	<b>384 157</b>	<b>277 229</b>
<b>Non current assets</b>					
Long-term receivables	–	–	–	–	–
Investments	18 475	19 693	–	–	19 693
Investment property	103 831	47 492		110 604	47 492
Investments in Associate	–	–	–	–	–
Property, plant and equipment	1 129 185	1 405 876		1 162 568	1 405 876
Biological	–	–	–	–	–
Intangible	–	663		–	663
Other non-current assets	463	463		1 928	463
<b>Total non current assets</b>	<b>1 251 955</b>	<b>1 474 187</b>	<b>–</b>	<b>1 275 100</b>	<b>1 474 187</b>
<b>TOTAL ASSETS</b>	<b>1 465 290</b>	<b>1 751 416</b>	<b>–</b>	<b>1 659 256</b>	<b>1 751 416</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft	–	–		–	–
Borrowing	6 723	8 895		6 454	8 895
Consumer deposits	5 518	6 653		5 456	6 653
Trade and other payables	106 189	102 261	–	136 477	102 261
Provisions	11 300	6 565		–	6 565
<b>Total current liabilities</b>	<b>129 731</b>	<b>124 375</b>	<b>–</b>	<b>148 387</b>	<b>124 375</b>
<b>Non current liabilities</b>					
Borrowing	–	27 548		2 557	27 548
Provisions	117 221	90 302	–	121 790	90 302
<b>Total non current liabilities</b>	<b>117 221</b>	<b>117 850</b>	<b>–</b>	<b>124 347</b>	<b>117 850</b>
<b>TOTAL LIABILITIES</b>	<b>246 951</b>	<b>242 225</b>	<b>–</b>	<b>272 733</b>	<b>242 225</b>
<b>NET ASSETS</b>	<b>1 218 338</b>	<b>1 509 192</b>	<b>–</b>	<b>1 386 523</b>	<b>1 509 192</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	1 218 338	1 509 192		1 386 523	1 509 192
Reserves	–	–		–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>1 218 338</b>	<b>1 509 192</b>	<b>–</b>	<b>1 386 523</b>	<b>1 509 192</b>

The above table shows that community wealth amounts to R1, 387 billion, total liabilities R273, million and the total assets R1,659 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 2.6:1 which does not meets the acceptable norm of 2:1. The municipality 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	2023/24	Budget Year 2024/25							
	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	59 801	68 803	–	3 922	6 915	8 957	(2 042)	-23%	68 803
Service charges	102 043	144 048	–	12 568	19 156	9 326	9 830	105%	144 048
Other revenue	2 684	28 186	–	6 310	37 760	25 770	11 991	47%	28 186
Transfers and Subsidies - Operational	333 406	383 099	–	3 452	160 906	161 522	(617)	0%	383 099
Transfers and Subsidies - Capital	111 606	91 858	–	–	33 597	34 222	(625)	-2%	91 858
Interest	2 306	8 210	–	648	1 355	978	377	38%	8 210
<b>Payments</b>									
Suppliers and employees	(530 000)	(538 490)	–	(64 929)	(136 602)	(109 756)	26 846	-24%	(538 490)
Finance charges	(1 371)	(406)	–	(79)	(79)	(870)	(790)	91%	(406)
Transfers and Grants	(4 139)	(9 404)	–	(811)	(1 551)	(799)	753	-94%	(9 404)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>76 336</b>	<b>175 904</b>	<b>–</b>	<b>(38 920)</b>	<b>121 456</b>	<b>129 350</b>	<b>7 894</b>	<b>6%</b>	<b>175 904</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	(4)	659	–	–	–	–	–		659
Decrease (increase) in non-current receivables	–	1 194	–	–	–	–	–		1 194
Decrease (increase) in non-current investments	–	–	–	–	–	–	–		–
<b>Payments</b>									
Capital assets	(64 105)	(99 594)	–	(7 725)	(19 723)	(13 957)	5 766	-41%	(99 594)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(64 108)</b>	<b>(97 741)</b>	<b>–</b>	<b>(7 725)</b>	<b>(19 723)</b>	<b>(13 957)</b>	<b>5 766</b>	<b>-41%</b>	<b>(97 741)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	–	–	–	–	–	–	–		–
Borrowing long term/refinancing	–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits	–	–	–	(28)	(28)	679	(707)	-104%	–
<b>Payments</b>									
Repayment of borrowing	(7 122)	–	–	(841)	(841)	(989)	(148)	15%	–
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(7 122)</b>	<b>–</b>	<b>–</b>	<b>(869)</b>	<b>(869)</b>	<b>(310)</b>	<b>559</b>	<b>-180%</b>	<b>–</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>5 105</b>	<b>78 163</b>	<b>–</b>	<b>(47 513)</b>	<b>100 863</b>	<b>115 082</b>			<b>78 163</b>
Cash/cash equivalents at beginning:	33 093	9 209	–		9 209	9 209			9 209
Cash/cash equivalents at month/year end:	38 198	87 372	–		110 072	124 291			87 372

Table C7 presents details pertaining to cash flow performance. As at end of August 2024, the net cash inflow from operating activities is R121, 456 million whilst net cash outflow from investing activities is R19, 723 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R869, thousands. The cash and cash equivalent held at end of August 2024 amounted to R110, 072 million and the net effect of the above cash flows is cash inflow movement of R100, 863 million. The cash and cash equivalent at end of the reporting period of R110, 072 million, is mainly made up of cash in the primary bank account amounting to R8, 880 million and short term investments amounting to R101, 192 million at the end of August 2024.



## PART 2: SUPPORTING TABLES

**Supporting Table: SC 1 Material Variance Explanations**

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<b>Revenue By Source</b>			
Property rates	-20%	The actual revenue generated is lower than the projected monthly revenue	The municipality should ensure revenue is collected in all business areas where revenue is billed
Service charges - electricity revenue	5%	The projected monthly revenue appear to be lower in light of the actual revenue performance	No remedial action since the actual revenue is performing well.
Service charges - refuse revenue	5%	The actual revenue generated is slightly higher than the projected monthly revenue	The municipality should ensure revenue is collected in all business areas where skips bins are located
Rental of facilities and equipment	-75%	The actual revenue generated is lower than the projected monthly revenue and the majority of the rented assets are not at arm's length transactions	The municipal needs to ensure all the municipal and rented equipments generate revenue as hired out.
Interest earned - external investments	10%	The municipality has invested in six different investment portfolios with ABSA, Standard bank, and Nedbank and the actual interest generated is more budgeted revenue	The municipality should draft cash flow projections plan which will assist if there is a need to invest during the budget preparations to avoid variances.
Interest earned - outstanding debtors	20%	The actual revenue generated is more than the projected monthly revenue.	The municipality should encourage customers to pay the accounts on time to avoid incurring interest.
Fines, penalties and forfeits	-88%	the speed fine cameras has been appointed, however there still slow collection in terms of revenue collection.	should be road blocks in the groblersdal entrances where cashiers are available to collection on outstanding traffic fines.
Licences and permits	-30%	The actual revenue generated is less than the projected monthly revenue	No remedial action is needed since the variance is immaterial.
Transfers and subsidies	14%	The equitable share trenches received is slightly lower than the projections thereof.	The budget team should request LPT DORA to guide in the projections during the final budget preparations.
Other revenue	-35%	The actual revenue generated is less than the projected monthly revenue.	The municipality should ensure that all write offs on the outstanding debts are true reflections of what should be written off.
<b>Expenditure By Type</b>			
Employee related costs	-18%	The actual expenditure incurred on employee related costs is less than the projections thereof	Majority of positions are on advert hence the under expenditure.
Remuneration of councillors	-11%	The actual expenditure incurred on remuneration of councillors is slightly more than the projected monthly expenditure	No remedial action is needed.
Debt impairment	-100%	Debt impairment has not been calculated for the month of beginning of the year.	The municipality should introduce the method of calculating debt impairment on monthly basis to avoid the variances.
Depreciation & asset impairment	63%	Depreciation has been calculated on monthly basis and the actuals is slightly more than the projections.	No remedial action is needed
Finance charges	177%	Finance charges is mainly for finance lease and the municipality has a lease contract with Afrivent pty ltd where invoices for the month of August has been received on time	The municipality should encourage the service provider to submit invoices before month end system closure so payments are processed and captured on the system to avoid variances.
Bulk purchases	29%	than the actual expenditure, the monthly payments were captured before month end hence the actuals are more than the projections.	The municipality should encourage the service provider (Eskom) to submit invoices before month end system closure so payments are processed and captured on the system to avoid variances.
Other materials	-25%	The municipal licenced electrification areas have increased and the projections are more than the actual expenditure, however the july payments were captured hence the actuals are less than the projections.	The municipality should encourage the service provider (Eskom) to submit invoices before month end system closure so payments are processed and captured on the system to avoid variances.
Contracted services	-1%	The actual expenditure incurred is less than the projected monthly expenditure	Majority of contractors are paid after month end. The municipality should encourage contractors to submit invoices on time to avoid variances and ultimately improves cash flow management.
Transfers and subsidies	-11%	The actual expenditure incurred is less than the projected monthly expenditure	No remedial action is needed
Other expenditure	28%	The actual expenditure incurred is less than the projected monthly expenditure	The municipality should identify expenditure lead to significant variances and improve on those items to avoid the variances.
Losses	-100%	The actual expenditure incurred is less than the projected monthly expenditure	The municipality should continue with the remedy that they use to identify expenditure lead to significant variances and improve on those items to avoid the variances.



