

# ELIAS MOTSOLEDI LOCAL MUNICIPALITY



## MONTHLY BUDGET STATEMENT REPORT

**JUNE 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 June or and relevant Provincial Treasury, the monthly budget statement in the prescribed format on the state of the municipality's financial results. It must be noted that 2022-23 financial year audit final report is out the municipality received an unqualified audit opinion with issues.

### IN YEAR BUDGET STATEMENT TABLES

DESCRIPTION	2023/24			
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE ACTUAL	PERCENT AGE
OPERATING REVENUE	680,763,743	697,761,925	638,998,494	92%
		-		
OPERATING EXPENDITURE	654,216,898	677,674,528	610,187,472	90%
		-		
TRANSFER - CAPITAL	79,756,000	76,056,134	72,246,433	95%
SURPLUS/(DEFICIT)	106,302,845	96,163,125	101,077,051	105%
CAPITAL EXPENDITURE	84,156,000	94,038,144	90,601,595	96%

**Table C1 – Budget Statement Summary**

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Financial Performance</b>									
Property rates	54,993	63,025	60,026	5,370	59,487	60,026	(539)	-1%	60,026
Service charges	96,995	125,701	125,520	9,496	113,453	125,520	(12,067)	-10%	125,520
Investment revenue	2,996	2,306	8,678	143	7,316	8,678	(1,362)	-16%	8,678
Transfers and subsidies	338,905	363,745	363,612	497	363,048	363,612	(564)	0%	363,612
Other own revenue	26,828	125,987	139,925	2,208	95,694	139,925	(44,231)	-32%	139,925
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>520,718</b>	<b>680,764</b>	<b>697,762</b>	<b>17,713</b>	<b>638,998</b>	<b>697,762</b>	<b>(58,763)</b>	<b>-8%</b>	<b>697,762</b>
Employee costs	162,017	194,460	178,695	14,716	178,956	178,695	261	0%	178,695
Remuneration of Councillors	24,855	26,490	28,006	2,093	27,289	28,006	(717)	-3%	28,006
Depreciation & asset impairment	60,629	65,402	59,298	5,023	60,971	59,298	1,673	3%	59,298
Finance charges	1,623	931	1,543	-	1,585	1,543	42	3%	1,543
Materials and bulk purchases	129,936	153,791	144,459	8,173	134,588	144,459	(9,871)	-7%	144,899
Transfers and subsidies	4,495	3,176	6,871	5,331	10,946	6,871	4,075	59%	7,131
Other expenditure	151,158	209,967	258,801	8,695	195,853	258,801	(62,949)	-24%	258,102
<b>Total Expenditure</b>	<b>534,713</b>	<b>654,217</b>	<b>677,675</b>	<b>44,030</b>	<b>610,187</b>	<b>677,675</b>	<b>(67,487)</b>	<b>-10%</b>	<b>677,675</b>
<b>Surplus/(Deficit)</b>	<b>(13,995)</b>	<b>26,547</b>	<b>20,087</b>	<b>(26,317)</b>	<b>28,811</b>	<b>20,087</b>	<b>8,724</b>	<b>43%</b>	<b>20,087</b>
Transfers and subsidies - capital (monetary allocations)	91,816	79,756	75,385	(3,391)	72,246	75,385	(3,139)	-4%	75,385
Transfers and subsidies - capital (monetary allocations)	-	-	691	-	20	691	(671)	-97%	691
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>77,820</b>	<b>106,303</b>	<b>96,163</b>	<b>(29,708)</b>	<b>101,077</b>	<b>96,163</b>	<b>4,914</b>	<b>5%</b>	<b>96,163</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>77,820</b>	<b>106,303</b>	<b>96,163</b>	<b>(29,708)</b>	<b>101,077</b>	<b>96,163</b>	<b>4,914</b>	<b>5%</b>	<b>96,163</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>98,645</b>	<b>84,156</b>	<b>94,038</b>	<b>12,248</b>	<b>90,602</b>	<b>94,038</b>	<b>(3,437)</b>	<b>-4%</b>	<b>94,038</b>
Capital transfers recognised	77,457	79,756	76,056	6,056	69,884	76,056	(6,172)	-8%	76,056
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	21,188	4,400	17,982	6,192	20,718	17,982	2,736	15%	17,982
<b>Total sources of capital funds</b>	<b>98,645</b>	<b>84,156</b>	<b>94,038</b>	<b>12,248</b>	<b>90,602</b>	<b>94,038</b>	<b>(3,437)</b>	<b>-4%</b>	<b>94,038</b>
<b>Financial position</b>									
Total current assets	256,254	248,465	221,593		283,931				221,593
Total non current assets	1,239,934	1,379,378	1,394,852		1,243,425				1,394,852
Total current liabilities	169,725	124,219	130,123		141,815				130,123
Total non current liabilities	92,008	92,871	95,052		116,096				95,052
Community wealth/Equity	1,234,455	1,410,753	1,391,270		1,269,445				1,391,270
<b>Cash flows</b>									
Net cash from (used) operating	128,295	56,732	85,611	(4,381)	80,840	102,246	21,406	21%	85,611
Net cash from (used) investing	(98,645)	(71,634)	(81,275)	(12,248)	(90,602)	(83,652)	6,950	-8%	(81,275)
Net cash from (used) financing	(7,251)	(7,009)	(9,257)	(10)	(8,511)	(9,042)	(520)	6%	(9,257)
<b>Cash/cash equivalents at the month/year end</b>	<b>32,939</b>	<b>19,757</b>	<b>9,789</b>	<b>-</b>	<b>23,385</b>	<b>24,262</b>	<b>877</b>	<b>4%</b>	<b>36,747</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	15,812	8,961	4,446	4,150	4,023	4,013	3,911	171,333	216,650
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 June is R638, 998 million and the year to date budget of R697, 762 million and this reflects a negative variance of R58, 763 million which is mostly attributable to equitable shares received amounting to R337, 809 million. The following are the secondary revenue item categories reflecting a positive and negative material variance:

- Interest earned - external investments: 16% unfavorable variance,
- Interest earned – outstanding debtors: 16% unfavorable variance,
- Rental of Facilities and Equipment: 52% unfavorable variance,
- Fines, penalties and forfeits: 34% unfavorable variance
- Services Charges – electricity revenue: 11% unfavorable variance
- Services Charges – refuse revenue: 3% favorable variance
- Licenses and permits: 16% unfavorable variance
- Property rates: 1% favorable variance
- Other revenue: 47% unfavorable
- Transfer and subsidies: 0% favorable

**Operating Expenditure**

The year to date operational expenditure as at end of June amounts to R610, 187 million and the year to date budget is R677, 675 million. This reflects underspending variance of R67, 487 million that translates to 10% variance. The variance is attributed overspending variance on depreciation and asset impairment and debt impairment that the municipality is still facing a challenge regarding the computation of monthly movement of the two accounts.

All other expenditure line items are performing almost in line with the year to date budget since the variance thereof is less than 10% except for the following:

- Debt impairment: 47% under spending
- Bulk purchase: 15% under spending
- Other materials: 16% over spending
- Transfer and subsidies: 59% under spending
  
- Other expenditure: 10% under spending
- Losses: 573% over 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 June 2024 amounts to R90, 602 million and the year to date budget amounts to R94, 038 million and this gives rise to R3, 463 million under performance.

## **Surplus/Deficit**

Taking the above into consideration, the net operating surplus for the month of June is R101, 077 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 June amounts to R216,650 million and this shows an increase of R31,123 million as compared to R185, 527 million as at end of 2022-23 financial year.

Consumer debtors is made up of service charges and property rates that amount to R132,538 million and other debtors amounting to R84, 112 million. Debtors such those relating to traffic fines are reported as other debtors as presented under current assets on Table C6 and as a result, the do not form part of consumer debtors.

## **Creditors**

All creditors are paid within 30 days of receipt of invoice in the month of June as required by MFMA and as a result.

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

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue - Functional</b>									
<b>Governance and administration</b>	<b>277,768</b>	<b>300,481</b>	<b>304,943</b>	<b>7,245</b>	<b>305,586</b>	<b>304,943</b>	<b>642</b>	<b>0%</b>	<b>304,943</b>
Executive and council	43,728	55,444	55,444	–	42,864	55,444	(12,580)	-23%	55,444
Finance and administration	220,586	231,152	235,615	7,245	246,163	235,615	10,548	4%	235,615
Internal audit	13,455	13,884	13,884	–	16,559	13,884	2,675	19%	13,884
<b>Community and public safety</b>	<b>31,175</b>	<b>129,150</b>	<b>140,865</b>	<b>412</b>	<b>103,742</b>	<b>140,865</b>	<b>(37,123)</b>	<b>-26%</b>	<b>140,865</b>
Community and social services	10,947	11,327	11,326	5	11,295	11,326	(32)	0%	11,326
Sport and recreation	17,033	17,595	17,595	–	17,578	17,595	(18)	0%	17,595
Public safety	3,195	100,228	111,944	406	74,870	111,944	(37,074)	-33%	111,944
<b>Economic and environmental services</b>	<b>140,432</b>	<b>130,503</b>	<b>127,503</b>	<b>(3,132)</b>	<b>122,266</b>	<b>127,503</b>	<b>(5,237)</b>	<b>-4%</b>	<b>127,503</b>
Planning and development	21,669	22,674	22,508	48	23,780	22,508	1,272	6%	22,508
Road transport	117,952	106,992	104,159	(3,180)	97,650	104,159	(6,509)	-6%	104,159
Environmental protection	811	836	836	–	836	836	–		836
<b>Trading services</b>	<b>163,158</b>	<b>200,386</b>	<b>200,526</b>	<b>9,798</b>	<b>179,670</b>	<b>200,526</b>	<b>(20,856)</b>	<b>-10%</b>	<b>200,526</b>
Energy sources	126,820	151,238	150,886	8,469	129,271	150,886	(21,614)	-14%	150,886
Waste management	36,339	49,148	49,641	1,328	50,399	49,641	758	2%	49,641
<b>Total Revenue - Functional</b>	<b>612,533</b>	<b>760,520</b>	<b>773,838</b>	<b>14,322</b>	<b>711,265</b>	<b>773,838</b>	<b>(62,573)</b>	<b>-8%</b>	<b>773,838</b>
<b>Expenditure - Functional</b>									
<b>Governance and administration</b>	<b>215,448</b>	<b>227,933</b>	<b>242,857</b>	<b>21,480</b>	<b>233,661</b>	<b>242,857</b>	<b>(9,196)</b>	<b>-4%</b>	<b>242,944</b>
Executive and council	40,873	45,702	47,203	4,091	46,681	47,203	(522)	-1%	47,275
Finance and administration	162,605	170,758	183,784	16,921	175,145	183,784	(8,639)	-5%	183,871
Internal audit	11,970	11,472	11,870	468	11,835	11,870	(36)	0%	11,798
<b>Community and public safety</b>	<b>39,658</b>	<b>118,872</b>	<b>135,159</b>	<b>3,570</b>	<b>100,864</b>	<b>135,159</b>	<b>(34,295)</b>	<b>-25%</b>	<b>135,309</b>
Community and social services	9,422	9,467	7,004	519	6,912	7,004	(92)	-1%	7,004
Sport and recreation	8,989	14,805	9,893	1,376	11,854	9,893	1,961	20%	10,043
Public safety	21,246	94,601	118,262	1,674	82,098	118,262	(36,164)	-31%	118,262
<b>Economic and environmental services</b>	<b>120,504</b>	<b>127,771</b>	<b>111,412</b>	<b>8,304</b>	<b>110,217</b>	<b>111,412</b>	<b>(1,194)</b>	<b>-1%</b>	<b>111,225</b>
Planning and development	18,411	24,992	20,917	1,471	19,513	20,917	(1,403)	-7%	20,820
Road transport	102,093	102,085	90,495	6,833	90,704	90,495	209	0%	90,405
Environmental protection	–	695	0	–	–	–	–		0
<b>Trading services</b>	<b>159,103</b>	<b>179,641</b>	<b>188,246</b>	<b>10,676</b>	<b>165,445</b>	<b>188,246</b>	<b>(22,801)</b>	<b>-12%</b>	<b>188,196</b>
Energy sources	109,850	133,039	125,492	8,849	114,507	125,492	(10,985)	-9%	125,592
Waste management	49,253	46,602	62,754	1,827	50,939	62,754	(11,816)	-19%	62,604
<b>Total Expenditure - Functional</b>	<b>534,713</b>	<b>654,217</b>	<b>677,675</b>	<b>44,030</b>	<b>610,187</b>	<b>677,675</b>	<b>(67,487)</b>	<b>-10%</b>	<b>677,675</b>
<b>Surplus/ (Deficit) for the year</b>	<b>77,820</b>	<b>106,303</b>	<b>96,163</b>	<b>(29,708)</b>	<b>101,077</b>	<b>96,163</b>	<b>4,914</b>	<b>5%</b>	<b>96,163</b>

