

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



MONTHLY BUDGET STATEMENT REPORT

MAY 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 May 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	PERCENTAGE
OPERATING REVENUE	680 763 743	697 761 925	621 285 268	89%
		-		
OPERATING EXPENDITURE	654 216 898	677 674 528	566 157 188	84%
		-		
TRANSFER - CAPITAL	79 756 000	76 056 134	63 827 720	84%
SURPLUS/(DEFICIT)	106 302 845	96 163 125	130 785 128	136%
CAPITAL EXPENDITURE	84 156 000	93 912 144	78 372 982	83%

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
Financial Performance									
Property rates	54 993	63 025	60 026	4 957	54 117	34 865	19 252	55%	60 026
Service charges	96 995	125 701	125 520	10 824	103 958	118 577	(14 620)	-12%	125 520
Investment revenue	2 996	2 306	8 678	450	7 172	7 601	(429)	-6%	8 678
Transfers and subsidies	338 905	363 745	363 612	151	362 552	351 976	10 575	3%	363 612
Other own revenue	26 828	125 987	139 925	2 638	93 486	106 413	(12 927)	-12%	139 925
Total Revenue (excluding capital transfers and contributions)	520 718	680 764	697 762	19 019	621 285	619 433	1 852	0%	697 762
Employee costs	162 017	194 460	178 695	14 760	164 240	159 701	4 539	3%	178 695
Remuneration of Councillors	24 855	26 490	28 006	2 182	25 196	25 239	(43)	0%	28 006
Depreciation & asset impairment	60 629	65 402	59 298	5 187	55 948	52 879	3 070	6%	59 298
Finance charges	1 623	931	1 543	103	1 585	1 423	161	11%	1 543
Materials and bulk purchases	129 936	153 791	144 459	10 968	126 415	130 083	(3 667)	-3%	144 899
Transfers and subsidies	4 495	3 176	6 871	20	5 615	6 218	(603)	-10%	7 131
Other expenditure	151 158	209 967	258 801	7 720	187 157	214 803	(27 646)	-13%	258 102
Total Expenditure	534 713	654 217	677 675	40 940	566 157	590 346	(24 189)	-4%	677 675
Surplus/(Deficit)	(13 995)	26 547	20 087	(21 920)	55 128	29 087	26 041	90%	20 087
Transfers and subsidies - capital (monetary allocations)	91 816	79 756	75 385	5 705	75 637	62 505	13 132	21%	75 385
Transfers and subsidies - capital (monetary allocations)	–	–	691	–	20	691	(671)	-97%	691
Surplus/(Deficit) after capital transfers & contributions	77 820	106 303	96 163	(16 216)	130 785	92 283	38 502	42%	96 163
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	77 820	106 303	96 163	(16 216)	130 785	92 283	38 502	42%	96 163
Capital expenditure & funds sources									
Capital expenditure	98 645	84 156	94 038	4 378	78 373	80 225	(1 852)	-2%	94 038
Capital transfers recognised	77 457	79 756	76 056	3 971	63 828	66 212	(2 385)	-4%	76 056
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	21 188	4 400	17 982	407	14 545	14 012	533	4%	17 982
Total sources of capital funds	98 645	84 156	94 038	4 378	78 373	80 225	(1 852)	-2%	94 038
Financial position									
Total current assets	256 254	248 465	221 593		303 754				221 593
Total non current assets	1 239 934	1 379 378	1 394 852		1 241 830				1 394 852
Total current liabilities	169 725	124 219	130 123		134 133				130 123
Total non current liabilities	92 008	92 871	95 052		112 622				95 052
Community wealth/Equity	1 234 455	1 410 753	1 391 270		1 298 828				1 391 270
Cash flows									
Net cash from (used) operating	128 295	56 732	85 611	(40 920)	85 221	58 778	(26 443)	-45%	85 611
Net cash from (used) investing	(98 645)	(71 634)	(81 275)	(4 378)	(78 353)	(79 482)	(1 129)	1%	(81 275)
Net cash from (used) financing	(7 251)	(7 009)	(9 257)	(981)	(8 521)	(8 490)	32	0%	(9 257)
Cash/cash equivalents at the month/year end	32 939	19 757	9 789	–	40 014	(14 484)	(54 498)	376%	36 747
Debtors & creditors analysis	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
Debtors Age Analysis									
Total By Income Source	15 606	6 495	4 349	4 119	4 099	3 928	3 854	168 929	211 379
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 May is R621, 285 million and the year to date budget of R619, 433 million and this reflects a positive variance of R1, 852 million which is mostly attributable to equitable shares received amounting to R342, 902 million. The following are the secondary revenue item categories reflecting a positive and negative material variance:

- Interest earned - external investments: 6% unfavorable variance,
- Interest earned – outstanding debtors: 14% unfavorable variance,
- Rental of Facilities and Equipment: 46% unfavorable variance,
- Fines, penalties and forfeits: 11% unfavorable variance
- Services Charges – electricity revenue: 14% unfavorable variance
- Services Charges – refuse revenue: 6% favorable variance
- Licenses and permits: 5% unfavorable variance
- Property rates: 55% favorable variance
- Other revenue: 42% unfavorable
- Transfer and subsidies: 3% favorable

Operating Expenditure

The year to date operational expenditure as at end of May amounts to R566, 157 million and the year to date budget is R590, 346 million. This reflects underspending variance of R24, 189 million that translates to 4% 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:

- Finance charges: 11% overspending
- Debt impairment: 29% under spending
- Losses: 58% under performing
- Transfer and subsidies: 10% under spending

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 May 2024 amounts to R78, 373 million and the year to date budget amounts to R80, 225 million and this gives rise to R1, 852 million under performance.