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

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<b>Capital Expenditure</b>			
National Government	99%	The projections on capital grants is more than the spending thereof.	Majority is the projects are multi year which are continuations from the previous financial year
Internally generated funds	-94%	The actual spending on internally generated funds is less than the projections thereof.	The municipality should continue implementing all the internal projects to ensure service delivery is achieved.
<b>Cash Flow</b>			
Property rates	-23%	The actual collection rate on property rates is less than the projected rate	The municipality should keep on improving on the actual collection on residential and business areas and encourage customers to pay their accounts when they are due.
Service charges	105%	The collection rate on service charges is higher than the projected rate	The municipality should come up with strategies that they will use to collect on licenced municipal areas on electricity billings and refuse removal
Other revenue	47%	The collection rate on leased assets is less than the projected amount	The municipality should continue with the strategies to ensure that all leased municipal assets are rented out as projected
Government - operating	0%	The receipted trenches of operational grants are not in line with the projections thereof.	The municipality should make use of DORA during the draft and final budget preparations.
Government - Capital	-2%	The receipted trenches of capital grants are in line with the projections.	The municipality should make use of DORA during the draft and final budget preparations.
Interest	38%	Interest on other revenue is over projected to the under collection from other debtors	No remedial action is needed
Suppliers and employees	-36%	The actual costs incurred is less than the projected costs and the variance is caused by overspending on contracted services, other materials and other expenditure.	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	91%	The finance costs which is for finance lease contracts has outstanding payments due to late payments submissions.	The municipality should encourages Afrent to send invoices on time and the fleet unit should prepare invoices on time to avoid the material variances.
Transfers and Grants	-94%	The payments relating to this account are slightly more than the projections thereof	Municipality should develop a strategy to pay on time to avoid interest
Capital assets	-41%	The projected capital expenditure on capex is less than the actual spending thereof.	The municipality is on track with the implementation of all capital projects.
Increase (decrease) in consumer deposits		The actual payments on consumer deposit is more than the projections thereof	No remedial action is needed
Repayment of borrowing	1684%	The projections is not in line with the amortisation schedule	The municipality should make use of amortisation during budget preparations and ensure the payments are inline with the amortisation schedule.

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

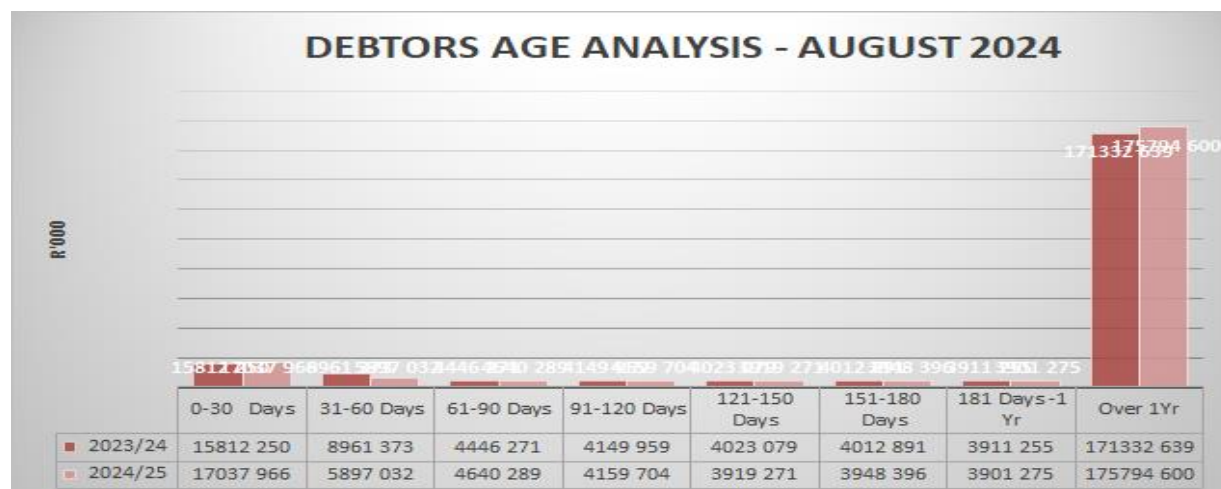
Description	Budget Year 2024/25											
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Bad Debts Written Off	Impairment - Bad Debts
<b>Debtors Age Analysis By Income Source</b>												
Trade and Other Receivables from Exchange Transactions - Electricity	11 185	1 126	217	170	110	137	91	3 923	16 959	4 431	-	-
Receivables from Non-exchange Transactions - Property Rates	4 853	2 692	2 396	1 853	1 776	1 735	1 765	70 159	87 230	77 288	-	-
Receivables from Exchange Transactions - Waste Management	1 086	766	678	642	626	610	613	27 619	32 640	30 111	-	-
Receivables from Exchange Transactions - Property Rental Debtors	109	69	45	40	40	40	40	1 365	1 747	1 524	-	-
Interest on Arrear Debtor Accounts	1 493	1 478	1 440	1 405	1 376	1 347	1 321	67 514	77 375	72 964	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Other	(1 687)	(234)	(137)	49	(9)	80	72	5 214	3 348	5 406	-	-
<b>Total By Income Source</b>	<b>17 038</b>	<b>5 897</b>	<b>4 640</b>	<b>4 160</b>	<b>3 919</b>	<b>3 948</b>	<b>3 901</b>	<b>175 795</b>	<b>219 299</b>	<b>191 723</b>	<b>-</b>	<b>-</b>
<b>2019/20 - totals only</b>	<b>12 408</b>	<b>5 852</b>	<b>3 684</b>	<b>3 769</b>	<b>4 182</b>	<b>3 602</b>	<b>18 485</b>	<b>133 545</b>	<b>185 527</b>	<b>163 584</b>		
<b>Debtors Age Analysis By Customer Group</b>												
Organs of State	2 842	1 183	996	959	907	906	885	44 823	53 500	48 479	-	-
Commercial	10 060	1 007	605	580	492	541	489	13 156	26 930	15 258	-	-
Households	6 641	3 455	2 913	2 552	2 418	2 391	2 430	115 078	137 878	124 870	-	-
Other	(2 505)	253	126	69	102	111	97	2 738	990	3 116	-	-
<b>Total By Customer Group</b>	<b>17 038</b>	<b>5 897</b>	<b>4 640</b>	<b>4 160</b>	<b>3 919</b>	<b>3 948</b>	<b>3 901</b>	<b>175 795</b>	<b>219 299</b>	<b>191 723</b>	<b>-</b>	<b>-</b>