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

Vote Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue by Vote</b>									
Vote 1 - Executive & Council	37,271	48,780	48,780	-	36,200	48,780	(12,580)	-26%	48,780
Vote 2 - Municipal Manager	46,531	48,017	48,017	-	52,692	48,017	4,675	10%	48,017
Vote 3 - Budget & Treasury	109,827	116,810	120,601	7,211	127,939	120,601	7,338	6%	120,601
Vote 4 - Corporate Services	50,657	52,321	52,992	34	56,661	52,992	3,669	7%	52,992
Vote 5 - Community Services	76,536	188,606	200,542	1,740	163,089	200,542	(37,454)	-19%	200,542
Vote 6 - Technical Services	263,115	276,162	273,247	5,290	245,385	273,247	(27,862)	-10%	273,247
Vote 7 - Developmental Planning	13,673	14,423	14,257	48	13,529	14,257	(728)	-5%	14,257
Vote 8 - Executive Support	14,925	15,401	15,401	-	15,770	15,401	369	2%	15,401
<b>Total Revenue by Vote</b>	<b>612,533</b>	<b>760,520</b>	<b>773,838</b>	<b>14,322</b>	<b>711,265</b>	<b>773,838</b>	<b>(62,573)</b>	<b>-8%</b>	<b>773,838</b>
<b>Expenditure by Vote</b>									
Vote 1 - Executive & Council	35,446	37,797	40,914	3,002	39,933	40,914	(981)	-2%	40,914
Vote 2 - Municipal Manager	45,914	46,270	44,275	4,519	45,561	44,275	1,286	3%	44,275
Vote 3 - Budget & Treasury	61,222	61,056	78,940	7,262	71,103	78,940	(7,836)	-10%	78,940
Vote 4 - Corporate Services	27,772	41,928	31,596	1,437	28,975	31,596	(2,621)	-8%	31,596
Vote 5 - Community Services	97,515	175,066	206,991	6,046	160,788	206,991	(46,203)	-22%	206,991
Vote 6 - Technical Services	230,159	254,734	233,989	18,731	224,382	233,989	(9,607)	-4%	233,989
Vote 7 - Developmental Planning	13,119	18,039	14,114	1,043	12,706	14,114	(1,408)	-10%	14,114
Vote 8 - Executive Support	23,567	19,327	26,855	1,990	26,738	26,855	(117)	0%	26,855
<b>Total Expenditure by Vote</b>	<b>534,713</b>	<b>654,217</b>	<b>677,675</b>	<b>44,030</b>	<b>610,187</b>	<b>677,675</b>	<b>(67,487)</b>	<b>-10%</b>	<b>677,675</b>
<b>Surplus/ (Deficit) for the year</b>	<b>77,820</b>	<b>106,303</b>	<b>96,163</b>	<b>(29,708)</b>	<b>101,077</b>	<b>96,163</b>	<b>4,914</b>	<b>5%</b>	<b>96,163</b>

Table C2 and C3 measure the monthly actuals and year to date actuals against the year-to-date budget. The aforementioned budget tables are presented by standard classification and vote respectively for both revenue and expenditure. The variances are all reflected in the year-to-date variance column.

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

**Table C4: Financial Performance by Revenue Source and Expenditure Type**

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue By Source</b>									
Property rates	54,993	63,025	60,026	5,370	59,487	60,026	(539)	-1%	60,026
Service charges - electricity revenue	87,458	115,903	113,616	8,408	101,233	113,616	(12,384)	-11%	113,616
Service charges - refuse revenue	9,537	9,798	11,904	1,088	12,221	11,904	316	3%	11,904
Rental of facilities and equipment	1,039	913	2,721	211	1,308	2,721	(1,414)	-52%	2,721
Interest earned - external investments	2,996	2,306	8,678	143	7,316	8,678	(1,362)	-16%	8,678
Interest earned - outstanding debtors	14,200	14,686	18,959	1,492	15,871	18,959	(3,088)	-16%	18,959
Fines, penalties and forfeits	3,300	100,528	108,430	406	71,118	108,430	(37,312)	-34%	108,430
Licences and permits	6,062	7,176	6,961	-	5,872	6,961	(1,089)	-16%	6,961
Transfers and subsidies	338,905	363,745	363,612	497	363,048	363,612	(564)	0%	363,612
Other revenue	2,227	2,684	2,854	98	1,525	2,854	(1,329)	-47%	2,854
Gains							-		
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>520,718</b>	<b>680,764</b>	<b>697,762</b>	<b>17,713</b>	<b>638,998</b>	<b>697,762</b>	<b>(58,763)</b>	<b>-8%</b>	<b>697,762</b>
<b>Expenditure By Type</b>									
Employee related costs	162,017	194,460	178,695	14,716	178,956	178,695	261	0%	178,695
Remuneration of councillors	24,855	26,490	28,006	2,093	27,289	28,006	(717)	-3%	28,006
Debt impairment	19,063	95,607	119,358	-	63,819	119,358	(55,539)	-47%	119,358
Depreciation & asset impairment	60,629	65,402	59,298	5,023	60,971	59,298	1,673	3%	59,298
Finance charges	1,623	931	1,543	-	1,585	1,543	42	3%	1,543
Bulk purchases	93,194	113,017	107,455	612	91,699	107,455	(15,756)	-15%	107,455
Other materials	36,742	40,774	37,004	7,561	42,889	37,004	5,885	16%	37,444
Contracted services	75,840	61,720	74,652	4,153	73,485	74,652	(1,167)	-2%	73,821
Transfers and subsidies	4,495	3,176	6,871	5,331	10,946	6,871	4,075	59%	7,131
Other expenditure	56,254	52,641	64,743	4,242	58,226	64,743	(6,517)	-10%	64,875
Losses	-	-	48	301	323	48	275	573%	48
<b>Total Expenditure</b>	<b>534,713</b>	<b>654,217</b>	<b>677,675</b>	<b>44,030</b>	<b>610,187</b>	<b>677,675</b>	<b>(67,487)</b>	<b>-10%</b>	<b>677,675</b>
<b>Surplus/(Deficit)</b>	<b>(13,995)</b>	<b>26,547</b>	<b>20,087</b>	<b>(26,317)</b>	<b>28,811</b>	<b>20,087</b>	<b>8,724</b>	<b>43%</b>	<b>20,087</b>
Transfers and subsidies - capital (monetary allocations)	91,816	79,756	75,385	(3,391)	72,246	75,385	(3,139)	-4%	75,385
Transfers and subsidies - capital (monetary allocations)			671	-	-	671	(671)	-100%	671
Transfers and subsidies - capital (in-kind - all)	-	-	20	-	20	20	0	0%	20
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>77,820</b>	<b>106,303</b>	<b>96,163</b>	<b>(29,708)</b>	<b>101,077</b>	<b>96,163</b>			<b>96,163</b>
Taxation							-		
<b>Surplus/(Deficit) after taxation</b>	<b>77,820</b>	<b>106,303</b>	<b>96,163</b>	<b>(29,708)</b>	<b>101,077</b>	<b>96,163</b>			<b>96,163</b>
Attributable to minorities									
<b>Surplus/(Deficit) attributable to municipality</b>	<b>77,820</b>	<b>106,303</b>	<b>96,163</b>	<b>(29,708)</b>	<b>101,077</b>	<b>96,163</b>			<b>96,163</b>
Share of surplus/ (deficit) of associate									
<b>Surplus/ (Deficit) for the year</b>	<b>77,820</b>	<b>106,303</b>	<b>96,163</b>	<b>(29,708)</b>	<b>101,077</b>	<b>96,163</b>			<b>96,163</b>