Surplus/Deficit

Taking the above into consideration, the net operating surplus for the month of May is R130, 785 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 May amounts to R211,379 million and this shows an increase of R25,852 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 R128,841 million and other debtors amounting to R82, 538 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 May 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
Revenue - Functional									
Governance and administration	277 768	300 481	304 943	6 736	298 341	266 971	31 370	12%	304 943
Executive and council	43 728	55 444	55 444	–	42 864	48 561	(5 697)	-12%	55 444
Finance and administration	220 586	231 152	235 615	6 736	238 918	204 525	34 393	17%	235 615
Internal audit	13 455	13 884	13 884	–	16 559	13 884	2 675	19%	13 884
Community and public safety	31 175	129 150	140 865	516	103 331	111 543	(8 212)	-7%	140 865
Community and social services	10 947	11 327	11 326	4	11 290	11 311	(21)	0%	11 326
Sport and recreation	17 033	17 595	17 595	–	17 578	17 590	(13)	0%	17 595
Public safety	3 195	100 228	111 944	513	74 464	82 642	(8 178)	-10%	111 944
Economic and environmental services	140 432	130 503	127 503	6 430	125 398	115 084	10 315	9%	127 503
Planning and development	21 669	22 674	22 508	42	23 732	22 296	1 436	6%	22 508
Road transport	117 952	106 992	104 159	6 388	100 830	91 952	8 878	10%	104 159
Environmental protection	811	836	836	–	836	836	–		836
Trading services	163 158	200 386	200 526	11 042	169 873	189 032	(19 160)	-10%	200 526
Energy sources	126 820	151 238	150 886	9 749	120 802	142 042	(21 240)	-15%	150 886
Waste management	36 339	49 148	49 641	1 294	49 071	46 990	2 080	4%	49 641
Total Revenue - Functional	612 533	760 520	773 838	24 724	696 942	682 629	14 313	2%	773 838
Expenditure - Functional									
Governance and administration	215 448	227 933	242 857	12 771	212 180	217 087	(4 906)	-2%	242 944
Executive and council	40 873	45 702	47 203	3 488	42 589	42 421	168	0%	47 275
Finance and administration	162 605	170 758	183 784	8 011	158 224	164 298	(6 074)	-4%	183 871
Internal audit	11 970	11 472	11 870	1 272	11 367	10 367	1 000	10%	11 798
Community and public safety	39 658	118 872	135 159	4 430	97 294	109 349	(12 055)	-11%	135 309
Community and social services	9 422	9 467	7 004	666	6 393	6 279	113	2%	7 004
Sport and recreation	8 989	14 805	9 893	1 496	10 478	8 938	1 540	17%	10 043
Public safety	21 246	94 601	118 262	2 269	80 424	94 132	(13 708)	-15%	118 262
Economic and environmental services	120 504	127 771	111 412	9 908	101 913	98 251	3 662	4%	111 225
Planning and development	18 411	24 992	20 917	2 378	18 042	16 817	1 225	7%	20 820
Road transport	102 093	102 085	90 495	7 530	83 871	81 434	2 437	3%	90 405
Environmental protection	–	695	0	–	–	–	–		0
Trading services	159 103	179 641	188 246	13 831	154 769	165 659	(10 890)	-7%	188 196
Energy sources	109 850	133 039	125 492	9 958	105 658	111 738	(6 081)	-5%	125 592
Waste management	49 253	46 602	62 754	3 873	49 111	53 921	(4 809)	-9%	62 604
Total Expenditure - Functional	534 713	654 217	677 675	40 940	566 157	590 346	(24 189)	-4%	677 675
Surplus/ (Deficit) for the year	77 820	106 303	96 163	(16 216)	130 785	92 283	38 502	42%	96 163

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
Revenue by Vote									
Vote 1 - Executive & Council	37 271	48 780	48 780	–	36 200	41 898	(5 697)	-14%	48 780
Vote 2 - Municipal Manager	46 531	48 017	48 017	–	52 692	46 262	6 430	14%	48 017
Vote 3 - Budget & Treasury	109 827	116 810	120 601	6 736	120 728	93 918	26 810	29%	120 601
Vote 4 - Corporate Services	50 657	52 321	52 992	–	56 628	52 969	3 659	7%	52 992
Vote 5 - Community Services	76 536	188 606	200 542	2 344	161 349	167 806	(6 457)	-4%	200 542
Vote 6 - Technical Services	263 115	276 162	273 247	15 603	240 095	252 960	(12 865)	-5%	273 247
Vote 7 - Developmental Planning	13 673	14 423	14 257	42	13 481	14 044	(564)	-4%	14 257
Vote 8 - Executive Support	14 925	15 401	15 401	–	15 770	12 773	2 997	23%	15 401
Total Revenue by Vote	612 533	760 520	773 838	24 724	696 942	682 629	14 313	2%	773 838
Expenditure by Vote									
Vote 1 - Executive & Council	35 446	37 797	40 914	3 048	36 932	36 558	374	1%	40 914
Vote 2 - Municipal Manager	45 914	46 270	44 275	2 629	41 042	39 543	1 499	4%	44 275
Vote 3 - Budget & Treasury	61 222	61 056	78 940	1 396	63 842	69 599	(5 758)	-8%	78 940
Vote 4 - Corporate Services	27 772	41 928	31 596	3 150	27 538	28 229	(691)	-2%	31 596
Vote 5 - Community Services	97 515	175 066	206 991	8 954	154 742	171 494	(16 752)	-10%	206 991
Vote 6 - Technical Services	230 159	254 734	233 989	17 971	205 651	209 397	(3 746)	-2%	233 989
Vote 7 - Developmental Planning	13 119	18 039	14 114	1 907	11 664	11 148	516	5%	14 114
Vote 8 - Executive Support	23 567	19 327	26 855	1 886	24 748	24 379	369	2%	26 855
Total Expenditure by Vote	534 713	654 217	677 675	40 940	566 157	590 346	(24 189)	-4%	677 675
Surplus/ (Deficit) for the year	77 820	106 303	96 163	(16 216)	130 785	92 283	38 502	42%	96 163

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
Revenue By Source									
Property rates	54 993	63 025	60 026	4 957	54 117	34 865	19 252	55%	60 026
Service charges - electricity revenue	87 458	115 903	113 616	9 765	92 825	108 064	(15 239)	-14%	113 616
Service charges - refuse revenue	9 537	9 798	11 904	1 059	11 133	10 513	619	6%	11 904
Rental of facilities and equipment	1 039	913	2 721	85	1 096	2 041	(945)	-46%	2 721
Interest earned - external investments	2 996	2 306	8 678	450	7 172	7 601	(429)	-6%	8 678
Interest earned - outstanding debtors	14 200	14 686	18 959	1 460	14 379	16 653	(2 275)	-14%	18 959
Fines, penalties and forfeits	3 300	100 528	108 430	513	70 712	79 071	(8 359)	-11%	108 430
Licences and permits	6 062	7 176	6 961	534	5 872	6 197	(325)	-5%	6 961
Transfers and subsidies	338 905	363 745	363 612	151	362 552	351 976	10 575	3%	363 612
Other revenue	2 227	2 684	2 854	46	1 427	2 450	(1 023)	-42%	2 854
Gains							-		
Total Revenue (excluding capital transfers and contributions)	520 718	680 764	697 762	19 019	621 285	619 433	1 852	0%	697 762
Expenditure By Type									
Employee related costs	162 017	194 460	178 695	14 760	164 240	159 701	4 539	3%	178 695
Remuneration of councillors	24 855	26 490	28 006	2 182	25 196	25 239	(43)	0%	28 006
Debt impairment	19 063	95 607	119 358	-	63 819	90 141	(26 322)	-29%	119 358
Depreciation & asset impairment	60 629	65 402	59 298	5 187	55 948	52 879	3 070	6%	59 298
Finance charges	1 623	931	1 543	103	1 585	1 423	161	11%	1 543
Bulk purchases	93 194	113 017	107 455	8 656	91 087	95 712	(4 625)	-5%	107 455
Other materials	36 742	40 774	37 004	2 312	35 328	34 371	957	3%	37 444
Contracted services	75 840	61 720	74 652	5 795	69 332	66 014	3 318	5%	73 821
Transfers and subsidies	4 495	3 176	6 871	20	5 615	6 218	(603)	-10%	7 131
Other expenditure	56 254	52 641	64 743	1 923	53 984	58 600	(4 615)	-8%	64 875
Losses	-	-	48	2	22	48	(26)	-54%	48
Total Expenditure	534 713	654 217	677 675	40 940	566 157	590 346	(24 189)	-4%	677 675
Surplus/(Deficit)	(13 995)	26 547	20 087	(21 920)	55 128	29 087	26 041	90%	20 087
Transfers and subsidies - capital (monetary allocations)	91 816	79 756	75 385	5 705	75 637	62 505	13 132	21%	75 385
Transfers and subsidies - capital (monetary allocations)			671	-	-	671	(671)	-100%	671
Transfers and subsidies - capital (in-kind - all)	-	-	20	-	20	20	-		20
Surplus/(Deficit) after capital transfers & contributions	77 820	106 303	96 163	(16 216)	130 785	92 283			96 163
Taxation							-		
Surplus/(Deficit) after taxation	77 820	106 303	96 163	(16 216)	130 785	92 283			96 163
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	77 820	106 303	96 163	(16 216)	130 785	92 283			96 163
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	77 820	106 303	96 163	(16 216)	130 785	92 283			96 163