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of August 2024 amount to R220, 680 million. The debtors' book is made up as follows:

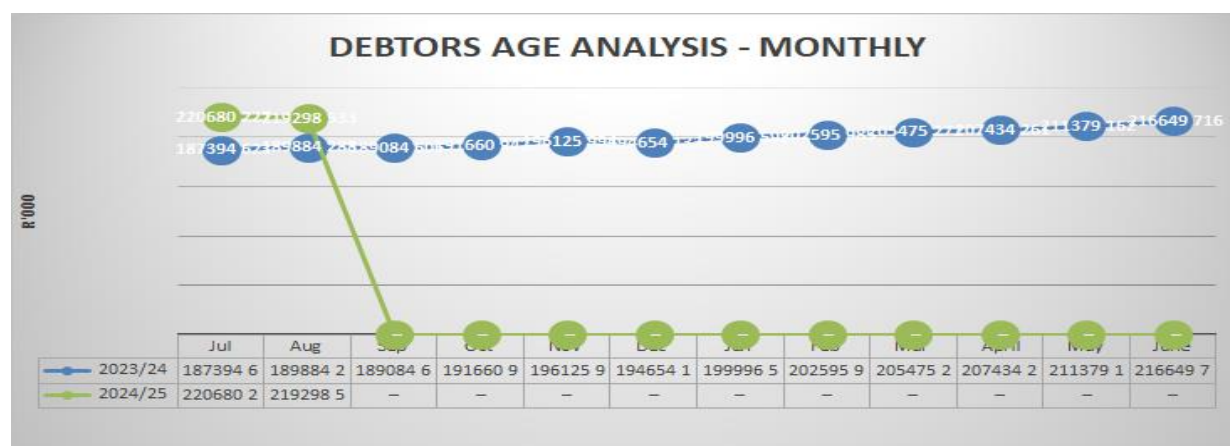
- Rates 40%
- Electricity 8%
- Rental 1%
- Refuse removal 15%
- Interest on Debtors 35%
- Other 2%

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 2023-24 financial year and 2024/25 (as at end of August 2024) whilst the latter shows monthly movement of debtors for both the current financial year and the 2023-24 financial year. The debtors book is materially less than the 2024/25 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	HAND OVER	OUTSTANDING BALANCE
9005301	00000 TWIN CITY TRADING PTY/00000 TWIN CITY TRADING PTY LTD	ACTIVE	OWNER	N	2 085 794
9012345	BREED J & OOSTHUIZEN J F	ACTIVE	OCCUPIER	N	1 647 897
911906	TAFELKOP MALL (PTY) LTD	ACTIVE	OWNER	N	1 348 151
9001667	NDEBELE MAHLANGU TRIBE	ACTIVE	OWNER	N	807 381
9001668	NDEBELE MAHLANGU TRIBE	ACTIVE	OWNER	N	807 011
9002327	DE LEMOS E M	ACTIVE	OWNER	N	629 260
9001763	TSHEHLA TRUST MAMAILE GEORGE	ACTIVE	OWNER	N	581 216
9900067	SEKHUKHUNE DISTRICT MUNICIPALITY(PURIFICATION PLANT)	ACTIVE	OCCUPIER	Y	572 753
9000207	GROMAR TRUST	ACTIVE	OWNER	N	541 223
7000918	MATHEBULA JABULANI JACK TITUS	ACTIVE	OCCUPIER	Y	510 712
9002503	GOUWS BOERDERY TRUST 1999/022459/07	ACTIVE	OWNER	N	500 927
9000157	NEDERDUITSE GEREFORMEERDE KERK	ACTIVE	OWNER	N	489 606
9019006	TIGER STRIPES INVESTMENTS (PTY	ACTIVE	OWNER	Y	479 124
9000178	PRIVATE SCHOOL INV (LIVING WATERS)	ACTIVE	OWNER	N	470 632
5000633	ERASMUS G J	ACTIVE	OCCUPIER	N	464 102
9001714	KWAMAQHUZE COMMUNAL PROP ASSOC	ACTIVE	OWNER	N	457 827
72010812	PROVINCIAL GOVERNMENT OF THE PROVINCE OF MPUMALANGA	ACTIVE	OWNER	N	452 601
1501364	JAN JOUBERT TRUST (JO JO TANKS)	ACTIVE	OCCUPIER	N	440 768
9002065	GOVERNMENT OF KWANDEBELE(RURAL DEVELOPMENT)	ACTIVE	OWNER	N	421 021
136	LIZINEX (PTY) LTD	ACTIVE	OWNER	N	417 819
TOTAL					14 125 825

### Supporting Table: SC 4 - Creditors Age Analysis

Description	Budget Year 2024/25								Prior year totals for chart
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
<b>Creditors Age Analysis By Customer Type</b>									
Bulk Electricity									
Bulk Water									
PAYE deductions									
VAT (output less input)									
Pensions / Retirement deductions									
Loan repayments									
Trade Creditors									
Auditor General									
Other									
<b>Total By Customer Type</b>	-	-	-	-	-	-	-	-	-

Supporting table SC4 provides creditors age analysis. In terms of section 65 of the MFMA all creditors must be paid within 30 days of receiving an invoice.

The contracted services are to be paid through order system payments and that should feed the age analysis module every month.

### Supporting Table: SC 5 - Investment Portfolio

Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Commission Paid	Expiry date	Opening Balance	Interest Earned	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
ABSA CALL ACCOUNT		Current Investment	8.9%		31-Jul-24	20 073 151	131 005	- 5 000 000	-	15 204 156
ABSA 6817		Current Investment	9.2%		22-Nov-24	30 113 795	235 175		-	30 348 970
ABSA 6825		Current Investment	9.2%		24/10/2024	30 113 055	233 647		-	30 346 701
NEDBANK 37 DAYS		Current Investment	9.1%		23/09/2024	25 099 507	192 795	-	-	25 292 301
NEDBANK 69 DAYS		Current Investment	9.0%		22/08/2024	25 098 959	129 884	-25 228 842	-	-
<b>Municipality sub-total</b>						<b>130 498 466</b>	<b>922 505</b>	<b>-30 228 842</b>	<b>-</b>	<b>101 192 128</b>

The Municipality had short investment portfolios during the month of August 2024 with an opening balance of 130,498 and top up investment of Nil in various investment portfolios. An amount of R923 thousand was earned as an interest, withdrew R30, 229 million and closed off with R101, 192 million at the end of August 2024.