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

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

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

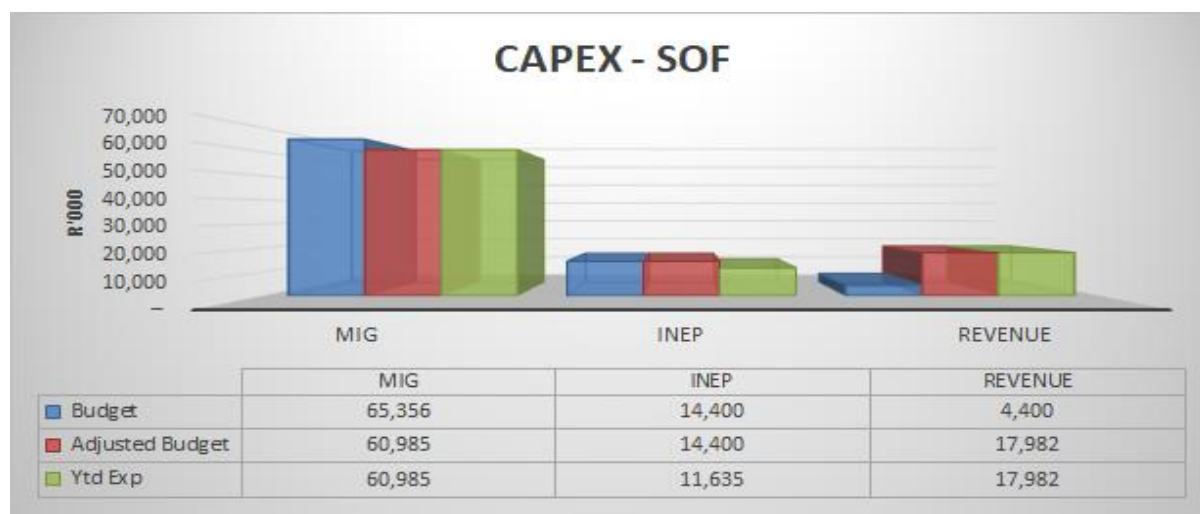
Vote Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>	2,663	1,000	2,123	5,446	7,551	2,123	5,428	256%	2,123
Executive and council	-	-	-	-	-	-	-	-	-
Finance and administration	2,663	1,000	2,123	5,446	7,551	2,123	5,428	256%	2,123
Internal audit	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>	2,450	100	250	119	245	250	(5)	-2%	250
Community and social services	1,455	-	-	-	-	-	-	-	-
Sport and recreation	550	100	250	119	245	250	(5)	-2%	250
Public safety	445	-	-	-	-	-	-	-	-
Housing									
Health									
<b>Economic and environmental services</b>	75,671	66,256	69,900	6,071	64,560	69,900	(5,340)	-8%	69,900
Planning and development	1,075	-	-	-	-	-	-	-	-
Road transport	74,596	66,256	69,900	6,071	64,560	69,900	(5,340)	-8%	69,900
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	17,861	16,800	21,765	612	18,220	21,765	(3,545)	-16%	21,765
Energy sources	16,001	15,000	20,559	612	17,351	20,559	(3,208)	-16%	20,559
Waste management	1,860	1,800	1,206	-	869	1,206	(337)	-28%	1,206
Other									
<b>Total Capital Expenditure - Functional Classification</b>	<b>98,645</b>	<b>84,156</b>	<b>94,038</b>	<b>12,248</b>	<b>90,576</b>	<b>94,038</b>	<b>(3,463)</b>	<b>-4%</b>	<b>94,038</b>
<b>Funded by:</b>									
National Government	77,457	79,756	75,385	5,988	69,153	75,385	(6,232)	-8%	75,385
Provincial Government									
District Municipality									
Transfers and subsidies - capital (monetary allocations)			671	69	731	671	59	9%	671
<b>Transfers recognised - capital</b>	<b>77,457</b>	<b>79,756</b>	<b>76,056</b>	<b>6,056</b>	<b>69,884</b>	<b>76,056</b>	<b>(6,172)</b>	<b>-8%</b>	<b>76,056</b>
Borrowing									
Internally generated funds	21,188	4,400	17,982	6,192	20,718	17,982	2,736	15%	17,982
<b>Total Capital Funding</b>	<b>98,645</b>	<b>84,156</b>	<b>94,038</b>	<b>12,248</b>	<b>90,602</b>	<b>94,038</b>	<b>(3,437)</b>	<b>-4%</b>	<b>94,038</b>

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

Vote Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Multi-Year expenditure appropriation</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	2,663	700	1,823	276	2,081	1,823	258	14%	1,823
Vote 5 - Community Services	4,063	1,000	1,000	-	869	1,000	(131)	-13%	1,000
Vote 6 - Technical Services	40,032	73,356	80,685	5,375	74,273	80,685	(6,412)	-8%	80,685
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>46,759</b>	<b>75,056</b>	<b>83,508</b>	<b>5,651</b>	<b>77,223</b>	<b>83,508</b>	<b>(6,285)</b>	<b>-8%</b>	<b>83,508</b>
<b>Single Year expenditure appropriation</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	300	300	5,170	5,470	300	5,170	1723%	300
Vote 5 - Community Services	247	900	456	119	271	456	(185)	-41%	456
Vote 6 - Technical Services	50,564	7,900	9,774	1,308	7,638	9,774	(2,136)	-22%	9,774
Vote 7 - Developmental Planning	1,075	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	<b>51,886</b>	<b>9,100</b>	<b>10,530</b>	<b>6,597</b>	<b>13,379</b>	<b>10,530</b>	<b>2,849</b>	<b>27%</b>	<b>10,530</b>
<b>Total Capital Expenditure</b>	<b>98,645</b>	<b>84,156</b>	<b>94,038</b>	<b>12,248</b>	<b>90,602</b>	<b>94,038</b>	<b>(3,437)</b>	<b>-4%</b>	<b>94,038</b>

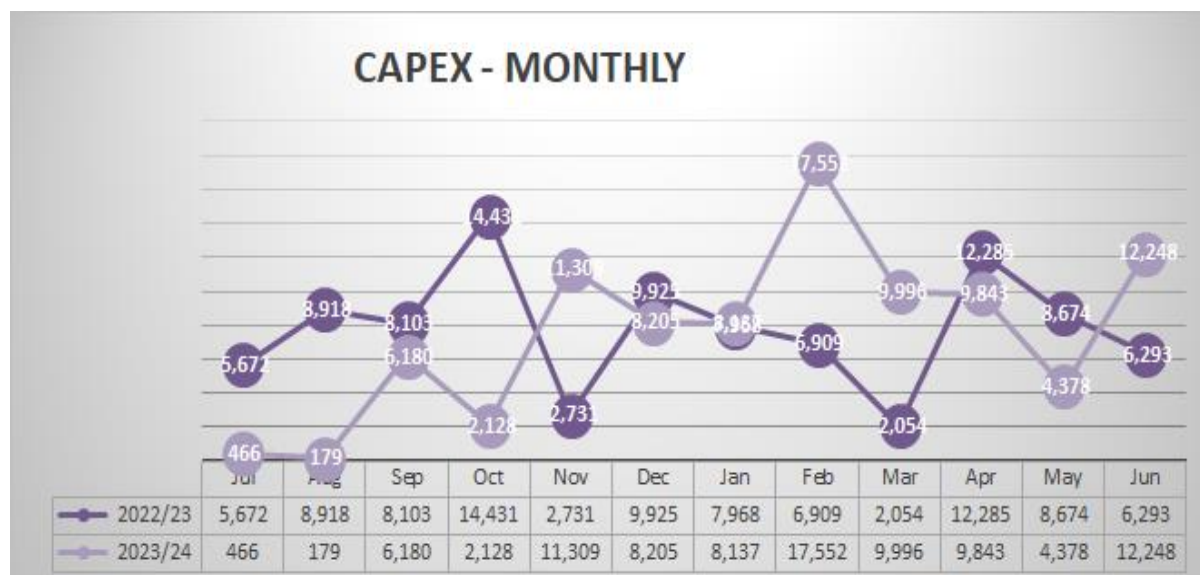
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of June 2024, R12,248 spending is incurred and the year-to-date expenditure amounts to R90,602 whilst the year to date budget is R94,038 million and this gave rise to under spending variance of R3,437 million that translates to 4%.

**Figure 1: Capital expenditure by source**



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R94, 038 million, R60, 985 million is funded from Municipal Infrastructure grant, R14, 400 million from Integrated National Electrification Programme and R17, 982 million from own revenue and the spending per source of finance is presented in the above graph.

**Figure 2: Monthly capital expenditure**



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

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

Description	2022/23	Budget Year 2023/24			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	7,479	18,804	9,789	23,385	9,789
Call investment deposits	25,460	–	–	–	–
Consumer debtors	109,709	178,921	157,743	146,439	157,743
Other debtors	88,862	12,169	12,170	81,977	12,170
Current portion of long-term receivables	–	–	–	1,194	–
Inventory	24,743	38,571	41,891	30,936	41,891
<b>Total current assets</b>	<b>256,254</b>	<b>248,465</b>	<b>221,593</b>	<b>283,931</b>	<b>221,593</b>
<b>Non current assets</b>					
Long-term receivables	–	–	–	–	–
Investments	17,149	18,499	18,499	–	18,499
Investment property	96,399	48,884	48,884	107,616	48,884
Investments in Associate	–	–	–	–	–
Property, plant and equipment	1,123,988	1,310,538	1,326,411	1,133,881	1,326,411
Biological	463	463	–	–	–
Intangible	7	606	671	–	671
Other non-current assets	1,928	388	388	1,928	388
<b>Total non current assets</b>	<b>1,239,934</b>	<b>1,379,378</b>	<b>1,394,852</b>	<b>1,243,425</b>	<b>1,394,852</b>
<b>TOTAL ASSETS</b>	<b>1,496,188</b>	<b>1,627,843</b>	<b>1,616,444</b>	<b>1,527,356</b>	<b>1,616,444</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft	–	–	–	–	–
Borrowing	4,650	7,246	9,494	6,124	9,494
Consumer deposits	5,757	5,937	5,937	5,316	5,937
Trade and other payables	158,176	108,287	114,060	119,717	114,060
Provisions	1,142	2,750	631	10,658	631
<b>Total current liabilities</b>	<b>169,725</b>	<b>124,219</b>	<b>130,123</b>	<b>141,815</b>	<b>130,123</b>
<b>Non current liabilities</b>					
Borrowing	7,288	5,456	7,637	5,436	7,637
Provisions	84,720	87,415	87,415	110,660	87,415
<b>Total non current liabilities</b>	<b>92,008</b>	<b>92,871</b>	<b>95,052</b>	<b>116,096</b>	<b>95,052</b>
<b>TOTAL LIABILITIES</b>	<b>261,733</b>	<b>217,091</b>	<b>225,174</b>	<b>257,911</b>	<b>225,174</b>
<b>NET ASSETS</b>	<b>1,234,455</b>	<b>1,410,753</b>	<b>1,391,270</b>	<b>1,269,445</b>	<b>1,391,270</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	1,234,455	1,410,753	1,391,242	1,269,445	1,391,242
Reserves	–	–	28	–	28
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>1,234,455</b>	<b>1,410,753</b>	<b>1,391,270</b>	<b>1,269,445</b>	<b>1,391,270</b>