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

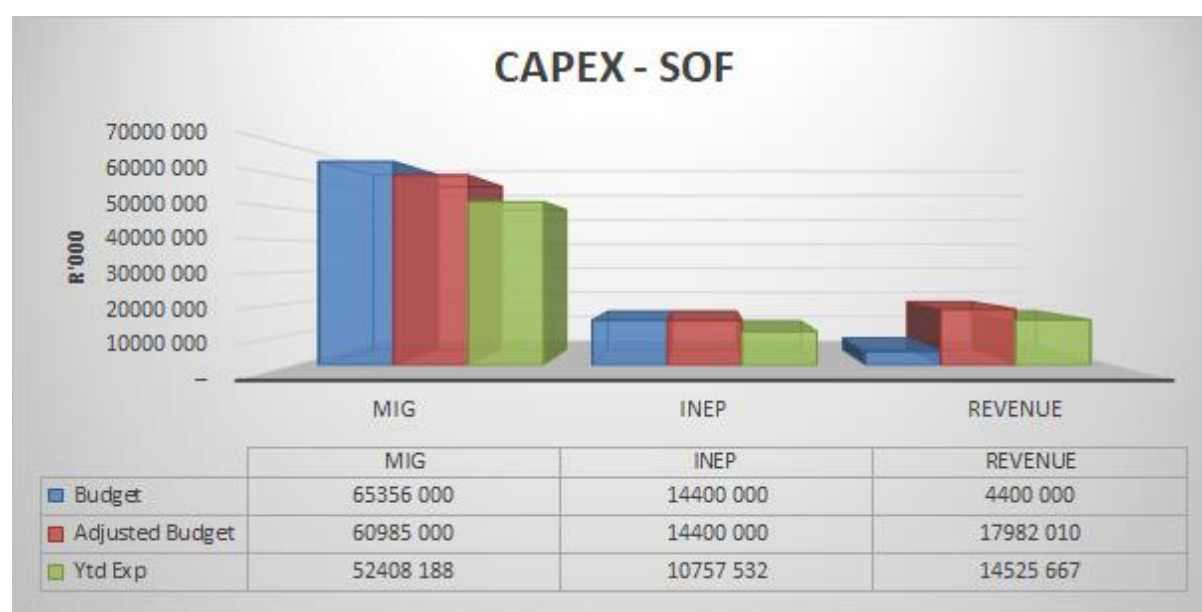
Vote Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Functional Classification									
Governance and administration	2 663	1 000	2 123	378	2 125	2 012	113	6%	2 123
Executive and council	–	–	–	–	–	–	–	–	–
Finance and administration	2 663	1 000	2 123	378	2 125	2 012	113	6%	2 123
Internal audit	–	–	–	–	–	–	–	–	–
Community and public safety	2 450	100	250	–	126	213	(88)	-41%	250
Community and social services	1 455	–	–	–	–	–	–	–	–
Sport and recreation	550	100	250	–	126	213	(88)	-41%	250
Public safety	445	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	75 671	66 256	69 900	2 878	58 489	59 883	(1 394)	-2%	69 900
Planning and development	1 075	–	–	–	–	–	–	–	–
Road transport	74 596	66 256	69 900	2 878	58 489	59 883	(1 394)	-2%	69 900
Environmental protection	–	–	–	–	–	–	–	–	–
Trading services	17 861	16 800	21 765	1 123	17 634	18 117	(483)	-3%	21 765
Energy sources	16 001	15 000	20 559	1 123	16 739	17 194	(456)	-3%	20 559
Waste management	1 860	1 800	1 206	–	895	923	(28)	-3%	1 206
Other	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional Classification	98 645	84 156	94 038	4 378	78 373	80 225	(1 852)	-2%	94 038
Funded by:									
National Government	77 457	79 756	75 385	3 971	63 166	65 541	(2 376)	-4%	75 385
Provincial Government	–	–	–	–	–	–	–	–	–
District Municipality	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations)	–	–	671	–	662	671	(9)	-1%	671
Transfers recognised - capital	77 457	79 756	76 056	3 971	63 828	66 212	(2 385)	-4%	76 056
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	21 188	4 400	17 982	407	14 545	14 012	533	4%	17 982
Total Capital Funding	98 645	84 156	94 038	4 378	78 373	80 225	(1 852)	-2%	94 038

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
Expenditure of multi-year capital appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-		-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-		-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-		-
Vote 4 - Corporate Services	2 663	700	1 823	378	1 825	1 045	780	75%	1 823
Vote 5 - Community Services	4 063	1 000	1 000	-	869	760	109	14%	1 000
Vote 6 - Technical Services	40 032	73 356	80 685	3 218	68 897	70 095	(1 197)	-2%	80 685
Vote 7 - Developmental Planning	-	-	-	-	-	-	-		-
Vote 8 - Executive Support	-	-	-	-	-	-	-		-
Total multi-year capital expenditure	46 759	75 056	83 508	3 596	71 592	71 900	(308)	0%	83 508
Expenditure of single-year capital appropriation							-		
Vote 1 - Executive & Council	-	-	-	-	-	-	-		-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-		-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-		-
Vote 4 - Corporate Services	-	300	300	-	300	967	(667)	-69%	300
Vote 5 - Community Services	247	900	456	-	152	376	(224)	-60%	456
Vote 6 - Technical Services	50 564	7 900	9 774	782	6 330	6 982	(652)	-9%	9 774
Vote 7 - Developmental Planning	1 075	-	-	-	-	-	-		-
Vote 8 - Executive Support	-	-	-	-	-	-	-		-
Total single-year capital expenditure	51 886	9 100	10 530	782	6 781	8 325	(1 543)	-19%	10 530
Total Capital Expenditure	98 645	84 156	94 038	4 378	78 373	80 225	(1 852)	-2%	94 038