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

Description	2023/24	Budget Year 2024/25							
	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>363 048</b>	<b>390 192</b>	<b>-</b>	<b>3 452</b>	<b>160 823</b>	<b>140 919</b>	<b>19 904</b>	<b>14%</b>	<b>390 192</b>
Local Government Equitable Share	357 955	384 783		-	157 371	137 428	19 943	15%	384 783
Finance Management	2 850	2 800		2 800	2 800	2 800	-		2 800
EPWP Incentive	2 243	2 609		652	652	691	(39)	-6%	2 609
<b>Other grant providers:</b>	<b>358</b>	<b>360</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54</b>	<b>(54)</b>	<b>-100%</b>	<b>360</b>
LGSETA Learnership and Development	358	360		-		54	(54)	-100%	360
<b>Total Operating Transfers and Grants</b>	<b>363 406</b>	<b>390 553</b>	<b>-</b>	<b>3 452</b>	<b>160 823</b>	<b>140 973</b>	<b>19 850</b>	<b>14%</b>	<b>390 553</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	<b>72 246</b>	<b>95 858</b>	<b>-</b>	<b>-</b>	<b>33 514</b>	<b>22 458</b>	<b>11 356</b>	<b>51%</b>	<b>95 858</b>
Municipal Infrastructure Grant (MIG)	60 985	74 314		-	25 314	16 451	8 863	54%	74 314
Integrated National Electrification Grant	11 261	17 544		-	7 000	4 508	2 492	55%	17 544
Energy Efficiency and Demand Side Management Grant	-	4 000	-	-	1 200	1 500			4 000
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Cogesta - Development		-					-		-
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
N/A							-		
<b>Total Capital Transfers and Grants</b>	<b>72 246</b>	<b>95 858</b>	<b>-</b>	<b>-</b>	<b>33 514</b>	<b>22 458</b>	<b>11 356</b>	<b>51%</b>	<b>95 858</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>435 653</b>	<b>486 411</b>	<b>-</b>	<b>3 452</b>	<b>194 337</b>	<b>163 432</b>	<b>31 205</b>	<b>19%</b>	<b>486 411</b>

Supporting tables SC6 provides details of grants received. The year-to-date actual receipts amounts to R194, 337 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R157, 371 million; Financial Management Grant amounting to R2,800 million LGSETA amounting Nil, Municipal Infrastructure Grant amounting to R25 314 million; Integrated National Energy Grant R7, 000 million and Expanded Public Works Programme R652 million were received and Energy Efficiency and Demand Side Management Grant R1, 200 million. All the trenches of the grants allocated for the current financial year have been received in line with National Treasury payment schedule.

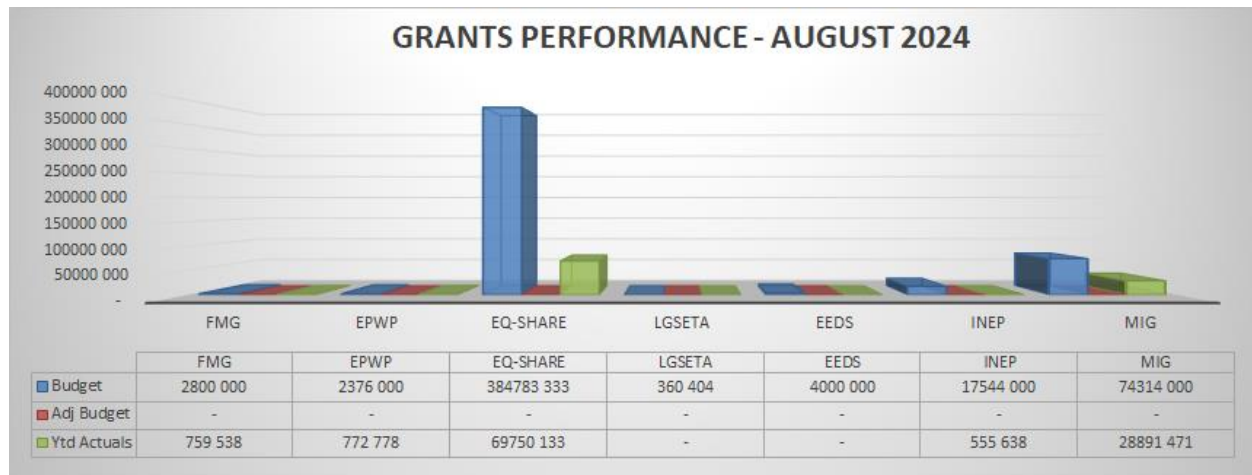
## Supporting Table: SC 7 Transfers and grants – Expenditure

Description	2023/24	Budget Year 2024/25							
	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>363 048</b>	<b>390 192</b>	<b>–</b>	<b>31 173</b>	<b>71 282</b>	<b>65 608</b>	<b>(33 418)</b>	<b>9%</b>	<b>390 192</b>
Local Government Equitable Share	357 955	384 783		30 658	69 750	64 801	(34 143)	8%	384 783
Finance Management	2 850	2 800		141	760	372	387	104%	2 800
EPWP Incentive	2 243	2 609		375	773	435	338	78%	2 609
<b>Other grant providers:</b>	<b>358</b>	<b>360</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>		<b>360</b>
LGSETA Learnership and Development	358	360		–	–	–	–		360
<b>Total operating expenditure of Transfers and Grants</b>	<b>363 406</b>	<b>390 553</b>	<b>–</b>	<b>31 173</b>	<b>71 282</b>	<b>65 608</b>	<b>5 674</b>	<b>9%</b>	<b>390 553</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>72 246</b>	<b>95 858</b>	<b>–</b>	<b>12 058</b>	<b>29 447</b>	<b>–</b>	<b>29 447</b>	<b>0%</b>	<b>95 858</b>
Municipal Infrastructure Grant (MIG)	60 985	74 314		11 502	28 891	–	28 891	0%	74 314
Integrated National Electrification Grant	11 261	17 544		556	556	–	556	0%	17 544
Energy Efficiency and Demand Side Management Grant		4 000		–	–	–	–		4 000
<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>
Total capital expenditure of Transfers and Grants	72 246	95 858	–	12 058	29 447	–	29 447	0%	95 858
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>435 653</b>	<b>486 411</b>	<b>–</b>	<b>43 231</b>	<b>100 730</b>	<b>65 608</b>	<b>(3 971)</b>	<b>54%</b>	<b>486 411</b>

An amount of R43, 231 million has been spent on grants during the month of August 2024 and the year-to-date actuals is R100, 730 million whilst the year to date budget amounts to R65,608 million and this results in an under spending variance of R3 ,971 million that translates to 54%. Of the total spending amounting to R100, 730 million, R71, 282 million is spent on operational grants whilst capital grants spent R29, 447 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 August 2024. The grants expenditure are shown below in percentages:

- Financial Management Grant 27.13%
- Expanded Public Work Programme 32.52%
- Equitable Share 18.13%
- Integrated National Electrification Grant 3.17%
- Municipal Infrastructure Grant 38.88%

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

Summary of Employee and Councillor remuneration	2023/24	Budget Year 2024/25							
	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	15 739	16 754		1 255	2 427	2 792	(366)	-13%	16 754
Pension and UIF Contributions	2 137	2 187		178	344	364	(20)	-6%	2 187
Medical Aid Contributions	99	88		–	6	20	(14)	-69%	88
Motor Vehicle Allowance	5 796	5 726		458	888	954	(67)	-7%	5 726
Cellphone Allowance	3 240	3 154		235	462	526	(63)	-12%	3 154
Other benefits and allowances	264	239		20	40	40	–		239
<b>Sub Total - Councillors</b>	<b>27 275</b>	<b>28 148</b>	<b>–</b>	<b>2 145</b>	<b>4 167</b>	<b>4 696</b>	<b>(530)</b>	<b>-11%</b>	<b>28 148</b>
<b>% increase</b>		<b>3%</b>							<b>3%</b>
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	2 125	5 567		250	501	928	(427)	-46%	5 567
Pension and UIF Contributions	122	325		19	38	63	(25)	-40%	325
Medical Aid Contributions	127	223		18	35	56	(20)	-37%	223
Motor Vehicle Allowance	404	902		44	89	150	(62)	-41%	902
Cellphone Allowance	81	138		9	19	28	(9)	-32%	138
Housing Allowances	–						–		
Other benefits and allowances	143	319		0	0	70	(70)	-100%	319
<b>Sub Total - Senior Managers of Municipality</b>	<b>3 002</b>	<b>7 474</b>	<b>–</b>	<b>341</b>	<b>681</b>	<b>1 295</b>	<b>(613)</b>	<b>-47%</b>	<b>7 474</b>
<b>% increase</b>		<b>149%</b>							<b>149%</b>
<b>Other Municipal Staff</b>									
Basic Salaries and Wages	112 799	136 119		9 913	19 764	22 686	(2 923)	-13%	136 119
Pension and UIF Contributions	22 094	26 099		1 914	3 811	4 344	(532)	-12%	26 099
Medical Aid Contributions	6 848	7 397		613	1 231	1 233	(1)	0%	7 397
Overtime	343	1 095		28	56	176	(120)	-68%	1 095
Performance Bonus							–		
Motor Vehicle Allowance	15 316	17 755		1 291	2 560	2 959	(400)	-14%	17 755
Cellphone Allowance	2 113	2 358		192	379	393	(14)	-4%	2 358
Housing Allowances	284	295		25	49	49	(0)	0%	295
Other benefits and allowances	11 222	14 225		271	495	2 397	(1 902)	-79%	14 225
Payments in lieu of leave	1 715	106		–	173	–	173	#DIV/0!	106
Long service awards	3 221	538		181	181	88	93	106%	538
<b>Sub Total - Other Municipal Staff</b>	<b>175 953</b>	<b>205 987</b>	<b>–</b>	<b>14 427</b>	<b>28 698</b>	<b>34 325</b>	<b>(5 627)</b>	<b>-16%</b>	<b>205 987</b>
<b>% increase</b>		<b>17%</b>							<b>17%</b>
<b>Total Parent Municipality</b>	<b>206 231</b>	<b>241 609</b>	<b>–</b>	<b>16 913</b>	<b>33 546</b>	<b>40 316</b>	<b>(6 770)</b>	<b>-17%</b>	<b>241 609</b>
		<b>17%</b>							<b>17%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>206 231</b>	<b>241 609</b>	<b>–</b>	<b>16 913</b>	<b>33 546</b>	<b>40 316</b>	<b>(6 770)</b>	<b>-17%</b>	<b>241 609</b>
<b>% increase</b>		<b>17%</b>							<b>17%</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>178 956</b>	<b>213 461</b>	<b>–</b>	<b>14 768</b>	<b>29 379</b>	<b>35 620</b>	<b>(6 240)</b>	<b>-18%</b>	<b>213 461</b>