The above table shows that community wealth amounts to R1, 269 billion, total liabilities R257, million and the total assets R1,527 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 2:1 which 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	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates	38,293	54,392	45,020	3,119	41,848	45,020	(3,172)	-7%	45,020
Service charges	94,950	124,873	112,300	6,555	94,679	112,300	(17,621)	-16%	112,300
Other revenue	12,995	21,801	23,866	23,861	98,374	78,866	19,508	25%	23,866
Transfers and Subsidies - Operational	333,807	363,745	363,612	-	343,248	363,612	(20,364)	-6%	363,612
Transfers and Subsidies - Capital	111,606	79,756	76,056	-	75,385	76,056	(671)	-1%	76,056
Interest	2,252	1,455	21,490	790	6,555	21,490	(14,935)	-69%	21,490
<b>Payments</b>									
Suppliers and employees	(462,146)	(585,183)	(550,001)	(33,376)	(567,029)	(587,502)	(20,474)	3%	(550,001)
Finance charges	(4,403)	(931)	(1,491)	-	(1,285)	(1,954)	(670)	34%	(1,491)
Transfers and Grants	(1,099)	(3,176)	(5,241)	(5,331)	(10,946)	(5,642)	5,304	-94%	(5,241)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>126,255</b>	<b>56,732</b>	<b>85,611</b>	<b>(4,381)</b>	<b>80,830</b>	<b>102,246</b>	<b>21,416</b>	<b>21%</b>	<b>85,611</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	1,566	851	852	-	-	-	-	-	852
Decrease (increase) in non-current receivables	-	-	1,524	-	-	-	-	-	1,524
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Capital assets	(104,484)	(72,485)	(83,652)	(12,248)	(90,602)	(83,652)	6,950	-8%	(83,652)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(102,918)</b>	<b>(71,634)</b>	<b>(81,275)</b>	<b>(12,248)</b>	<b>(90,602)</b>	<b>(83,652)</b>	<b>6,950</b>	<b>-8%</b>	<b>(81,275)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	237	237	(10)	237	452	(215)	-48%	237
<b>Payments</b>									
Repayment of borrowing	(4,954)	(7,246)	(9,494)	-	(8,748)	(9,494)	(746)	8%	(9,494)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(4,954)</b>	<b>(7,009)</b>	<b>(9,257)</b>	<b>(10)</b>	<b>(8,511)</b>	<b>(9,042)</b>	<b>(530)</b>	<b>6%</b>	<b>(9,257)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>18,383</b>	<b>(21,911)</b>	<b>(4,921)</b>	<b>(16,639)</b>	<b>(18,283)</b>	<b>9,552</b>			<b>(4,921)</b>
Cash/cash equivalents at beginning:	14,710	33,093	14,710		41,668	14,710			41,668
Cash/cash equivalents at month/year end:	33,093	11,182	9,789		23,385	24,262			36,747

Table C7 presents details pertaining to cash flow performance. As at end of June 2024, the net cash inflow from operating activities is R80, 840 million whilst net cash outflow from investing activities is R90, 602 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R8, 748 million. The cash and cash equivalent held at end of June 2024 amounted to R23, 385 million and the net effect of the above cash flows is cash inflow movement of R18, 273 million. The cash and cash equivalent at end of the reporting period of R23, 385 million, is mainly made up of cash in the primary bank account amounting to R23, 385 million with a short term investment amounting to Nil at the end of June 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	-1%	The actual revenue generated is higher than the projected monthly revenue	The municipality should ensure revenue is collected in all business areas where skips are located
Service charges - electricity revenue	-11%	The projected monthly revenue appear to be higher in light of the actual revenue performance	No remedial action since the actual revenue is performing well.
Service charges - refuse revenue	3%	The actual revenue generated is higher than the projected monthly revenue	The municipality should continue collecting revenue in all business areas where skips are located
Rental of facilities and equipment	-52%	The actual revenue generated is slightly lower than the as the projected monthly revenue and the majority of the rented assets are not at arm's length transactions	No remedial action since the actual revenue is performing well.
Interest earned - external investments	-16%	The municipality has invested in three different investment portfolios with ABSA and Standard bank, and the actual interest generated is more than 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	-16%	The actual revenue generated is less than the projected monthly revenue.	The municipality should encourage customers to pay the accounts on time to avoid incurring interest.
Fines, penalties and forfeits	-34%	The actual revenue issued on speed cameras is less than the projections. The contract of the speed fine cameras has been appointed.	The municipality should strategies on how to speed up the revenue collection under this item. There should be more road blocks in the groblersdal entrances where cashiers are available to collection on outstanding traffic fines.
Licences and permits	-16%	The actual revenue generated is slightly less than the projected monthly revenue	The municipality should a team which do door to door to identify business which are operating without proper licence and permits within the groblersdal town.
Transfers and subsidies	0%	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	-47%	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	0%	The actual expenditure incurred on employee related costs is slightly more than the projections thereof	Majority of the positions were vacant and now the positions are filled which explains the actual spending increase.
Remuneration of councillors	-3%	The actual expenditure incurred on remuneration of councillors is less than the projected monthly expenditure	No remedial action is needed.
Debt impairment	-47%	Debt impairment has not been calculated however the actual is less than the projected budget.	The municipality should introduce the method of calculating debt impairment on monthly basis to avoid the the variances.
Depreciation & asset impairment	3%	Depreciation has been calculated on monthly basis and the actuals is slightly more than the projections.	No remedial action is needed
Finance charges	3%	Finance charges is mainly for finance lease and the municipality has a lease contract with Afrivent pty ltd.	The municipality should encourages 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	-15%	The municipal licenced electrification areas have increased and the projections are more than the actual expenditure, the monthly payments should be captured before month end system closure.	The municipality should encourages 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	16%	The projected expenditure is less than the actual expenditure thereof.	The municipality should have establish a clear maintenance plan policy to ensure all their vehicles and other assets are maintained to avoid their assets depreciated quickly than their lifes span.
Contracted services	-2%	The actual expenditure incurred is slightly 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	59%	The actual expenditure incurred is more than the projected monthly expenditure	The municipality should investigate the over expenditure thereof.
Other expenditure	-10%	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	573%	The actual expenditure incurred is more 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	-8%	The projections on capital grants is more than the spending thereof.	There variances will be addressed during the preparartions of financial statements.
Transfers and subsidies - capital (National / Provincial Departmental Agencies)	9%	The projections on capital grants is less than the spending thereof.	The municipality should identify more activities whereby this funding can be utilised
Internally generated funds	15%	The actual spending on internally generated funds is more than the projections thereof.	The municipality should continue implementing all the internal projects to ensure service delivery is achieved.
<b>Cash Flow</b>			
Property rates	-7%	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	-16%	The collection rate on service charges is less than the projected rate	The municipality should continue using the strategies they use to collect on licenced municipal areas on electricity billings and refuse removal
Other revenue	25%	The collection rate on leased assets is more than the projected amount	The municipality should continue with the strategies to ensure that all leased municipal assets are rented out as projected
Government - operating	-6%	The receipted trenches of operational grants is less than the projections thereof.	The municipality should make use of DORA during the adjustment and final budget preparations however the variance is due unspent MIG in 2022/23 that was set off against equitable share .
Government - Capital	-1%	The receipted trenches of capital grants are in line with the projections however there is slow implementations of the capital projects.	The municipality should make use of DORA during the draft and final budget preparations.
Interest	-69%	Interest on other revenue is over projected to the under collection from other debtors	No remedial action is needed
Suppliers and employees	3%	The actual costs incurred is less than the projected costs .	No remedial action is needed
Finance charges	34%	The finance costs which is for finance lease contracts has outstanding payments due to late payments submissions.	The municipality should encourages Afirent 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 more than the projections thereof	No remedial action is needed
Capital assets	-8%	The projected capital expenditure on capex is more than the actual spending thereof.	The municipality should fast track implementation of all capital projects.
Increase (decrease) in consumer deposits	-50%	The actual payments on consumer deposit is more than the projections thereof	No remedial action is needed
Repayment of borrowing	8%	The projections is not in line with the amortisation schedule	The municipality should make use of amortisation during budget preparations and ensure the payments are inline with the amortisation schedule.

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

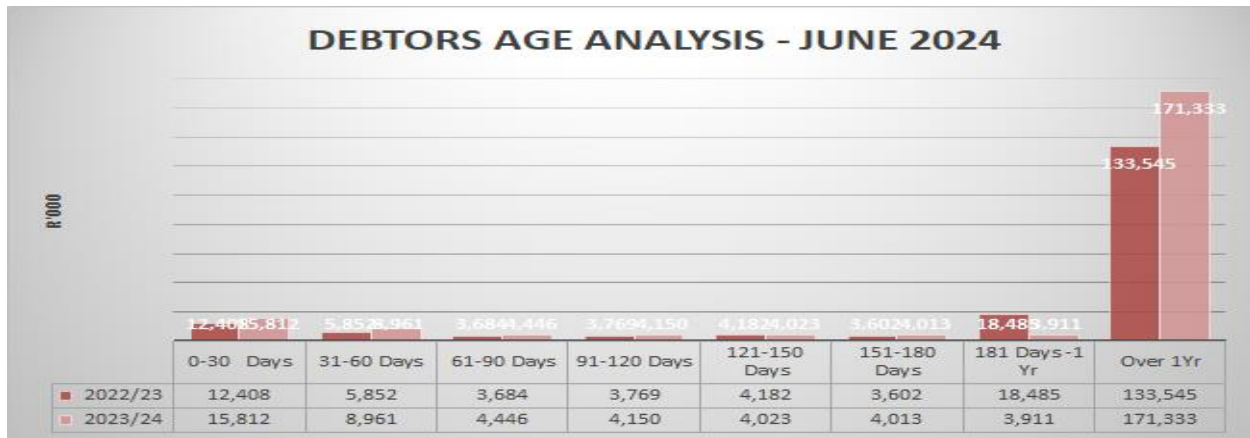
Description	Budget Year 2023/24									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
<b>Debtors Age Analysis By Income Source</b>										
Trade and Other Receivables from Exchange Transactions - Electricity	7,367	3,441	310	198	123	95	136	3,781	15,451	4,333
Receivables from Non-exchange Transactions - Property Rates	4,856	2,744	2,023	1,818	1,830	1,805	1,777	68,678	85,531	75,908
Receivables from Exchange Transactions - Waste Management	1,071	811	659	635	628	615	612	26,525	31,556	29,015
Receivables from Exchange Transactions - Property Rental Debtors	130	67	45	40	42	77	44	1,320	1,763	1,523
Interest on Arrear Debtor Accounts	1,496	1,442	1,405	1,372	1,346	1,316	1,288	66,030	75,696	71,353
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-
Other	893	455	6	87	54	103	55	4,999	6,652	5,298
<b>Total By Income Source</b>	<b>15,812</b>	<b>8,961</b>	<b>4,446</b>	<b>4,150</b>	<b>4,023</b>	<b>4,013</b>	<b>3,911</b>	<b>171,333</b>	<b>216,650</b>	<b>187,430</b>
<b>2022/23 - totals only</b>	<b>12,408</b>	<b>5,852</b>	<b>3,684</b>	<b>3,769</b>	<b>4,182</b>	<b>3,602</b>	<b>18,485</b>	<b>133,545</b>	<b>185,527</b>	<b>163,584</b>
<b>Debtors Age Analysis By Customer Group</b>										
Organs of State	1,796	1,175	976	965	932	961	849	44,208	51,862	47,915
Commercial	7,502	3,816	831	627	532	511	541	12,657	27,017	14,868
Households	6,191	3,900	2,538	2,448	2,484	2,444	2,419	111,960	134,384	121,755
Other	323	70	101	110	76	97	102	2,508	3,387	2,892
<b>Total By Customer Group</b>	<b>15,812</b>	<b>8,961</b>	<b>4,446</b>	<b>4,150</b>	<b>4,023</b>	<b>4,013</b>	<b>3,911</b>	<b>171,333</b>	<b>216,650</b>	<b>187,430</b>