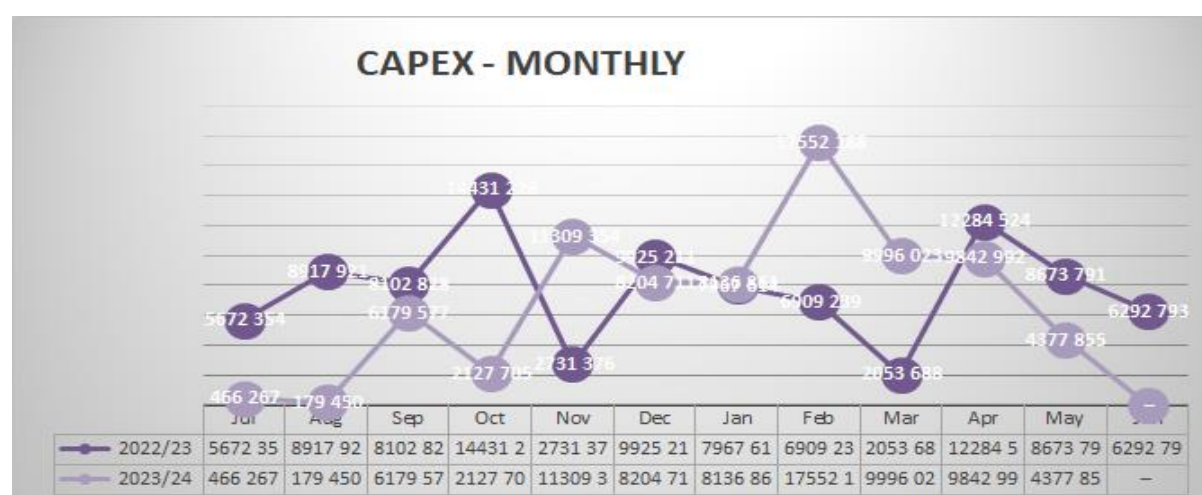
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of May 2024, R4,378 spending is incurred and the year-to-date expenditure amounts to R78, 373 whilst the year to date budget is R80, 225 million and this gave rise to under spending variance of R1, 852 million that translates to 2%.

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
ASSETS					
Current assets					
Cash	7 479	18 804	9 789	1 587	9 789
Call investment deposits	25 460	–	–	38 427	–
Consumer debtors	109 709	178 921	157 743	141 673	157 743
Other debtors	88 862	12 169	12 170	86 780	12 170
Current portion of long-term receivables	–	–	–	1 194	–
Inventory	24 743	38 571	41 891	34 092	41 891
Total current assets	256 254	248 465	221 593	303 754	221 593
Non current assets					
Long-term receivables	–	–	–	–	–
Investments	17 149	18 499	18 499	–	18 499
Investment property	96 399	48 884	48 884	103 831	48 884
Investments in Associate	–	–	–	–	–
Property, plant and equipment	1 123 988	1 310 538	1 326 411	1 134 691	1 326 411
Biological	463	463	–	–	–
Intangible	7	606	671	1 381	671
Other non-current assets	1 928	388	388	1 928	388
Total non current assets	1 239 934	1 379 378	1 394 852	1 241 830	1 394 852
TOTAL ASSETS	1 496 188	1 627 843	1 616 444	1 545 583	1 616 444
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	4 650	7 246	9 494	6 124	9 494
Consumer deposits	5 757	5 937	5 937	5 431	5 937
Trade and other payables	158 176	108 287	114 060	112 824	114 060
Provisions	1 142	2 750	631	9 754	631
Total current liabilities	169 725	124 219	130 123	134 133	130 123
Non current liabilities					
Borrowing	7 288	5 456	7 637	1 962	7 637
Provisions	84 720	87 415	87 415	110 660	87 415
Total non current liabilities	92 008	92 871	95 052	112 622	95 052
TOTAL LIABILITIES	261 733	217 091	225 174	246 755	225 174
NET ASSETS	1 234 455	1 410 753	1 391 270	1 298 828	1 391 270
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	1 234 455	1 410 753	1 391 242	1 298 828	1 391 242
Reserves	–	–	28	–	28
TOTAL COMMUNITY WEALTH/EQUIT	1 234 455	1 410 753	1 391 270	1 298 828	1 391 270

The above table shows that community wealth amounts to R1, 298 billion, total liabilities R247, million and the total assets R1,546 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 2.3:1 that is above 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
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	37 194	54 392	45 020	3 291	38 729	39 025	(296)	-1%	45 020
Service charges	89 721	124 873	112 300	7 537	88 124	90 451	(2 327)	-3%	112 300
Other revenue	53 816	21 801	23 866	1 121	74 513	78 866	(4 353)	-6%	23 866
Transfers and Subsidies - Operational	333 406	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	5 365	1 455	21 490	335	5 765	5 866	(102)	-2%	21 490
Payments									
Suppliers and employees	(499 712)	(585 183)	(550 001)	(53 081)	(533 643)	(587 502)	(53 860)	9%	(550 001)
Finance charges	(1 314)	(931)	(1 491)	(103)	(1 285)	(1 954)	(670)	34%	(1 491)
Transfers and Grants	(1 787)	(3 176)	(5 241)	(20)	(5 615)	(5 642)	(27)	0%	(5 241)
NET CASH FROM/(USED) OPERATING ACTIVITIES	128 295	56 732	85 611	(40 920)	85 221	58 778	(26 443)	-45%	85 611
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	–	851	852			–	–		852
Decrease (increase) in non-current receivables	–	–	1 524	–	–		–		1 524
Decrease (increase) in non-current investments	–	–	–			–	–		–
Payments									
Capital assets	(98 645)	(72 485)	(83 652)	(4 378)	(78 353)	(79 482)	(1 129)	1%	(83 652)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(98 645)	(71 634)	(81 275)	(4 378)	(78 353)	(79 482)	(1 129)	1%	(81 275)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–					–		–
Borrowing long term/refinancing	–	–				–	–		–
Increase (decrease) in consumer deposits	–	237	237	(163)	227	452	(225)	-50%	237
Payments									
Repayment of borrowing	(7 251)	(7 246)	(9 494)	(817)	(8 748)	(8 942)	(194)	2%	(9 494)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(7 251)	(7 009)	(9 257)	(981)	(8 521)	(8 490)	32	0%	(9 257)
NET INCREASE/ (DECREASE) IN CASH HELD	22 400	(21 911)	(4 921)	(46 278)	(1 654)	(29 194)			(4 921)
Cash/cash equivalents at beginning:	10 539	41 668	14 710		41 668	14 710			41 668
Cash/cash equivalents at month/year end:	32 939	19 757	9 789		40 014	(14 484)			36 747

Table C7 presents details pertaining to cash flow performance. As at end of May 2024, the net cash inflow from operating activities is R85, 221 million whilst net cash outflow from investing activities is R78, 353 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R8, 521 million. The cash and cash equivalent held at end of May 2024 amounted to R40, 014 million and the net effect of the above cash flows is cash inflow movement of R1, 654 million. The cash and cash equivalent at end of the reporting period of R40, 014 million, is mainly made up of cash in the primary bank account amounting to R1, 587 million with a short term investment amounting to R38, 427 million at the end of May 2024.