Table SC8 provides details for Remuneration of Councilors and Employee related cost. The total salaries, allowances and benefits paid as at end of August 2024 amounts to R33, 456 million and the year-to-date budget is R40, 316 million and the expenditure for remuneration of councilors amounts to R4, 167 million while the year-to-date budget is R4, 696 million. The year-to-date actual expenditure for senior managers is R681 thousand and the year-to-date budget thereof is R1,295 million. There are three senior managerial vacant position (Corporate services, Executive support and Infrastructure,) and this is causing an underspending variance on budget performance for senior management. The year-to-date actual for other municipal staff is R28, 698 million and the year-to-date budget is R34, 325 million. The remuneration of councilors has underspending variance, senior managers have underspending and other municipal staff category has underspending variance.

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

Description	Budget Year 2024/25												2024/25 Medium Term Revenue & Expenditure Framework		
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget	Budget	Budget
	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Year	Year +1	Year +2
<b>Cash Receipts By Source</b>															
Property rates	2 993	3 922	5 238	8 595	6 539	1 055	6 385	5 846	4 477	7 405	6 378	9 970	68 803	71 969	75 280
Service charges - electricity revenue	6 142	11 956	11 994	10 746	11 887	11 733	11 504	10 712	11 789	10 632	10 632	15 053	134 780	149 222	165 244
Service charges - refuse	446	612	516	1 298	516	1 005	516	931	516	1 134	516	1 262	9 268	9 695	10 141
Rental of facilities and equipment	44	74	212	260	267	142	144	322	436	59	491	403	2 855	2 986	3 123
Interest earned - external investments	541	382	–	969	–	290	–	3 959	–	789	1 133	147	8 210	8 588	8 983
Interest earned - outstanding debtors	166	266	–	–	–	–	–	–	–	–	–	(432)	–	–	–
Fines, penalties and forfeits	589	1 110	1 403	1 854	1 741	625	1 886	1 563	594	1 216	1 045	1 215	14 840	16 824	21 497
Licences and permits	578	–	1 014	–	–	1 988	–	988	–	1 524	–	1 210	7 302	7 638	7 989
Transfers and Subsidies - Operational	157 454	3 452	–	–	1 174	125 897	–	783	94 422	–	–	(83)	383 099	379 202	365 452
Other revenue	30 240	5 126	157	216	221	219	335	314	470	192	273	(34 575)	3 188	3 335	3 488
<b>Cash Receipts by Source</b>	<b>199 192</b>	<b>26 900</b>	<b>20 534</b>	<b>23 938</b>	<b>22 345</b>	<b>142 954</b>	<b>20 770</b>	<b>25 418</b>	<b>112 704</b>	<b>22 951</b>	<b>20 468</b>	<b>(5 829)</b>	<b>632 345</b>	<b>649 459</b>	<b>661 197</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations)	33 514	–	24 000	–	8 000	15 000	–	4 544	10 800	–	–	–	95 858	72 932	78 173
Transfers and subsidies - capital (monetary allocations)	83	–	–	–	–	–	–	–	–	–	–	(83)	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets	–	–	45	58	72	58	45	58	45	58	58	162	659	131	137
Increase (decrease) in consumer deposits	–	(28)	–	–	–	–	–	–	–	–	–	28	–	–	–
Decrease (increase) in non-current receivables	–	–	154	–	327	–	218	–	110	–	–	385	1 194	1 249	1 307
<b>Decrease (increase) in non-current investments</b>															
<b>Total Cash Receipts by Source</b>	<b>232 788</b>	<b>26 872</b>	<b>44 733</b>	<b>23 996</b>	<b>30 744</b>	<b>158 012</b>	<b>21 033</b>	<b>30 020</b>	<b>123 659</b>	<b>23 009</b>	<b>20 526</b>	<b>(5 337)</b>	<b>730 056</b>	<b>723 771</b>	<b>740 814</b>
<b>Cash Payments by Type</b>															
Employee related costs	14 612	14 768	17 628	17 628	17 628	17 628	17 628	17 628	17 628	17 628	17 628	23 503	211 534	218 928	228 721
Remuneration of councillors	2 021	2 145	2 348	2 348	2 348	2 348	2 348	2 348	2 348	2 348	2 348	2 879	28 178	30 996	34 095
Interest paid	–	79	32	28	32	77	36	26	41	9	20	26	406	1 737	1 815
Bulk purchases - Electricity	11 293	14 733	9 690	8 479	9 690	23 013	10 659	7 752	12 112	2 786	6 056	4 860	121 123	136 530	153 896
Other materials	3 400	958	1 466	6 982	1 321	4 847	3 699	2 120	3 726	829	2 528	(44)	31 831	38 703	40 483
Contracted services	5 328	7 381	6 735	5 211	7 281	5 570	5 837	5 775	5 437	4 713	5 149	5 685	70 102	68 548	72 158
Grants and subsidies paid - other	740	811	742	742	742	742	992	742	742	742	742	924	9 404	9 913	10 442
<b>General expenses</b>	<b>11 821</b>	<b>24 944</b>	<b>5 451</b>	<b>4 915</b>	<b>5 451</b>	<b>11 351</b>	<b>5 880</b>	<b>3 433</b>	<b>5 364</b>	<b>1 234</b>	<b>2 682</b>	<b>(23 088)</b>	<b>59 438</b>	<b>67 901</b>	<b>70 983</b>
<b>Cash Payments by Type</b>	<b>49 214</b>	<b>65 820</b>	<b>44 092</b>	<b>46 333</b>	<b>44 493</b>	<b>65 576</b>	<b>47 079</b>	<b>39 824</b>	<b>47 398</b>	<b>30 289</b>	<b>37 153</b>	<b>14 746</b>	<b>532 016</b>	<b>573 255</b>	<b>612 594</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	11 998	7 725	6 522	9 954	7 123	7 080	11 054	9 543	12 246	8 810	10 866	(3 326)	99 595	75 203	74 932
Repayment of borrowing	–	841	–	–	–	–	–	–	–	–	–	(841)	–	–	–
<b>Other Cash Flows/Payments</b>	<b>23 199</b>		<b>(495)</b>					<b>(495)</b>			<b>(495)</b>	<b>(5 430)</b>	<b>16 284</b>	<b>16 533</b>	<b>16 891</b>
<b>Total Cash Payments by Type</b>	<b>84 411</b>	<b>74 386</b>	<b>50 119</b>	<b>56 287</b>	<b>51 616</b>	<b>72 656</b>	<b>58 133</b>	<b>48 872</b>	<b>59 644</b>	<b>39 099</b>	<b>47 524</b>	<b>5 149</b>	<b>647 895</b>	<b>664 991</b>	<b>704 417</b>
NET INCREASE/(DECREASE) IN CASH HELD	148 377	(47 513)	(5 386)	(32 291)	(20 872)	85 356	(37 100)	(18 852)	64 015	(16 090)	(26 998)	(10 485)	82 161	58 780	36 397
Cash/cash equivalents at the month/year beginning:	9 209	157 586	110 072	104 686	72 395	51 524	136 880	99 780	80 928	144 943	128 854	101 856	9 209	91 370	150 150
Cash/cash equivalents at the month/year end:	157 586	110 072	104 686	72 395	51 524	136 880	99 780	80 928	144 943	128 854	101 856	91 370	91 370	150 150	186 547