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of June amount to R216, 650 million. The debtors' book is made up as follows:

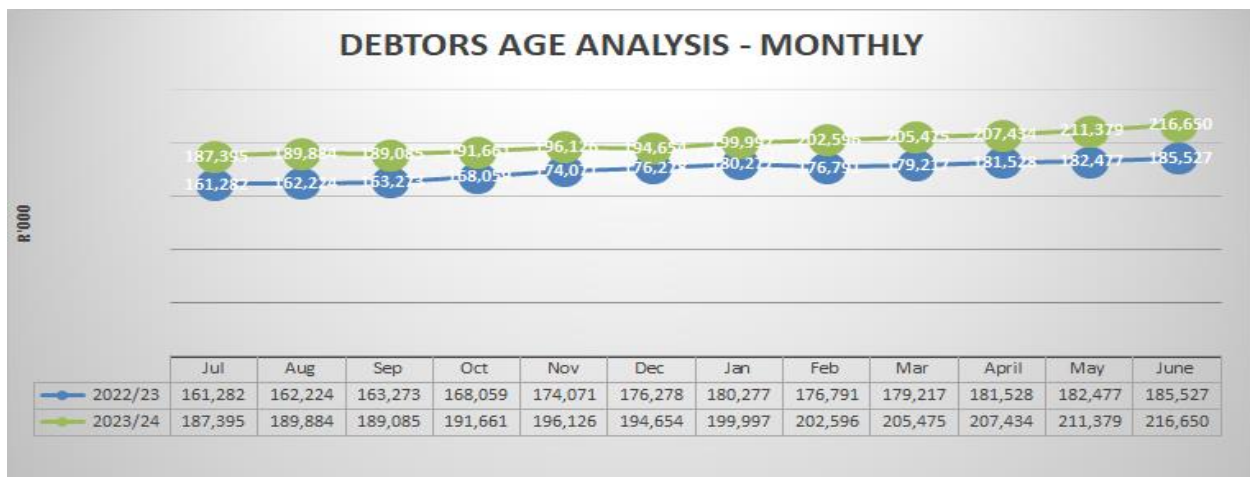
- Rates 39%
- Electricity 7%
- Rental 1%
- Refuse removal 15%
- Interest on Debtors 35%
- Other 3%

The debtors' age analysis is graphically presented below.

**Figure 3: Debtors age analysis**



**Figure 4: Monthly debtors book**



The initial graph compares debtors' age analysis for 2022-23 financial year and 2023/24 (as at end of June 2024) whilst the latter shows monthly movement of debtors for both the current financial year and the 2022-23 financial year. The debtors book is materially less than the 2023/24 monthly figures and this is an indication that the municipality is not performing well in terms of collection.

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

## TOP TWENTY DEBTORS

ACCOUNT NO	ACCOUNT HOLDER NAME	OCC/OWN	OUTSTANDING BALANCE
9012345	BREED J & OOSTHUIZEN J F	OCCUPIER	1,623,213
6000908	DEPARTMENT OF EDUCATION	OCCUPIER	1,312,226
911906	TAFELKOP MALL (PTY) LTD	OWNER	1,272,319
9005301	00000 AND SONS PROPERTIES (PTY) LTD/00000 TWIN CITY TRADING PTY LTD	OWNER	1,089,681
9001667	NDEBELE MAHLANGU TRIBE	OWNER	737,148
9001668	NDEBELE MAHLANGU TRIBE	OWNER	736,783
9002327	LEMONS EMANUEL MARQUES DE	OWNER	589,576
9001763	TSHEHLA TRUST MAMAILE GEORGE	OWNER	565,912
7000918	MATHEBULA JABULANI JACK TITUS	OCCUPIER	502,929
9000207	GROMAR TRUST	OWNER	502,015
9002503	GOUWS BOERDERY TRUST 1999/022459/07	OWNER	487,571
9019006	TIGER STRIPES INVESTMENTS (PTY)	OWNER	466,693
9000157	NEDERDUITSE GEREFORMEERDE KERK	OWNER	459,737
1501364	JAN JOUBERT TRUST (JO JO TANKS)	OCCUPIER	450,623
9001714	KWAMAQHUZE COMMUNAL PROP ASSOC	OWNER	442,394
72010812	PROVINCIAL GOVERNMENT OF THE PROVINCE OF MPUMALANGA	OWNER	434,962
9000178	PRIVATE SCHOOL INV (LIVING WATERS)	OWNER	429,352
5000633	ERASMUS G J	OCCUPIER	428,398
9002065	GOVERNMENT OF KWANDEBELE(RURAL DEVELOPMENT)	OWNER	413,514
9001550	LEHLAKONG COMMUNAL PROP ASSOC	OWNER	401,521
<b>TOTAL</b>			<b>13,346,568</b>

## Supporting Table: SC 4 - Creditors Age Analysis

Description	Budget Year 2023/24								Prior year totals
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
<b>Creditors Age Analysis By Customer Type</b>									
Bulk Electricity									
Bulk Water									
PAYE deductions									
VAT (output less input)									
Pensions / Retirement deductions									
Loan repayments									
Trade Creditors									
Auditor General									
Other									
<b>Total By Customer Type</b>	-	-	-	-	-	-	-	-	-

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

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

## Supporting Table: SC 5 - Investment Portfolio

Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Commission Paid	Expiry date	Opening Balance	Interest Earned	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
ABSA (9381052783)	1 Month	Current Investment	8.9%		30-Apr-24	13,071,364	17,051	-13,088,415	-	-
STANDARD BANK(038823527-019)		Current Investment	9.1%		20-Jun-24	25,355,782	118,594	-25,474,375	-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>						<b>38,427,146</b>		<b>-38,562,790</b>	<b>-</b>	<b>-</b>

The Municipality had short investment portfolios during the month of June 2024 with an opening balance of R38, 427 million in various investment portfolios. An amount of R135 thousand was earned as an interest, with no investment top up, withdrew R38, 562 million and closed off with Nil at the end of June 2024.

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

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	<b>338,905</b>	<b>363,745</b>	<b>363,612</b>	<b>-</b>	<b>342,902</b>	<b>363,612</b>	<b>(20,710)</b>	<b>-6%</b>	<b>363,612</b>
Local Government Equitable Share	334,259	358,519	358,519	-	337,809	358,519	(20,710)	-6%	358,519
Finance Management	2,850	2,850	2,850	-	2,850	2,850	-		2,850
EPWP Incentive	1,796	2,376	2,243	-	2,243	2,243	-		2,243
<b>Other grant providers:</b>	<b>358</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>344</b>	<b>-</b>	<b>344</b>	<b>0%</b>	<b>-</b>
LGSETA Learnership and Development	358			-	344		344	0%	
<b>Total Operating Transfers and Grants</b>	<b>339,263</b>	<b>363,745</b>	<b>363,612</b>	<b>-</b>	<b>343,245</b>	<b>363,612</b>	<b>(20,367)</b>	<b>-6%</b>	<b>363,612</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	<b>111,606</b>	<b>79,756</b>	<b>75,385</b>	<b>-</b>	<b>75,385</b>	<b>75,385</b>	<b>-</b>		<b>75,385</b>
Municipal Infrastructure Grant (MIG)	94,606	65,356	60,985	-	60,985	60,985	-		60,985
Intergrated National Electrification Grant	17,000	14,400	14,400	-	14,400	14,400	-		14,400
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Coghsta - Development		-					-		-
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
[insert description]							-		
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
[insert description]							-		
<b>Total Capital Transfers and Grants</b>	<b>111,606</b>	<b>79,756</b>	<b>75,385</b>	<b>-</b>	<b>75,385</b>	<b>75,385</b>	<b>-</b>		<b>75,385</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>450,869</b>	<b>443,501</b>	<b>438,997</b>	<b>-</b>	<b>418,630</b>	<b>438,997</b>	<b>(20,367)</b>	<b>-5%</b>	<b>438,997</b>

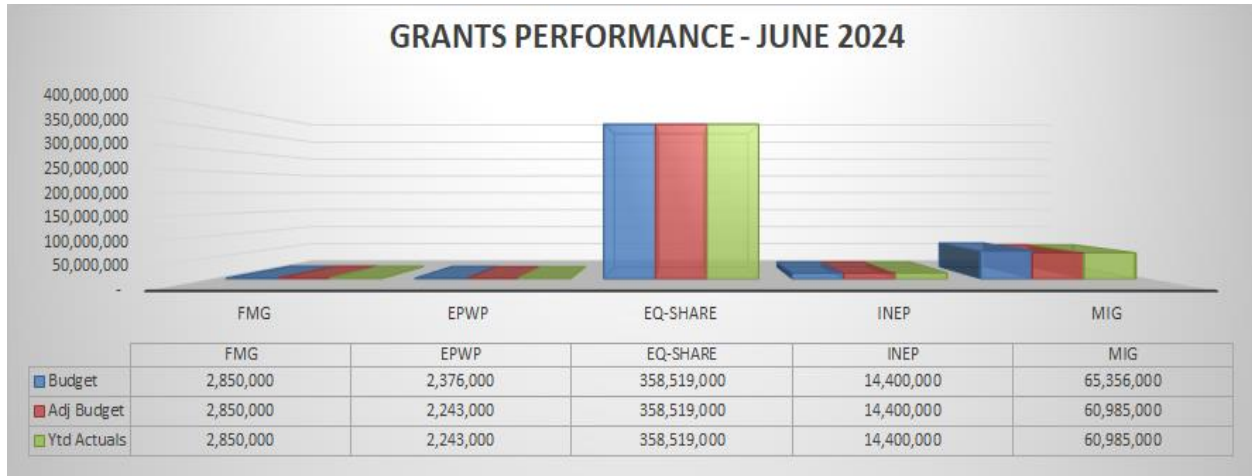
Supporting tables SC6 provides details of grants received. The year-to-date actual receipts amounts to R418, 630 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R337, 809 million with the unspent MIG amount of R20, 710 set off against Equitable share; Financial Management Grant amounting to R2, 850 million; LGSETA amounting to R344 hundred, Municipal Infrastructure Grant amounting to R60 985 million; Integrated National Energy Grant R14, 400 million and Expanded Public Works Programme R2, 243 million were received. All the trenches of the grants allocated for the current financial year have been received in line with National Treasury payment schedule.