PART 2: SUPPORTING TABLES

Supporting Table: SC 1 Material Variance Explanations

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue By Source			
Property rates	55%	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	-14%	The projected monthly revenue appear to be higher in light of the actual revenue performance	The municipality should introduce cut off measurements as means to inforce customers to pay their accounts when due.
Service charges - refuse revenue	6%	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
Rental of facilities and equipment	-46%	The actual revenue generated is slightly 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	-6%	The municipality has invested in five different investment portfolios with ABSA and Standard bank, 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 avoice variances.
Interest earned - outstanding debtors	-14%	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	-11%	The actual revenue issued on speed cameras is less that the pojections. The contract of the speed fine cameras has been appointed, however there still slow collection in terms of revenue collection.	The municipality should strategies on how to speed up the revenue collection under this item. There should be road blocks in the groblersdal entrances where cashiers are available to collection on outstanding traffic fines.
Licences and permits	-5%	The actual revenue generated is slightly less than the projected monthly revenue	No remedial action is needed since the variance is immeterial.
Transfers and subsidies	3%	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	-42%	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.
Expenditure By Type			
Employee related costs	3%	The actual expenditure incurred on employee related costs is more than the projections thereof	Majority of the postions were vacant and now the postions are filled which explains the actual spending increase.
Remuneration of councillors	0%	The actual expenditure incurred on remuneration of councillors is more than the projected monthly expenditure	No remedial action is needed.
Debt impairment	-29%	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 the variances.
Depreciation & asset impairment	6%	Depreciation has been calculated on monthly basis and the actuals is slightly more than the projections.	No remedial action is needed
Finance charges	11%	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 sytem closure so payments are processed and captured on the system to avoid variances.
Bulk purchases	-5%	The municipal licenced electrification areas have increased and the projections are less than the actual expenditure, the monthly payments were captured before month end hence the actuals are more than the projections.	The municipality should encourages the service provider (Eskom) to submit invoices before month end sytem closure so payments are processed and captured on the system to avoid variances.
Other materials	3%	The projected expenditure is more 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	5%	The actual expenditure incurred is more 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	-10%	The actual expenditure incurred is more than the projected monthly expenditure	No remedial action is needed
Other expenditure	-8%	The actual expenditure incurred is less than the projected monthly expenditure	The municipality shoud identify expenditure lead to significant variances and improve on those items to avoid the variances.
Losses	-54%	The actual expenditure incurred is less than the projected monthly expenditure	The municipality shoud 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
Capital Expenditure			
National Government	-4%	The projections on capital grants is more than the spending thereof.	Majority of projects are moving slowly, the municipality should ensure all projects are performing according to planned schedule.
Internally generated funds	4%	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.
Cash Flow			
Property rates	-1%	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	-3%	The collection rate on service charges is more 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	-6%	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 are not in line with the projections thereof.	The municipality should make use of DORA during the draft and final budget preparations.
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	-2%	Interest on other revenue is over projected to the under collection from other debtors	No remedial action is needed
Suppliers and employees	9%	The actual costs incurred is more 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 Afrent to send invoices on time and the fleet unit should prepare invoices on time to avoid the material variances.
Transfers and Grants	0%	The payments relating to this account are less than the projections thereof	No remedial action is needed
Capital assets	1%	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	2%	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	Bad Debts Written Off	Impairment - Bad Debts
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Electricity	7 968	1 589	282	152	109	148	105	3 825	14 179	4 339	-	-
Receivables from Non-exchange Transactions - Property Rates	4 384	2 520	1 919	1 878	1 842	1 792	1 783	67 608	83 727	74 904	-	-
Receivables from Exchange Transactions - Waste Management	1 051	747	648	643	639	627	615	25 965	30 935	28 489	-	-
Receivables from Exchange Transactions - Property Rental Debtors	71	56	44	42	77	44	27	1 293	1 654	1 483	-	-
Interest on Arrear Debtor Accounts	1 462	1 424	1 387	1 359	1 330	1 299	1 272	65 383	74 917	70 644	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Other	670	159	69	44	102	17	51	4 856	5 967	5 070	-	-
Total By Income Source	15 606	6 495	4 349	4 119	4 099	3 928	3 854	168 929	211 379	184 929	-	-
2019/20 - totals only	12 408	5 852	3 684	3 769	4 182	3 602	18 485	133 545	185 527	163 584		
Debtors Age Analysis By Customer Group												
Organs of State	1 834	1 080	1 015	975	1 002	847	835	44 038	51 627	47 697	-	-
Commercial	8 257	1 977	691	553	528	541	503	12 251	25 300	14 376	-	-
Households	5 624	3 279	2 521	2 517	2 469	2 438	2 420	110 142	131 411	119 986	-	-
Other	(109)	159	122	74	101	101	96	2 498	3 041	2 869	-	-
Total By Customer Group	15 606	6 495	4 349	4 119	4 099	3 928	3 854	168 929	211 379	184 929	-	-

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of May amount to R211, 379 million. The debtors' book is made up as follows:

- Rates 40%
- 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

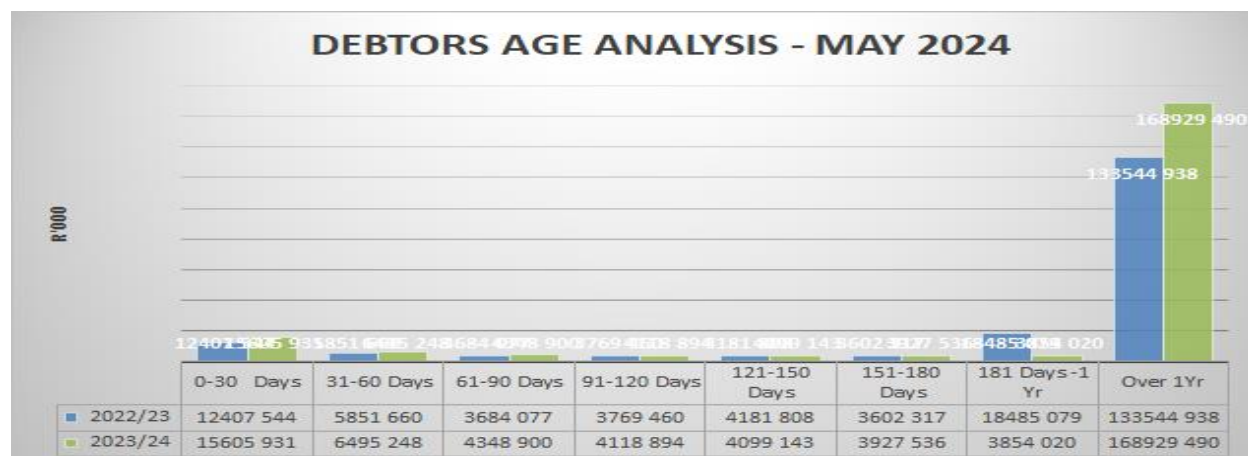
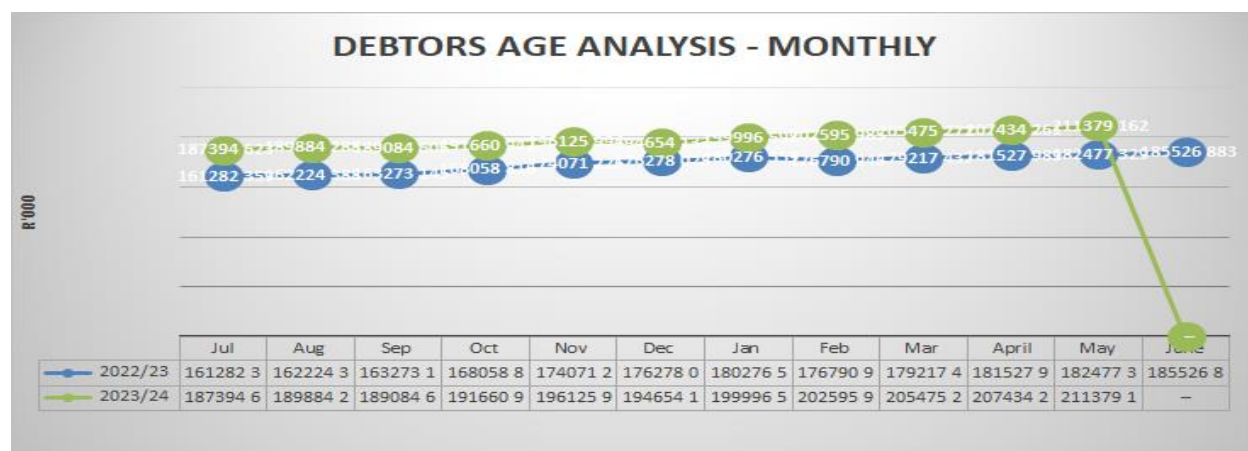