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 R26, 872 million and the total cash payment for the month was R74, 386 million and this resulted in net decrease in cash held amounting to R45, 513 million. With cash and cash equivalent of R157,586 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting to R110, 072 million. This is a supporting table for table C7 – Cash Flow Statement.

### Supporting Table: SC 12 Capital Expenditure Trend

Month	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original
<b>Monthly expenditure performance trend</b>									
July	466	4 245		11 998	11 998	4 245	(7 753)	-183%	11%
August	179	6 735		7 725	19 723	10 980	(8 743)	-80%	18%
September	6 180	7 018				17 997	–		
October	2 128	9 954				27 951	–		
November	11 309	7 123				35 074	–		
December	8 205	7 080				42 154	–		
January	8 137	11 054				53 208	–		
February	17 552	10 039				63 247	–		
March	9 996	12 246				75 494	–		
April	9 843	8 810				84 304	–		
May	4 378	11 362				95 666	–		
June	12 248	14 830				110 495	–		
<b>Total Capital expenditure</b>	<b>90 621</b>	<b>110 495</b>	<b>–</b>	<b>19 723</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 August amounts to R7, 725 million. The year-to-date actual expenditure incurred is R19, 723 million whilst the year to date budget is R10, 980 million, that gives rise to under spending variance of R8, 743 million that translate to 80%.

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

Description	2023/24	Budget Year 2024/25							
	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>	25 833	32 450	–	483	483	3 205	2 722	85%	32 450
<b>Roads Infrastructure</b>	1 430	300	–	–	–	–	–		300
Roads	1 430	300					–		300
Road Structures							–		
Storm water Infrastructure	–	–	–	–	–	–	–		–
Drainage Collection				–	–	–	–		–
<b>Electrical Infrastructure</b>	17 351	21 727	–	483	483	1 784	1 301	73%	21 727
Power Plants	5 737	4 000				–	–		4 000
MV Substations	–	–	–	–	–	–	–		–
MV Networks	11 614	17 544		483	483	1 739	1 255	72%	17 544
Capital Spares	–	183				45	45	100%	183
<b>Solid Waste Infrastructure</b>	7 053	8 250	–	–	–	1 242	1 242	100%	8 250
Landfill Sites	7 053	8 250				1 242	1 242	100%	8 250
Waste Transfer Stations							–		
Capital Spares	–	–	–	–	–	–	–		–
<b>Rail Infrastructure</b>	–	2 174	–	–	–	179	179	100%	2 174
Drainage Collection		2 174				179	179	100%	2 174
<b>Capital Spares</b>							–		
Community Assets	–	–	–	–	–	–	–		–
Community Facilities	–	–	–	–	–	–	–		–
<b>Other assets</b>	–	–	–	–	–	–	–		–
Operational Buildings	–	–	–	–	–	–	–		–
Municipal Offices	–						–		
<b>Stores</b>	–	–	–	–	–	–	–		–
Intangible Assets	–	–	–	–	–	–	–		–
<b>Servitudes</b>							–		
Computer Software and Applications		–	–	–	–	–	–		–
<b>Computer Equipment</b>	2 102	1 360	–	–	–	307	307	100%	1 360
Computer Equipment	2 102	1 360				307	307	100%	1 360
<b>Furniture and Office Equipment</b>	5 496	6 110	–	–	–	125	125	100%	6 110
Furniture and Office Equipment	5 496	6 110				125	125	100%	6 110
<b>Machinery and Equipment</b>	360	800	–	–	–	258	258	100%	800
Machinery and Equipment	360	800				258	258	100%	800
<b>Transport Assets</b>	–	–	–	–	–	–	–		–
Transport Assets	–						–		
<b>Total Capital Expenditure on new assets</b>	33 791	40 720	–	483	483	3 895	3 412	88%	40 720

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

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on renewal of existing assets by Asset Class</b>									
Infrastructure	-	500	-	-	-	101	101	100%	500
Roads Infrastructure	-	-	-	-	-	-	-		-
Roads	-	-	-	-	-	-	-		-
Road Furniture	-	-	-	-	-	-	-		-
<b>Electrical Infrastructure</b>	-	500	-	-	-	101	101	100%	500
MV Substations							-		
MV Networks	-						-		
<b>Capital Spares</b>		500				101	101	100%	500
Solid Waste Infrastructure	-	-	-	-	-	-	-		-
Landfill Sites	-	-	-	-	-	-	-		-
Capital Spares							-		
<b>Community Assets</b>	-	800	-	-	-	129	129	100%	800
Community Facilities	-	800	-	-	-	129	129	100%	800
<b>Cemeteries/Crematoria</b>	-	800	-	-	-	129	129	100%	800
Sport and Recreation Facilities	-	-	-	-	-	-	-		-
Indoor Facilities							-		
<b>Outdoor Facilities</b>							-		
Other assets	-	-	-	-	-	-	-		-
Operational Buildings	-	-	-	-	-	-	-		-
<b>Municipal Offices</b>	-	-	-	-	-	-	-		-
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
<b>Computer Software and Applications</b>							-		
Computer Equipment	-	-	-	-	-	-	-		-
<b>Computer Equipment</b>							-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
<b>Furniture and Office Equipment</b>							-		
Machinery and Equipment	-	261	-	-	72	20	(52)	-265%	261
<b>Machinery and Equipment</b>		261	-	-	72	20	(52)	-265%	261
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets							-		
<b>Total Capital Expenditure on renewal of existing assets</b>	-	1 561	-	-	72	249	178	71.2%	1 561