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

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>338,905</b>	<b>363,745</b>	<b>363,612</b>	<b>30,970</b>	<b>361,352</b>	<b>363,612</b>	<b>(2,260)</b>	<b>-1%</b>	<b>363,612</b>
Local Government Equitable Share	334,259	358,519	358,519	30,474	356,259	358,519	(2,260)	-1%	358,519
Finance Management	2,850	2,850	2,850	497	2,850	2,850	-		2,850
EPWP Incentive	1,796	2,376	2,243	-	2,243	2,243	(0)	0%	2,243
<b>Other grant providers:</b>	<b>358</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
LGSETA Learnership and Development	358						-		
<b>Total operating expenditure of Transfers and Grants:</b>	<b>339,263</b>	<b>363,745</b>	<b>363,612</b>	<b>30,970</b>	<b>361,352</b>	<b>363,612</b>	<b>(2,260)</b>	<b>-1%</b>	<b>363,612</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>90,896</b>	<b>79,756</b>	<b>75,385</b>	<b>(252)</b>	<b>75,385</b>	<b>75,385</b>	<b>-</b>		<b>75,385</b>
Municipal Infrastructure Grant (MIG)	73,896	65,356	60,985	(3,391)	60,985	60,985	-		60,985
Intergrated National Electrification Grant	17,000	14,400	14,400	3,139	14,400	14,400	-		14,400
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
Coghsta - Development		-					-		
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
N/A							-		
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
N/A							-		
<b>Total capital expenditure of Transfers and Grants</b>	<b>90,896</b>	<b>79,756</b>	<b>75,385</b>	<b>(252)</b>	<b>75,385</b>	<b>75,385</b>	<b>-</b>		<b>75,385</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>430,159</b>	<b>443,501</b>	<b>438,997</b>	<b>30,718</b>	<b>436,737</b>	<b>438,997</b>	<b>(2,260)</b>	<b>-1%</b>	<b>438,997</b>

An amount of R30, 718 million has been spent on grants during the month of June 2024 and the year-to-date actuals is R436, 737 million whilst the year to date budget amounts to R438,997 million and this results in an under spending variance of R2 ,260 million that translates to 1%. Of the total spending amounting to R436, 737 million, R361, 352 million is spent on operational grants whilst capital grants spent R75, 385 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 June 2024. The grants expenditure are shown below in percentages:

- Financial Management Grant 100%
- Expanded Public Work Programme 100%
- Equitable Share 100%
- Integrated National Electrification Grant 100%
- Municipal Infrastructure Grant 100%

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

Summary of Employee and Councillor remuneration	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Councillors (Political Office Bearers plus Other)</b>									
Basic Salaries and Wages	14,631	16,222	16,734	1,210	15,739	16,734	(996)	-6%	16,734
Pension and UIF Contributions	2,008	2,060	2,144	173	2,137	2,144	(7)	0%	2,144
Medical Aid Contributions	91	89	117	9	99	117	(18)	-16%	117
Motor Vehicle Allowance	5,376	5,399	5,828	446	5,796	5,828	(31)	-1%	5,828
Cellphone Allowance	2,511	2,489	2,856	234	3,240	2,856	384	13%	2,856
Other benefits and allowances	239	230	299	20	264	299	(35)	-12%	299
<b>Sub Total - Councillors</b>	<b>24,855</b>	<b>26,490</b>	<b>27,978</b>	<b>2,090</b>	<b>27,275</b>	<b>27,978</b>	<b>(704)</b>	<b>-3%</b>	<b>27,978</b>
<b>% increase</b>		<b>7%</b>	<b>13%</b>						<b>13%</b>
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	1,798	4,877	2,019	302	2,125	2,019	107	5%	2,019
Pension and UIF Contributions	97	366	379	19	122	379	(256)	-68%	379
Medical Aid Contributions	109	211	146	18	127	146	(19)	-13%	146
Motor Vehicle Allowance	200	545	478	44	404	478	(74)	-16%	478
Cellphone Allowance	58	168	117	9	81	117	(36)	-31%	117
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	97	361	278	0	143	278	(135)	-49%	278
<b>Sub Total - Senior Managers of Municipality</b>	<b>2,358</b>	<b>6,527</b>	<b>3,416</b>	<b>392</b>	<b>3,002</b>	<b>3,416</b>	<b>(413)</b>	<b>-12%</b>	<b>3,416</b>
<b>% increase</b>		<b>177%</b>	<b>45%</b>						<b>45%</b>
<b>Other Municipal Staff</b>									
Basic Salaries and Wages	105,415	124,064	111,667	9,832	112,799	111,667	1,132	1%	111,667
Pension and UIF Contributions	20,535	25,011	22,903	1,903	22,094	22,903	(808)	-4%	22,903
Medical Aid Contributions	5,908	6,133	6,968	619	6,848	6,968	(120)	-2%	6,968
Overtime	312	1,232	379	23	343	379	(36)	-10%	379
Performance Bonus							-		
Motor Vehicle Allowance	14,071	15,907	15,511	1,279	15,316	15,511	(196)	-1%	15,511
Cellphone Allowance	1,919	1,830	2,058	189	2,113	2,058	54	3%	2,058
Housing Allowances	255	268	281	25	284	281	2	1%	281
Other benefits and allowances	10,609	12,655	11,300	204	11,222	11,300	(78)	-1%	11,300
Payments in lieu of leave	(177)	35	1,705	28	1,715	1,705	9	1%	1,705
Long service awards	812	797	2,507	223	3,221	2,507	714	28%	2,507
<b>Sub Total - Other Municipal Staff</b>	<b>159,659</b>	<b>187,932</b>	<b>175,280</b>	<b>14,324</b>	<b>175,953</b>	<b>175,280</b>	<b>674</b>	<b>0%</b>	<b>175,280</b>
<b>% increase</b>		<b>18%</b>	<b>10%</b>						<b>10%</b>
<b>Total Parent Municipality</b>	<b>186,872</b>	<b>220,949</b>	<b>206,674</b>	<b>16,806</b>	<b>206,231</b>	<b>206,674</b>	<b>(443)</b>	<b>0%</b>	<b>206,674</b>
		<b>18%</b>	<b>11%</b>						<b>11%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>186,872</b>	<b>220,949</b>	<b>206,674</b>	<b>16,806</b>	<b>206,231</b>	<b>206,674</b>	<b>(443)</b>	<b>0%</b>	<b>206,674</b>
<b>% increase</b>		<b>18%</b>	<b>11%</b>						<b>11%</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>162,017</b>	<b>194,460</b>	<b>178,695</b>	<b>14,716</b>	<b>178,956</b>	<b>178,695</b>	<b>261</b>	<b>0%</b>	<b>178,695</b>

Table SC8 provides details for Remuneration of Councilors and Employee related cost. The total salaries, allowances and benefits paid as at end of June 2024 amounts to R206, 231 million and the year-to-date budget is R206, 674 million and the expenditure for remuneration of councilors amounts to R27, 275 million while the year-to-date budget is R27, 978 million. The year-to-date actual expenditure for senior managers is R3, 002 million and the year-to-date budget thereof is R3, 416 million. There is two senior managerial vacant position (Corporate services 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 R175, 953 million and the year-to-date budget is R175, 280 million. The remuneration of councilors has underspending variance, senior managers have under spending and other municipal staff category has over spending variance, and there is two vacant positions in the senior management level and the positions should be filled in this financial year 2023/24.



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

Description	Budget Year 2023/24												2023/24 Medium Term Revenue & Expenditure Framework			
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Year	Year +1	Year +2	
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	2020/21	2021/22	2022/23	
<b>Cash Receipts By Source</b>																
Property rates	4,158	3,574	4,299	3,361	3,176	3,558	3,445	3,583	2,966	3,317	3,291	3,119	41,848	58,227	62,147	
Service charges - electricity revenue	6,586	6,734	6,655	7,489	7,076	10,108	6,653	8,436	8,016	8,152	7,085	6,130	89,118	130,679	153,686	
Service charges - refuse	494	468	413	472	481	482	451	476	442	504	452	425	5,561	7,791	8,385	
Rental of facilities and equipment	42	61	33	29	30	35	521	48	23	18	28	83	951	958	1,003	
Interest earned - external investments	573	429	197	273	296	162	315	218	157	339	166	143	3,270	1,600	1,659	
Interest earned - outstanding debtors	272	286	210	356	181	196	150	236	165	418	168	647	3,285	5,864	5,965	
Fines, penalties and forfeits	436	449	525	565	485	451	412	406		550	513	406	5,199	11,568	12,112	
Licences and permits	428	593	555	653	491	503	555	501	569	491	534	-	5,872	7,528	7,882	
Transfers and Subsidies - Operational	150,023	2,896	-	-	1,069	98,796	-	713	89,630	120	-	-	343,248	387,608	378,480	
Other revenue	1,480	-	5,017	1,550	10,897	2,230	10,766	18,400	1,516	11,078	46	23,372	86,352	2,816	2,948	
<b>Cash Receipts by Source</b>	<b>164,492</b>	<b>15,489</b>	<b>17,905</b>	<b>14,748</b>	<b>24,182</b>	<b>116,521</b>	<b>23,268</b>	<b>33,018</b>	<b>103,484</b>	<b>24,987</b>	<b>12,284</b>	<b>34,326</b>	<b>584,705</b>	<b>614,639</b>	<b>634,268</b>	
<b>Other Cash Flows by Source</b>																
Transfers and subsidies - capital (monetary allocations)	17,200	-	-	-	24,700	16,776	-	4,000	12,709	-	-	-	75,385	76,283	79,692	
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Increase (decrease) in consumer deposits		(12)	9	(68)	138	(10)	(67)	110	315	(24)	(163)	10	237	305	320	
Decrease (increase) in non-current receivables																
Decrease (increase) in non-current investments											0		0	891	935	
<b>Total Cash Receipts by Source</b>	<b>181,692</b>	<b>15,477</b>	<b>17,914</b>	<b>14,681</b>	<b>49,020</b>	<b>133,286</b>	<b>23,200</b>	<b>37,127</b>	<b>116,508</b>	<b>24,963</b>	<b>12,121</b>	<b>34,336</b>	<b>660,327</b>	<b>692,118</b>	<b>715,215</b>	
<b>Cash Payments by Type</b>																
Employee related costs	13,630	13,725	13,964	13,686	14,351	22,391	13,917	13,850	15,056	14,910	14,760	14,716	178,956	198,267	207,585	
Remuneration of councillors	2,079	2,079	3,532	2,182	2,182	2,242	2,182	2,182	2,174	2,182	2,182	2,093	27,289	28,218	29,544	
Interest paid	-	-	-	315	81	-	150	287	238	111	103	-	1,285	471	100	
Bulk purchases - Electricity	83	12,020	12,021	9,159	8,361	7,592	9,289	7,783	7,891	8,232	8,656	612	91,699	127,505	150,074	
Other materials	901	1,930	3,842	2,991	5,619	5,592	3,996	1,975	4,626	1,544	2,312	7,561	42,889	34,942	36,575	
Contracted services	2,593	5,361	10,775	3,222	9,380	5,624	5,093	4,879	10,474	6,136	5,795	4,153	73,485	67,294	70,501	
Grants and subsidies paid - other	145	331	362	578	406	747	758	621	907	741	20	5,331	10,946	3,417	3,671	
General expenses	6,459	8,672	6,171	2,512	5,996	26,871	3,888	10,643	3,106	3,991	1,923	4,242	84,473	49,202	51,469	
<b>Cash Payments by Type</b>	<b>25,889</b>	<b>44,117</b>	<b>50,667</b>	<b>34,645</b>	<b>46,376</b>	<b>71,059</b>	<b>39,272</b>	<b>42,219</b>	<b>44,474</b>	<b>37,845</b>	<b>35,752</b>	<b>38,707</b>	<b>511,022</b>	<b>509,316</b>	<b>549,519</b>	
<b>Other Cash Flows/Payments by Type</b>																
Capital assets	466	179	6,180	2,128	11,309	8,185	8,137	17,552	9,996	9,843	4,378	12,248	90,602	77,363	77,492	
Repayment of borrowing	-	-	-	1,522	1,685	-	76	2,241	1,598	809	817	-	8,748	5,456	-	
Other Cash Flows/Payments	34,953	402	-	12,990	-	-	-	-	2,431	-	17,452	-	68,228	67,329	67,329	
<b>Total Cash Payments by Type</b>	<b>61,309</b>	<b>44,699</b>	<b>56,847</b>	<b>51,284</b>	<b>59,371</b>	<b>79,244</b>	<b>47,485</b>	<b>62,012</b>	<b>58,499</b>	<b>48,497</b>	<b>58,399</b>	<b>50,955</b>	<b>678,600</b>	<b>659,465</b>	<b>694,340</b>	
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>120,384</b>	<b>(29,222)</b>	<b>(38,932)</b>	<b>(36,604)</b>	<b>(10,351)</b>	<b>54,043</b>	<b>(24,285)</b>	<b>(24,885)</b>	<b>58,010</b>	<b>(23,534)</b>	<b>(46,115)</b>	<b>(16,629)</b>	<b>(18,273)</b>	<b>32,654</b>	<b>20,875</b>	
Cash/cash equivalents at the month/year beginning:	41,668	162,052	132,830	93,897	57,294	46,943	100,985	76,701	51,816	109,826	86,292	40,014	41,668	19,757	52,411	
Cash/cash equivalents at the month/year end:	162,052	132,830	93,897	57,294	46,943	100,985	76,701	51,816	109,826	86,292	40,014	23,385	23,395	52,411	73,286	