Figure 4: Monthly debtors book



The initial graph compares debtors' age analysis for 2022-23 financial year and 2023/24 (as at end of May 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
9005301	00000 AND SONS PROPERTIES (PTY) LTD/00000 TWIN CITY TRADING PTY LTD	OWNER	1 928 646
9012345	BREED J & OOSTHUIZEN J F	OCCUPIER	1 611 013
6000908	DEPARTMENT OF EDUCATION	OCCUPIER	1 302 075
911906	TAFELKOP MALL (PTY) LTD	OWNER	1 140 799
9001667	NDEBELE MAHLANGU TRIBE	OWNER	703 795
9001668	NDEBELE MAHLANGU TRIBE	OWNER	703 433
9002327	LEMONS EMANUEL MARQUES DE	OWNER	570 675
9001763	TSHEHLA TRUST MAMAILE GEORGE	OWNER	558 499
7000918	MATHEBULA JABULANI JACK TITUS	OCCUPIER	499 082
9002503	GOUWS BOERDERY TRUST 1999/022459/07	OWNER	481 105
9000207	GROMAR TRUST	OWNER	476 286
1501364	JAN JOUBERT TRUST (JO JO TANKS)	OCCUPIER	468 825
9019006	TIGER STRIPES INVESTMENTS (PTY	OWNER	460 670
9000157	NEDERDUITSE GEREFORMEERDE KERK	OWNER	438 785
9001714	KWAMAQHUZE COMMUNAL PROP ASSOC	OWNER	434 965
72010812	PROVINCIAL GOVERNMENT OF THE PROVINCE OF MPUMALANGA	OWNER	426 533
5000633	ERASMUS G J	OCCUPIER	412 936
9002065	GOVERNMENT OF KWANDEBELE(RURAL DEVELOPMENT)	OWNER	409 829
9000178	PRIVATE SCHOOL INV (LIVING WATERS)	OWNER	407 290
9001550	LEHLAKONG COMMUNAL PROP ASSOC	OWNER	394 770
TOTAL			13 830 008

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	
Creditors Age Analysis By Customer Type									
Bulk Electricity									
Bulk Water									
PAYE deductions									
VAT (output less input)									
Pensions / Retirement deductions									
Loan repayments									
Trade Creditors									
Auditor General									
Other									
Total By Customer Type	-	-	-	-	-	-	-	-	-

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

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
Municipality										
ABSA (9381052783)	1 Month	Current Investment	8.9%		30-Apr-24	24 938 451	132 913	- 12 000 000	-	13 071 364
STANDARD BANK(038823527-018)		Current Investment	9.1%		21-May-24	25 161 164	123 973	- 25 285 137	-	-
STANDARD BANK(038823527-019)		Current Investment	9.1%		20-Jun-24	25 162 286	193 495	-	-	25 355 782
Municipality sub-total						75 261 902		- 37 285 137	-	38 427 146

The Municipality had short investment portfolios during the month of May 2024 with an opening balance of R75, 262 million in various investment portfolios. An amount of R450 thousand was earned as an interest, with no investment top up, closed off with R38, 427 million at the end of May 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
RECEIPTS:									
Operating Transfers and Grants									
National Government:	338 905	363 745	363 612	–	342 902	363 612	(20 710)	-6%	363 612
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
Other grant providers:	358	–	–	–	344	–	344	0%	–
LGSETA Learnership and Development	358			–	344		344	0%	
Total Operating Transfers and Grants	339 263	363 745	363 612	–	343 245	363 612	(20 367)	-6%	363 612
Capital Transfers and Grants									
National Government:	111 606	79 756	75 385	–	75 385	75 385	–		75 385
Municipal Infrastructure Grant (MIG)	94 606	65 356	60 985	–	60 985	60 985	–		60 985
Integrated National Electrification Grant	17 000	14 400	14 400	–	14 400	14 400	–		14 400
Provincial Government:	–	–	–	–	–	–	–		–
Coghsta - Development		–					–		–
District Municipality:	–	–	–	–	–	–	–		–
[insert description]							–		
Other grant providers:	–	–	–	–	–	–	–		–
[insert description]							–		
Total Capital Transfers and Grants	111 606	79 756	75 385	–	75 385	75 385	–		75 385
TOTAL RECEIPTS OF TRANSFERS & GRANTS	450 869	443 501	438 997	–	418 630	438 997	(20 367)	-5%	438 997

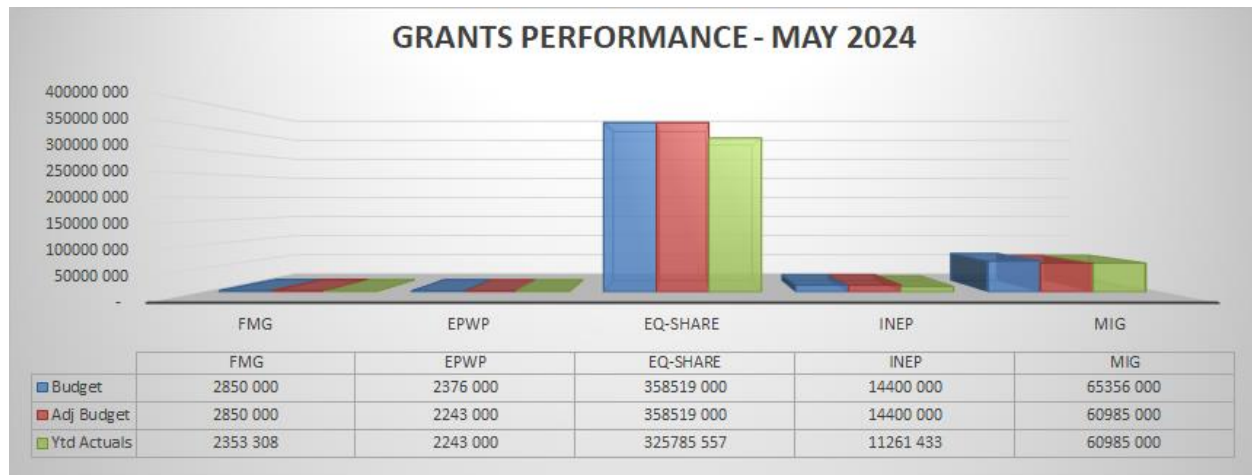
Supporting tables SC6 provides details of grants received. The year-to-date actual receipts amounts to R418, 630 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R358, 519 million; Financial Management Grant amounting to R2, 850 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
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	338 905	363 745	363 612	31 694	330 382	351 976	(21 595)	-6%	363 612
Local Government Equitable Share	334 259	358 519	358 519	31 544	325 786	347 253	(21 467)	-6%	358 519
Finance Management	2 850	2 850	2 850	151	2 353	2 481	(127)	-5%	2 850
EPWP Incentive	1 796	2 376	2 243	–	2 243	2 243	(0)	0%	2 243
Other grant providers:	358	–	–	–	–	–	–		–
LGSETA Learnership and Development	358						–		
Total operating expenditure of Transfers and Grants	339 263	363 745	363 612	31 694	330 382	351 976	(21 595)	-6%	363 612
Capital expenditure of Transfers and Grants									
National Government:	90 896	79 756	75 385	5 833	72 246	62 505	9 741	16%	75 385
Municipal Infrastructure Grant (MIG)	73 896	65 356	60 985	5 769	60 985	50 223	10 762	21%	60 985
Integrated National Electrification Grant	17 000	14 400	14 400	64	11 261	12 282	(1 021)	-8%	14 400
Other capital transfers [insert description]							–		
Coghsta - Development		–					–		
District Municipality:	–	–	–	–	–	–	–		–
N/A							–		
Other grant providers:	–	–	–	–	–	–	–		–
N/A							–		
Total capital expenditure of Transfers and Grants	90 896	79 756	75 385	5 833	72 246	62 505	9 741	16%	75 385
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	430 159	443 501	438 997	37 528	402 628	414 482	(11 854)	-3%	438 997