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

Description	2023/24	Budget Year 2024/25							
	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>	<b>21 575</b>	<b>14 718</b>	<b>–</b>	<b>801</b>	<b>2 688</b>	<b>1 394</b>	<b>(1 294)</b>	<b>-93%</b>	<b>14 718</b>
<b>Roads Infrastructure</b>	<b>12 995</b>	<b>7 766</b>	<b>–</b>	<b>455</b>	<b>2 105</b>	<b>–</b>	<b>(2 105)</b>	<b>#DIV/0!</b>	<b>7 766</b>
Roads	12 995	7 766		455	2 105	–	(2 105)	#DIV/0!	7 766
Road Furniture							–		
<b>Electrical Infrastructure</b>	<b>6 655</b>	<b>4 750</b>	<b>–</b>	<b>109</b>	<b>109</b>	<b>1 027</b>	<b>918</b>	<b>89%</b>	<b>4 750</b>
MV Substations							–		
MV Networks	6 655	4 750		109	109	1 027	918	89%	4 750
<b>Solid Waste Infrastructure</b>	<b>1 925</b>	<b>2 203</b>	<b>–</b>	<b>237</b>	<b>473</b>	<b>367</b>	<b>(106)</b>	<b>-29%</b>	<b>2 203</b>
Landfill Sites	1 925	2 203		237	473	367	(106)	-29%	2 203
Capital Spares							–		
<b>Community Assets</b>	<b>448</b>	<b>6 262</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 199</b>	<b>1 199</b>	<b>100%</b>	<b>6 262</b>
Community Facilities	448	6 262	–	–	–	1 199	1 199	100%	6 262
Parks	448	6 262				1 199	1 199	100%	6 262
<b>Other assets</b>	<b>959</b>	<b>2 406</b>	<b>–</b>	<b>71</b>	<b>290</b>	<b>376</b>	<b>86</b>	<b>23%</b>	<b>2 406</b>
Operational Buildings	959	2 406	–	71	290	376	86	23%	2 406
Municipal Offices	959	2 406		71	290	376	86	23%	2 406
<b>Intangible Assets</b>	<b>119</b>	<b>221</b>	<b>–</b>	<b>6</b>	<b>13</b>	<b>48</b>	<b>35</b>	<b>74%</b>	<b>221</b>
Licences and Rights	119	221	–	6	13	48	35	74%	221
Computer Software and Applications	119	221		6	13	48	35	74%	221
<b>Computer Equipment</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>		<b>–</b>
Computer Equipment							–		
<b>Furniture and Office Equipment</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>		<b>–</b>
Furniture and Office Equipment							–		
<b>Machinery and Equipment</b>	<b>11 035</b>	<b>12 048</b>	<b>–</b>	<b>1 527</b>	<b>2 076</b>	<b>2 179</b>	<b>103</b>	<b>5%</b>	<b>12 048</b>
Machinery and Equipment	11 035	12 048		1 527	2 076	2 179	103	5%	12 048
<b>Transport Assets</b>	<b>–</b>	<b>2 274</b>	<b>–</b>	<b>3</b>	<b>274</b>	<b>710</b>	<b>436</b>	<b>61%</b>	<b>2 274</b>
Transport Assets	–	2 274		3	274	710	436	61%	2 274
<b>Total Repairs and Maintenance Expenditure</b>	<b>34 135</b>	<b>37 929</b>	<b>–</b>	<b>2 409</b>	<b>5 340</b>	<b>5 906</b>	<b>566</b>	<b>10%</b>	<b>37 929</b>



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

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Depreciation by Asset Class</b>									
<b>Infrastructure</b>	<b>45 617</b>	<b>40 397</b>	<b>–</b>	<b>4 348</b>	<b>8 035</b>	<b>2 527</b>	<b>(5 508)</b>	<b>-218%</b>	<b>40 397</b>
<b>Roads Infrastructure</b>	<b>39 143</b>	<b>36 420</b>	<b>–</b>	<b>3 668</b>	<b>6 931</b>	<b>1 961</b>	<b>(4 970)</b>	<b>-253%</b>	<b>36 420</b>
Roads	38 686	35 937		3 630	6 854	1 897	(4 958)	-261%	35 937
Road Structures	228	241		19	38	40	2	4%	241
Road Furniture	229	242		19	38	25	(14)	-56%	242
Storm water Infrastructure	–	–	–	–	–	–	–		–
Drainage Collection	–	–	–	–	–	–	–		–
<b>Electrical Infrastructure</b>	<b>5 802</b>	<b>3 226</b>	<b>–</b>	<b>404</b>	<b>772</b>	<b>437</b>	<b>(335)</b>	<b>-77%</b>	<b>3 226</b>
MV Substations	1 547	2 014		85	150	237	87	37%	2 014
MV Switching Stations	356			27	54	–	(54)	#DIV/0!	
MV Networks	1 519	1 212		97	192	200	8	4%	1 212
LV Networks	262			54	107	–	(107)	#DIV/0!	
Capital Spares	2 118			141	268	–	(268)	#DIV/0!	
<b>Solid Waste Infrastructure</b>	<b>672</b>	<b>710</b>	<b>–</b>	<b>276</b>	<b>333</b>	<b>123</b>	<b>(210)</b>	<b>-171%</b>	<b>710</b>
Landfill Sites	395	417		50	83	66	(17)	-26%	417
Waste Processing Facilities	274	289		226	250	56	(193)	-343%	289
Waste Separation Facilities							–		
Capital Spares	3	3		0	0	1	0	26%	3
<b>Rail Infrastructure</b>	<b>–</b>	<b>42</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>7</b>	<b>7</b>	<b>100%</b>	<b>42</b>
Drainage Collection	–	42		–	–	7	7	0	42
Community Assets	1 058	1 117	–	83	162	209	48	0	1 117
Community Facilities	808	854	–	67	135	167	32	0	854
Halls	30	31		2	5	5	0	0	31
Centres	183	193		15	31	50	19	0	193
Crèches							–		
Cemeteries/Crematoria	92	97		8	15	10	(6)	(0)	97
Purbs	2	3		0	0	1	0	0	3
<b>Public Open Space</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Taxi Ranks/Bus Terminals	249	263		21	41	46	4	10%	263
Capital Spares	253	267		21	42	56	14	24%	267
<b>Sport and Recreation Facilities</b>	<b>249</b>	<b>263</b>	<b>–</b>	<b>16</b>	<b>26</b>	<b>43</b>	<b>16</b>	<b>38%</b>	<b>263</b>
Indoor Facilities	–						–		
<b>Outdoor Facilities</b>	<b>249</b>	<b>263</b>	<b>–</b>	<b>16</b>	<b>26</b>	<b>43</b>	<b>16</b>	<b>38%</b>	<b>263</b>
Heritage assets	–	6	–	–	–	2	2	100%	6
Other Heritage	–	6		–	–	2	2	100%	6
Investment properties	–	–	–	–	–	–	–		–
Non-revenue Generating	–	–	–	–	–	–	–		–
Improved Property						–	–		
Unimproved Property						–	–		
<b>Other assets</b>	<b>3 979</b>	<b>6 366</b>	<b>–</b>	<b>341</b>	<b>641</b>	<b>1 233</b>	<b>592</b>	<b>48%</b>	<b>6 366</b>
Operational Buildings	1 427	2 608	–	246	452	544	92	17%	2 608
Municipal Offices	1 026	2 574		183	360	544	184	34%	2 574
Stores	32	34		37	39	–	(39)	#DIV/0!	34
Training Centres	369			27	53	–	(53)	#DIV/0!	
<b>Housing</b>	<b>2 552</b>	<b>3 759</b>	<b>–</b>	<b>95</b>	<b>190</b>	<b>689</b>	<b>500</b>	<b>73%</b>	<b>3 759</b>
Social Housing	2 552	3 759		95	190	689	500	73%	3 759
<b>Intangible Assets</b>	<b>10</b>	<b>22</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>4</b>	<b>4</b>	<b>100%</b>	<b>22</b>
Servitudes	10	14		–	–	3	3	100%	14
<b>Licences and Rights</b>	<b>–</b>	<b>8</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2</b>	<b>2</b>	<b>100%</b>	<b>8</b>
<b>Computer Software and Applications</b>	<b>–</b>	<b>8</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2</b>	<b>2</b>	<b>100%</b>	<b>8</b>
Computer Equipment	672	994	–	36	72	159	87	55%	994
<b>Computer Equipment</b>	<b>672</b>	<b>994</b>	<b>–</b>	<b>36</b>	<b>72</b>	<b>159</b>	<b>87</b>	<b>55%</b>	<b>994</b>
Furniture and Office Equipment	809	840	–	154	299	47	(252)	-534%	840
Furniture and Office Equipment	809	840		154	299	47	(252)	-534%	840
Machinery and Equipment	3 006	3 168	–	349	689	716	27	4%	3 168
Machinery and Equipment	3 006	3 168		349	689	716	27	4%	3 168
Transport Assets	5 821	5 990	–	516	1 021	1 561	540	35%	5 990
Transport Assets	5 821	5 990		516	1 021	1 561	540	35%	5 990
<b>Total Depreciation</b>	<b>60 972</b>	<b>58 901</b>	<b>–</b>	<b>5 828</b>	<b>10 919</b>	<b>6 459</b>	<b>(4 460)</b>	<b>-69%</b>	<b>58 901</b>