Supporting table SC9 provides detailed monthly cash flow statement that spells out the receipts by source and payments by type. The monthly cash receipts reflect an amount of R34, 336 million and the total cash payment for the month was R50, 955 million and this resulted in net decrease in cash held amounting to R16, 629 million. With cash and cash equivalent of R40,014 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting to R23, 385 million. This is a supporting table for table C7 – Cash Flow Statement.

### Supporting Table: SC 12 Capital Expenditure Trend

Month	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
<b>Monthly expenditure performance trend</b>									
July	5,672	1,718	1,718	466	466	1,718	1,251	73%	1%
August	8,918	4,713	4,713	179	646	6,431	5,785	90%	1%
September	8,103	4,390	4,390	6,180	6,825	10,821	3,995	37%	8%
October	14,431	8,295	8,295	2,128	8,953	19,115	10,162	53%	11%
November	2,731	6,262	6,262	11,309	20,262	25,378	5,115	20%	24%
December	9,925	13,059	13,059	8,205	28,467	38,437	9,970	26%	34%
January	7,968	5,318	5,318	8,137	36,604	43,755	7,151	16%	43%
February	6,909	4,512	6,307	17,552	54,156	50,062	(4,094)	-8%	64%
March	2,054	9,195	11,031	9,996	64,152	61,093	(3,059)	-5%	76%
April	12,525	4,478	6,452	9,843	73,995	67,545	(6,450)	-10%	88%
May	7,513	9,027	12,680	4,378	78,373	80,225	1,852	2%	93%
June	11,895	13,189	13,813	12,248	90,621	94,038	3,417	4%	108%
<b>Total Capital expenditure</b>	<b>98,645</b>	<b>84,156</b>	<b>94,038</b>	<b>90,621</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 June amounts to R12, 248 million. The year-to-date actual expenditure incurred is R90, 621 million whilst the year to date budget is R94, 038 million, that gives rise to under spending variance of R3, 417 million that translate to 4%.

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

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on new assets by Asset Class</b>									
<b>Infrastructure</b>	16,629	15,800	33,639	1,866	25,833	33,639	7,806	23%	33,639
<b>Roads Infrastructure</b>	-	-	1,430	696	1,430	1,430	(0)	0%	1,430
Roads		-	1,430	696	1,430	1,430	(0)	0%	1,430
Road Structures							-		
Storm water Infrastructure	-	800	-	-	-	-	-		-
Drainage Collection		800		-	-	-	-		-
<b>Electrical Infrastructure</b>	15,895	15,000	20,559	612	17,351	20,559	3,208	16%	20,559
Power Plants	2,230		5,741	-	5,737	5,741	4	0%	5,741
MV Switching Stations							-		
MV Networks	13,665	14,800	14,644	612	11,614	14,644	3,030	21%	14,644
Capital Spares	-	200	174	-	-	174	174	100%	174
<b>Solid Waste Infrastructure</b>	734	-	11,650	558	7,053	11,650	4,597	39%	11,650
Landfill Sites			11,650	558	7,053	11,650	4,597	39%	11,650
Waste Transfer Stations							-		
Capital Spares	734	-	-	-	-	-	-		-
<b>Community Assets</b>	-	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
<b>Other assets</b>	-	-	-	-	-	-	-		-
Operational Buildings	-	-	-	-	-	-	-		-
Stores	-	-	-	-	-	-	-		-
<b>Intangible Assets</b>	-	-	-	-	-	-	-		-
Servitudes							-		
Computer Software and Applications							-		
<b>Computer Equipment</b>	1,930	700	1,823	276	2,081	1,823	(258)	-14%	1,823
Computer Equipment	1,930	700	1,823	276	2,081	1,823	(258)	-14%	1,823
<b>Furniture and Office Equipment</b>	1,036	1,100	506	5,170	5,496	506	(4,990)	-986%	506
Furniture and Office Equipment	1,036	1,100	506	5,170	5,496	506	(4,990)	-986%	506
<b>Machinery and Equipment</b>	2,227	200	376	119	360	376	16	4%	376
Machinery and Equipment	2,227	200	376	119	360	376	16	4%	376
<b>Transport Assets</b>	-	-	-	-	-	-	-		-
Transport Assets	-	-	-	-	-	-	-		-
<b>Total Capital Expenditure on new assets</b>	21,822	17,800	36,344	7,431	33,770	36,344	2,574	7%	36,344

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

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on renewal of existing assets by Asset Class</b>									
Infrastructure	29,802	-	-	-	-	-	-	-	-
Roads Infrastructure	26,455	-	-	-	-	-	-	-	-
Roads	26,294	-	-	-	-	-	-	-	-
Road Furniture	161	-	-	-	-	-	-	-	-
<b>Electrical Infrastructure</b>	-	-	-	-	-	-	-	-	-
MV Switching Stations									
MV Networks	-								
<b>Solid Waste Infrastructure</b>	<b>3,347</b>	-	-	-	-	-	-	-	-
Landfill Sites	3,347	-	-	-	-	-	-	-	-
Capital Spares									
<b>Community Assets</b>	<b>1,376</b>	-	-	-	-	-	-	-	-
Community Facilities	1,376	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	1,376	-	-	-	-	-	-	-	-
<b>Sport and Recreation Facilities</b>	-	-	-	-	-	-	-	-	-
Indoor Facilities									
Outdoor Facilities									
<b>Other assets</b>	<b>247</b>	-	-	-	-	-	-	-	-
Operational Buildings	247	-	-	-	-	-	-	-	-
Municipal Offices	247	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-
Servitudes									
Computer Software and Applications									
<b>Computer Equipment</b>	-	-	-	-	-	-	-	-	-
Computer Equipment									
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment									
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-	-	-
Machinery and Equipment									
<b>Transport Assets</b>	-	-	-	-	-	-	-	-	-
Transport Assets									
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>31,425</b>	-	-	-	-	-	-	-	-

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

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Repairs and maintenance expenditure by Asset Class</b>									
<b>Infrastructure</b>	26,633	21,666	19,537	2,866	21,575	19,537	(2,038)	-10%	19,537
<b>Roads Infrastructure</b>	21,436	14,350	13,001	-	12,995	13,001	6	0%	13,001
Roads	21,436	14,350	13,001	-	12,995	13,001	6	0%	13,001
Road Furniture							-		
<b>Electrical Infrastructure</b>	2,203	6,073	4,428	2,866	6,655	4,428	(2,227)	-50%	4,428
MV Switching Stations							-		
MV Networks	2,203	6,073	4,428	2,866	6,655	4,428	(2,227)	-50%	4,428
<b>Solid Waste Infrastructure</b>	2,994	1,243	2,108	-	1,925	2,108	183	9%	2,108
Landfill Sites	2,994	1,243	2,108	-	1,925	2,108	183	9%	2,108
Capital Spares							-		
<b>Community Assets</b>	537	323	929	31	448	929	481	52%	929
Community Facilities	537	323	929	31	448	929	481	52%	929
Parks	537	323	929	31	448	929	481	52%	929
<b>Other assets</b>	1,443	1,598	1,280	8	959	1,280	321	25%	1,280
Operational Buildings	1,443	1,598	1,280	8	959	1,280	321	25%	1,280
Municipal Offices	1,443	1,598	1,280	8	959	1,280	321	25%	1,280
<b>Intangible Assets</b>	58	211	211	-	119	211	92	44%	211
Licences and Rights	58	211	211	-	119	211	92	44%	211
Computer Software and Applications	58	211	211	-	119	211	92	44%	211
<b>Computer Equipment</b>	-	-	-	-	-	-	-		-
Computer Equipment							-		
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
<b>Machinery and Equipment</b>	7,250	6,212	12,731	204	12,331	12,731	400	3%	12,731
Machinery and Equipment	7,250	6,212	12,731	204	12,331	12,731	400	3%	12,731
<b>Transport Assets</b>	3,424	2,646	1,643	114	1,833	1,643	(190)	-12%	1,643
Transport Assets	3,424	2,646	1,643	114	1,833	1,643	(190)	-12%	1,643
<b>Total Repairs and Maintenance Expenditure</b>	<b>39,346</b>	<b>32,656</b>	<b>36,330</b>	<b>3,223</b>	<b>37,264</b>	<b>36,330</b>	<b>(934)</b>	<b>-3%</b>	<b>36,330</b>