An amount of R37, 528 million has been spent on grants during the month of May 2024 and the year-to-date actuals is R402, 628 million whilst the year to date budget amounts to R414,482 million and this results in an under spending variance of R11 ,854 million that translates to 3%. Of the total spending amounting to R402, 628 million, R330, 382 million is spent on operational grants whilst capital grants spent R72, 246 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 May 2024. The grants expenditure are shown below in percentages:

- Financial Management Grant 82.57%
- Expanded Public Work Programme 100%
- Equitable Share 90.87%
- Integrated National Electrification Grant 78.20%
- 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
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	14 631	16 222	16 734	1 265	14 529	14 992	(463)	-3%	16 734
Pension and UIF Contributions	2 008	2 060	2 144	180	1 964	1 928	36	2%	2 144
Medical Aid Contributions	91	89	117	9	90	102	(12)	-12%	117
Motor Vehicle Allowance	5 376	5 399	5 828	467	5 350	5 265	85	2%	5 828
Cellphone Allowance	2 511	2 489	2 856	239	3 007	2 663	344	13%	2 856
Other benefits and allowances	239	230	299	20	244	267	(23)	-9%	299
Sub Total - Councillors	24 855	26 490	27 978	2 179	25 185	25 217	(33)	0%	27 978
% increase		7%	13%						13%
Senior Managers of the Municipality									
Basic Salaries and Wages	1 798	4 877	2 019	165	1 823	1 910	(87)	-5%	2 019
Pension and UIF Contributions	97	366	379	12	103	331	(228)	-69%	379
Medical Aid Contributions	109	211	146	14	109	124	(15)	-12%	146
Motor Vehicle Allowance	200	545	478	35	359	412	(53)	-13%	478
Cellphone Allowance	58	168	117	7	72	99	(27)	-27%	117
Housing Allowances	–	–	–	–	–	–	–		–
Other benefits and allowances	97	361	278	0	143	336	(194)	-58%	278
Sub Total - Senior Managers of Municipality	2 358	6 527	3 416	233	2 610	3 213	(602)	-19%	3 416
% increase		177%	45%						45%
Other Municipal Staff									
Basic Salaries and Wages	105 415	124 064	111 667	9 938	102 967	99 030	3 937	4%	111 667
Pension and UIF Contributions	20 535	25 011	22 903	1 914	20 192	20 325	(133)	-1%	22 903
Medical Aid Contributions	5 908	6 133	6 968	619	6 228	6 220	8	0%	6 968
Overtime	312	1 232	379	33	320	331	(11)	-3%	379
Performance Bonus							–		
Motor Vehicle Allowance	14 071	15 907	15 511	1 282	14 037	13 993	44	0%	15 511
Cellphone Allowance	1 919	1 830	2 058	185	1 924	1 850	74	4%	2 058
Housing Allowances	255	268	281	25	259	253	6	2%	281
Other benefits and allowances	10 609	12 655	11 300	258	11 018	10 783	236	2%	11 300
Payments in lieu of leave	(177)	35	1 705	73	1 687	1 556	131	8%	1 705
Long service awards	812	797	2 507	202	2 998	2 147	851	40%	2 507
Sub Total - Other Municipal Staff	159 659	187 932	175 280	14 527	161 630	156 488	5 142	3%	175 280
% increase		18%	10%						10%
Total Parent Municipality	186 872	220 949	206 674	16 940	189 424	184 918	4 506	2%	206 674
		18%	11%						11%
TOTAL SALARY, ALLOWANCES & BENEFITS	186 872	220 949	206 674	16 940	189 424	184 918	4 506	2%	206 674
% increase		18%	11%						11%
TOTAL MANAGERS AND STAFF	162 017	194 460	178 695	14 760	164 240	159 701	4 539	3%	178 695