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

Description	2023/24	Budget Year 2024/25							
	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>	56 831	58 214	-	7 242	19 168	5 578	(13 590)	-244%	58 214
<b>Roads Infrastructure</b>	55 962	58 214	-	7 242	19 168	5 578	(13 590)	-244%	58 214
Roads	55 962	58 214		7 242	19 168	5 578	(13 590)	-244%	58 214
Road Structures							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
<b>Electrical Infrastructure</b>	-	-	-	-	-	-	-		-
MV Substations							-		
MV Switching Stations							-		
MV Networks							-		
LV Networks							-		
<b>Solid Waste Infrastructure</b>	869	-	-	-	-	-	-		-
Landfill Sites	869						-		
Waste Transfer Stations							-		
<b>Community Assets</b>	-	10 000	-	-	-	1 257	1 257	100%	10 000
Community Facilities	-	-	-	-	-	-	-		-
Parks		-	-	-	-	-	-		-
Sport and Recreation Facilities	-	10 000	-	-	-	1 257	1 257	100%	10 000
<b>Indoor Facilities</b>							-		
Outdoor Facilities		10 000				1 257	1 257	100%	10 000
Other Heritage							-		
Other assets	-	-	-	-	-	-	-		-
<b>Operational Buildings</b>	-	-	-	-	-	-	-		-
Municipal Offices	-						-		
Yards	-	-		-	-	-	-		-
<b>Intangible Assets</b>	-	-	-	-	-	-	-		-
Licences and Rights	-	-	-	-	-	-	-		-
<b>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>			-	-	-	-	-		
<b>Transport Assets</b>	-	-	-	-	-	-	-		-
Transport Assets							-		
<b>Total Capital Expenditure on upgrading of existing assets</b>	56 831	68 214	-	7 242	19 168	6 835	(12 333)	-180%	68 214

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 R483 thousand and the year to date budget is R3, 895 thousands that reflects positive spending variance of R3,412 million that translates to 88% variance.

The total expenditure for renewal of existing assets amounts to R72 thousands and the year to budget amounts to R249 thousands for the 2024/25 financial year.

The year-to-date actual expenditure on repairs and maintenance is R5, 340 million, and the year-to-date budget is R5, 906 million, reflecting an overspending variance of R566 million that translates to 10%.

The year-to-date actual expenditure on upgrading of existing assets is R19, 168 and the year-to-date budget is R6, 835 million, reflecting a negative spending variance of R12, 333 million that translates to 180%.

The year-to-date actual expenditure on depreciation and asset impairment is R10, 919 and the year-to-date budget is R6, 459 million, reflecting a negative spending variance of R 4, 460 million, that translates to 69% which means the integration between asset management system and core financial system is working which is one of the requirements for implementation of mSCOA. This is basically mean that the municipality is complying mSCOA requirements in terms of the depreciation method

## List of Capital Programmes and Projects

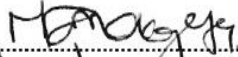
Department	Project Description	Type	Asset Class	Asset Sub-Class	2024/25 Medium Term Revenue and Expenditure Framework			
					Original Budget	Adjusted Budget	YTD Actuals	Percentage
Community Services	Fencing of Elandsdoorn/Ntwane Cemetery	Single	Community Assets	Community Assets	800 000	-	-	0%
	Furniture and Office Equipment	Single	Furniture and Office Equipment	Furniture and Office Equipment	300 000	-	-	0%
	Construction of washbay at Groblersdal landfill site	Single	Solid Waste Infrastructure	Landfill Sites	250 000	-	-	0%
	500 Twenty skip bins 500	Single	Machinery and Equipment	Machinery and Equipment	500 000	-	-	0%
	Machinery and Equipment	Single	Machinery and Equipment	Machinery and Equipment	300 000	-	-	0%
Corporate Services	Upgrading of Tafelkop Stadium	Multi	Community Assets	Community Assets	10 000 000	-	-	0%
	Computer Equipment	Multi	Computer Equipment	Computer Equipment	1 000 000	-	-	0%
	Computer Equipment	Single	Computer Equipment	Computer Equipment	360 404	-	-	0%
	Furniture and Office Equipment	Single	Furniture and Office Equipment	Furniture and Office Equipment	5 809 566	-	-	0%
Technical Services	Groblersdal Traffic lights	Single	Electrical Infrastructure	Capital Spares	500 000	-	-	0%
	Groblersdal Storm water	Multi	Storm water Infrastructure	Drainage Collection	2 173 914	-	-	0%
	Groblersdal Landfill site 6.6	Multi	Solid Waste Infrastructure	Landfill Sites	8 000 000	-	-	0%
	AIRCONS	Multi	Electrical Infrastructure	Capital Spares	182 526	-	-	0%
	Machinery and Equipment	Multi	Machinery and Equipment	Machinery and Equipment	260 870	-	71 697	27%
	Electrification of Doorom (Designs)	Multi	Electrical Infrastructure	MV Networks	200 000	-	-	0%
	Electrification of Luckau Maganagobuswa	single	Electrical Infrastructure	MV Networks	5 277 000	-	302 635	6%
	Electrification of Lusaka (Designs)	Multi	Electrical Infrastructure	MV Networks	200 000	-	-	0%
	Electrification of Magukubjane	single	Electrical Infrastructure	MV Networks	4 267 000	-	-	0%
	Electrification of Mantrombi Section	single	Electrical Infrastructure	MV Networks	2 000 000	-	-	0%
	Electrification of Motetema High view	Single	Electrical Infrastructure	MV Networks	2 000 000	-	180 529	9%
	Electrification of Ntswelomotse ext (Designs)	Multi	Electrical Infrastructure	MV Networks	200 000	-	-	0%
	Electrification of Oorlog (Designs)	Single	Electrical Infrastructure	MV Networks	200 000	-	-	0%
	Electrification of Phooko	Single	Electrical Infrastructure	MV Networks	3 000 000	-	-	0%
	Electrification of Zaaipuss Police Station (Designs)	Single	Electrical Infrastructure	MV Networks	200 000	-	-	0%
	Energy Efficiency and Demand Side Management	Multi	Electrical Infrastructure	Power Plants	4 000 000	-	-	0%
	Ugrading of Stompo Bus Road	Single	Roads Infrastructure	Roads	300 000	-	-	0%
	Upgrading of Kgobokwane-Kgaphamadi Road	Multi	Roads Infrastructure	Roads	11 000 000	-	6 161 717	56%
	Upgrading of Malaeneng A Ntwane Access Road	Multi	Roads Infrastructure	Roads	17 750 000	-	6 109 414	34%
	Upgrading of Maraganeng internal Access road	Multi	Roads Infrastructure	Roads	16 574 200	-	1 883 286	11%
	Upgrading of Mokumong access road to Marateng taxi rank (MIG)	Multi	Roads Infrastructure	Roads	10 989 800	-	5 013 853	46%
	Upgrading of Tafelkop Bapeding Bus route	Single	Roads Infrastructure	Roads	600 000	-	-	0%
	Upgrading of Talane Bus route	Single	Roads Infrastructure	Roads	600 000	-	-	0%
	Upgrading of Waalkral Bus route	Single	Roads Infrastructure	Roads	700 000	-	-	0%

# Quality certificate

I, **Namudi Reginah Makgata**, the Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the monthly budget statement report and supporting documentation for the month of 31 August 2024 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Municipal Manager of Elias Motsoaledi Local Municipality (LIM472)

Signature



Date

13/09/2024