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

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Depreciation by Asset Class</b>									
<b>Infrastructure</b>	43,983	51,395	41,285	3,739	45,617	41,285	(4,332)	-10%	41,285
<b>Roads Infrastructure</b>	37,525	43,096	34,719	3,208	39,143	34,719	(4,425)	-13%	34,719
<b>Roads</b>	37,233	43,096	34,258	3,171	38,686	34,258	(4,428)	-13%	34,258
Road Structures	227		230	19	229	230	2	1%	
Road Furniture	64		230	19	228	230	2	1%	460
Storm water Infrastructure	-	440	40	-	-	40	40	100%	40
Drainage Collection	-	440	40	-	-	40	40	100%	40
<b>Electrical Infrastructure</b>	5,390	7,083	5,851	476	5,802	5,851	49	1%	5,851
MV Substations		4,238	1,569	127	1,547	1,569	21	1%	1,569
MV Switching Stations			358	29	356	358	2	1%	358
MV Networks	3,254	2,845	1,794	94	1,519	1,794	274	15%	1,794
LV Networks			-	52	262	-	(262)	#DIV/0!	
Capital Spares	2,136		2,130	174	2,118	2,130	12	1%	2,130
<b>Solid Waste Infrastructure</b>	1,068	777	676	55	672	676	5	1%	676
Landfill Sites	764	777	398	32	395	398	3	1%	398
Waste Transfer Stations							-		
Waste Processing Facilities	302		276	22	274	276	2	1%	276
Capital Spares	3		3	0	3	3	0	1%	3
<b>Community Assets</b>	1,039	1,333	1,065	87	1,058	1,065	7	1%	1,065
Community Facilities	799	1,333	814	66	808	814	6	0	814
Halls			30	2	30	30	0	1%	30
Centres			184	15	183	184	1	1%	184
Cemeteries/Crematoria	91		92	8	92	92	1	1%	92
PurIs	456		2	0	2	2	0	1%	2
Public Open Space	-	1,333		-	-	-	-		
Taxi Ranks/Bus Terminals			251	20	249	251	2	1%	251
Capital Spares	252		255	21	253	255	2	1%	255
<b>Sport and Recreation Facilities</b>	240	-	251	20	249	251	2	1%	251
Indoor Facilities	240						-		
Outdoor Facilities			251	20	249	251	2	1%	251
<b>Heritage assets</b>	-	6	6	-	-	6	6	100%	6
Other Heritage	-	6	6	-	-	6	6	100%	6
<b>Investment properties</b>	-	-	-	-	-	371	371	100%	-
Improved Property							-		
Unimproved Property							-		
Other assets	3,999	4,453	6,440	326	3,979	6,440	2,461	38%	6,440
Operational Buildings	3,999	4,453	2,857	234	1,427	2,857	1,430	50%	2,857
Municipal Offices	3,999	4,453	2,453	202	1,026	2,453	1,427	58%	2,453
<b>Stores</b>			33	3	32	33	0	1%	33
Training Centres			371	30	369	371	3	1%	371
Housing	-	-	3,583	92	2,552	3,583	1,031	29%	3,583
Social Housing			3,583	92	2,552	3,583	1,031	29%	3,583
<b>Intangible Assets</b>	7	88	21	1	10	19	9	47%	21
Servitudes			13	1	10	11	1	11%	13
Licences and Rights	7	88	8	-	-	8	8	100%	8
Computer Software and Applications	7	88	8	-	-	8	8	100%	8
<b>Computer Equipment</b>	835	974	948	36	672	948	276	29%	948
Computer Equipment	835	974	948	36	672	948	276	29%	948
<b>Furniture and Office Equipment</b>	766	651	801	68	809	801	(8)	-1%	801
Furniture and Office Equipment	766	651	801	68	809	801	(8)	-1%	801
<b>Machinery and Equipment</b>	3,355	3,118	3,021	248	3,005	3,021	16	1%	3,021
Machinery and Equipment	3,355	3,118	3,021	248	3,005	3,021	16	1%	3,021
<b>Transport Assets</b>	6,645	3,384	5,710	519	5,821	5,710	(110)	-2%	5,710
Transport Assets	6,645	3,384	5,710	519	5,821	5,710	(110)	-2%	5,710
<b>Total Depreciation</b>	60,629	65,402	59,298	5,023	60,971	59,668	(1,304)	-2%	59,298

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

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure on upgrading of existing assets by Asset Class</b>									
<b>Infrastructure</b>	44,323	66,356	57,694	4,817	56,831	57,694	863	1%	57,694
<b>Roads Infrastructure</b>	43,487	65,356	56,694	4,817	55,962	56,694	732	1%	56,694
Roads	43,487	65,356	56,694	4,817	55,962	56,694	732	1%	56,694
Road Structures							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
<b>Electrical Infrastructure</b>	-	-	-	-	-	-	-		-
MV Substations							-		
MV Switching Stations							-		
MV Networks							-		
LV Networks							-		
<b>Solid Waste Infrastructure</b>	836	1,000	1,000	-	869	1,000	131	13%	1,000
Landfill Sites	836	1,000	1,000	-	869	1,000	131	13%	1,000
Waste Transfer Stations							-		
<b>Community Assets</b>	-	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
Parks		-	-	-	-	-	-		-
Public Open Space							-		
<b>Other assets</b>	1,075	-	-	-	-	-	-		-
Operational Buildings	1,075	-	-	-	-	-	-		-
Municipal Offices	-						-		-
Yards	1,075	-	-	-	-	-	-		-
<b>Intangible Assets</b>	-	-	-	-	-	-	-		-
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		-
<b>Computer Equipment</b>	-	-	-	-	-	-	-		-
Computer Equipment							-		-
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		-
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-		-
Machinery and Equipment							-		-
<b>Transport Assets</b>	-	-	-	-	-	-	-		-
Transport Assets							-		-
<b>Total Capital Expenditure on upgrading of existing assets</b>	45,398	66,356	57,694	4,817	56,831	57,694	863	1%	57,694

Supporting table SC13a, SC13b and SC13e provide details of capital expenditure in terms of asset classification based on new assets and renewal of existing assets; while table SC13c provide details of expenditure performance on repairs and maintenance by asset classification and Table SC13d presents expenditure on depreciation and asset impairment. These tables present the capital programme, and assets management and performance of the Municipality.

The total expenditure for new capital projects amounts to R33, 770 million and the year to date budget is R36, 344 million that reflects positive spending variance of R2, 574 million that translates to 7% variance.

The renewal of existing assets is not budgeted for the 2023/24 financial year.

The year-to-date actual expenditure on repairs and maintenance is R37, 264 million, and the year-to-date budget is R36, 330 million, reflecting an underspending variance of R934 million that translates to 3%.

The year-to-date actual expenditure on upgrading of existing assets is R56, 831 and the year-to-date budget is R57, 694 million, reflecting a positive spending variance of R863 thousand that translates to 1%.

The year-to-date actual expenditure on depreciation and asset impairment is R60, 971 and the year-to-date budget is R59, 668 million, reflecting a negative spending variance of R 1,304 million, that translates to 2% which means the integration between asset management system and core financial system is working which is one of the requirements for implementation of mSCOA. This is basically mean that the municipality is complying mSCOA requirements in terms of the depreciation method

## List of Capital Programmes and Projects

Department	Project Description	Type	Asset Class	Asset Sub-Class	2023/24 Medium Term Revenue and Expenditure Framework			
					Original Budget	Adjusted Budget	YTD Actuals	Percentage
Community Services	Furniture and Office Equipment	Single	Furniture and Office Equipment	Furniture and Office Equipment	800,000	206,000	26,000	13%
	Machinery and Equipment	Single	Machinery and Equipment	Machinery and Equipment	100,000	250,000	244,603	98%
Corporate Services	Fencing of Roossenekal Landfill Site	Multi	Solid Waste Infrastructure	Landfill Sites	1,000,000	1,000,000	869,000	87%
	Computer Equipment	Multi	Computer Equipment	Computer Equipment	700,000	1,823,134	2,081,211	114%
Technical Services	Furniture and Office Equipment	Single	Furniture and Office Equipment	Furniture and Office Equipment	300,000	300,000	5,469,920	1823%
	Groblersdal Stormwater	Single	Storm water Infrastructure	Drainage Collection	800,000	-	-	
	Landfill Sites:Groblersdal Landfill site 6.6	Multi	Solid Waste Infrastructure	Landfill Sites	-	9,126,050	7,052,865	77%
	Upgrading of Hlogottlou-Bopanang Road	Multi	Roads Infrastructure	Roads	12,275,600	-	-	
	Upgrading of Kgobokwane-Kgaphamadi Road	Multi	Roads Infrastructure	Roads	20,580,400	13,580,400	15,140,256	111%
	Upgrading of Malaeneng A Ntwane Access Road	Multi	Roads Infrastructure	Roads	10,000,000	11,000,000	9,259,584	84%
	Upgrading of Mokumong Access Road to Marateng Taxi Rank	Multi	Roads Infrastructure	Roads	22,500,000	19,023,950	19,023,950	100%
	Roads:Ugrading of Stompo Bus Road	single	Roads Infrastructure	Roads	-	695,649	695,652	100%
	Roads:Upgrading of Maraganeng internal Access road (MIG)	Multi	Roads Infrastructure	Roads	-	8,254,600	7,306,937	89%
	Roads:Upgrading of Masoing Bus route	single	Roads Infrastructure	Roads	-	734,100	734,100	100%
	Roads:Upgrading of Tafelkop stadium Access Road 600	single	Roads Infrastructure	Roads	-	7,359,000	5,231,606	71%
	Electrification of Magukubjane	Single	Electrical Infrastructure	MV Networks	400,000	244,300	244,295	100%
	Electrification of Masakaneng	Multi	Electrical Infrastructure	MV Networks	8,000,000	6,600,000	5,520,903	84%
	Electrification of Motetema High view	Single	Electrical Infrastructure	MV Networks	2,000,000	2,145,176	1,784,361	83%
	Electrification of Phooko	Single	Electrical Infrastructure	MV Networks	1,400,000	1,400,000	388,467	28%
	Electrification of Phomola	Single	Electrical Infrastructure	MV Networks	2,000,000	2,000,000	1,781,185	89%
	Electrification of Vlakfontein	Single	Electrical Infrastructure	MV Networks	1,000,000	854,824	775,987	91%
	Power Plants:Alternative Energy Solution	Multi	Electrical Infrastructure	Power Plants	-	5,740,961	5,736,714	100%
	Electrification of Makaapea	Single	Electrical Infrastructure	MV Networks	-	1,400,000	1,118,950	80%
	Aircons	Single	Furniture and Office Equipment	Furniture and Office Equipment	174,000	174,000	-	0%
	Machinery and Equipment	Single	Machinery and Equipment	Machinery and Equipment	126,000	126,000	115,050	91%

# 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 30 June 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 10/07/2024 .....