Table SC8 provides details for Remuneration of Councilors and Employee related cost. The total salaries, allowances and benefits paid as at end of May 2024 amounts to R189, 424 million and the year-to-date budget is R184, 918 million and the expenditure for remuneration of councilors amounts to R25, 185 million while the year-to-date budget is R25, 217 million. The year-to-date actual expenditure for senior managers is R2, 610 million and the year-to-date budget thereof is R3, 213 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 R161, 630 million and the year-to-date budget is R156, 488 million. The remuneration of councilors has underspending variance, senior managers has 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	Budget	Budget	Budget
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Year	Year +1	Year +2
Cash Receipts By Source															
Property rates	4 158	3 574	4 299	3 361	3 176	3 558	3 445	3 583	2 966	3 317	3 291	15 663	54 392	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	29 017	112 005	130 679	153 686
Service charges - refuse	494	468	413	472	481	482	451	476	442	504	452	2 077	7 213	7 791	8 385
Rental of facilities and equipment	42	61	33	29	30	35	521	48	23	18	28	46	913	958	1 003
Interest earned - external investments	573	429	197	273	296	162	315	218	157	339	166	(1 672)	1 455	1 600	1 659
Interest earned - outstanding debtors	272	286	210	356	181	196	150	236	165	418	168	3 017	5 655	5 864	5 965
Fines, penalties and forfeits	436	449	525	565	485	451	412	406		550	513	6 235	11 028	11 568	12 112
Licences and permits	428	593	555	653	491	503	555	501	569	491	534	1 304	7 176	7 528	7 882
Transfers and Subsidies - Operational	150 023	2 896	–	–	1 069	98 796	–	713	89 630	120	–	20 497	363 745	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	(60 297)	2 684	2 816	2 948
Cash Receipts by Source	164 492	15 489	17 905	14 748	24 182	116 521	23 268	33 018	103 484	24 987	12 284	15 888	566 266	614 639	634 268
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations)	17 200	–	–	–	24 700	16 776	–	4 000	12 709	–	–	4 371	79 756	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	851	851	891	935
Total Cash Receipts by Source	181 692	15 477	17 914	14 681	49 020	133 286	23 200	37 127	116 508	24 963	12 121	21 120	647 110	692 118	715 215
Cash Payments by Type															
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	28 100	192 340	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	1 704	26 900	28 218	29 544
Interest paid	–	–	–	315	81	–	150	287	238	111	103	(354)	931	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	21 930	113 017	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	(2 009)	33 319	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	(5 812)	63 520	67 294	70 501
Grants and subsidies paid - other	145	331	362	578	406	747	758	621	907	741	20	(2 439)	3 176	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	(31 474)	48 758	49 202	51 469
Cash Payments by Type	25 889	44 117	50 667	34 645	46 376	71 059	39 272	42 219	44 474	37 845	35 752	9 647	481 961	509 316	549 519
Other Cash Flows/Payments by Type															
Capital assets	466	179	6 180	2 128	11 309	8 185	8 137	17 552	9 996	9 843	4 378	(5 868)	72 485	77 363	77 492
Repayment of borrowing	–	–	–	1 522	1 685	–	76	2 241	1 598	809	817	(1 502)	7 246	5 456	–
Other Cash Flows/Payments	34 953	402	–	12 990	–	–	–	–	2 431	–	17 452	39 101	107 329	67 329	67 329
Total Cash Payments by Type	61 309	44 699	56 847	51 284	59 371	79 244	47 485	62 012	58 499	48 497	58 399	41 377	669 022	659 465	694 340
NET INCREASE/(DECREASE) IN CASH HELD	120 384	(29 222)	(38 932)	(36 604)	(10 351)	54 043	(24 285)	(24 885)	58 010	(23 534)	(46 278)	(20 257)	(21 911)	32 654	20 875
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	19 757	19 757	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 R12, 121 million and the total cash payment for the month was R58, 399 million and this resulted in net decrease in cash held amounting to R46, 278 million. With cash and cash equivalent of R86,292 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting to R40, 014 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
Monthly expenditure performance trend									
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	48 266	(5 890)	-12%	64%
March	2 054	9 195	11 031	9 996	64 152	57 462	(6 691)	-12%	76%
April	12 525	4 478	6 452	9 843	73 995	61 940	(12 056)	-19%	88%
May	7 513	9 027	12 680	4 378	78 373	70 967	(7 406)	-10%	93%
June	11 895	13 189	13 813	–		84 156	–		
Total Capital expenditure	98 645	84 156	94 038	78 373					

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table the capital expenditure for the month of May amounts to R4, 378 million. The year-to-date actual expenditure incurred is R78, 373 million whilst the year to date budget is R70, 967 million, that gives rise to under spending variance of R7, 406 million that translate to 10%.

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
Capital expenditure on new assets by Asset Class									
Infrastructure	16 629	15 800	33 639	1 123	23 967	27 135	3 168	12%	33 639
Roads Infrastructure	–	–	1 430	–	734	1 087	353	32%	1 430
Roads		–	1 430	–	734	1 087	353	32%	1 430
Road Structures							–		
Storm water Infrastructure	–	800	–	–	–	–	–		–
Drainage Collection		800		–	–	–	–		–
Electrical Infrastructure	15 895	15 000	20 559	1 123	16 739	17 194	456	3%	20 559
Power Plants	2 230		5 741	–	5 737	4 363	(1 374)	-31%	5 741
MV Substations	–	–	–	–	–	–	–		–
MV Networks	13 665	14 800	14 644	1 123	11 002	12 699	1 697	13%	14 644
Capital Spares	–	200	174	–	–	132	132	100%	174
Solid Waste Infrastructure	734	–	11 650	–	6 495	8 854	2 359	27%	11 650
Landfill Sites			11 650	–	6 495	8 854	2 359	27%	11 650
Waste Transfer Stations							–		
Capital Spares	734	–	–	–	–	–	–		–
Community Assets	–	–	–	–	–	–	–		–
Community Facilities	–	–	–	–	–	–	–		–
Other assets	–	–	–	–	–	–	–		–
Operational Buildings	–	–	–	–	–	–	–		–
Stores	–	–	–	–	–	–	–		–
Intangible Assets	–	–	–	–	–	–	–		–
Servitudes							–		
Computer Software and Applications		–	–	–	–	–	–		–
Computer Equipment	1 930	700	1 823	378	1 825	1 716	(109)	-6%	1 823
Computer Equipment	1 930	700	1 823	378	1 825	1 716	(109)	-6%	1 823
Furniture and Office Equipment	1 036	1 100	506	–	326	458	133	29%	506
Furniture and Office Equipment	1 036	1 100	506	–	326	458	133	29%	506
Machinery and Equipment	2 227	200	376	29	241	330	89	27%	376
Machinery and Equipment	2 227	200	376	29	241	330	89	27%	376
Transport Assets	–	–	–	–	–	–	–		–
Transport Assets	–						–		
Total Capital Expenditure on new assets	21 822	17 800	36 344	1 529	26 359	29 639	3 280	11%	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
Capital expenditure on renewal of existing assets by Asset Class									
Infrastructure	29 802	-	-	-	-	-	-	-	-
Roads Infrastructure	26 455	-	-	-	-	-	-	-	-
Roads	26 294	-	-	-	-	-	-	-	-
Road Furniture	161	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-
MV Substations							-		
MV Networks	-						-		
Solid Waste Infrastructure	3 347	-	-	-	-	-	-	-	-
Landfill Sites	3 347	-	-	-	-	-	-	-	-
Capital Spares							-		
Community Assets	1 376	-	-	-	-	-	-	-	-
Community Facilities	1 376	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	1 376	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities							-		
Outdoor Facilities							-		
Other assets	247	-	-	-	-	-	-	-	-
Operational Buildings	247	-	-	-	-	-	-	-	-
Municipal Offices	247	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Servitudes							-		
Computer Software and Applications							-		
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment							-		
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment			-	-	-		-		
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets							-		
Total Capital Expenditure on renewal of existing assets	31 425	-	-	-	-	-	-	-	-

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
Repairs and maintenance expenditure by Asset Class									
Infrastructure	26 633	21 666	21 271	2 060	20 324	19 883	(440)	-2%	21 371
Roads Infrastructure	21 436	14 350	14 350	1 471	14 610	13 672	(938)	-7%	14 350
Roads	21 436	14 350	14 350	1 471	14 610	13 672	(938)	-7%	14 350
Road Furniture							-		
Electrical Infrastructure	2 203	6 073	4 428	414	3 789	4 023	234	6%	4 528
MV Switching Stations							-		
MV Networks	2 203	6 073	4 428	414	3 789	4 023	234	6%	4 528
Solid Waste Infrastructure	2 994	1 243	2 493	175	1 925	2 188	263	12%	2 493
Landfill Sites	2 994	1 243	2 493	175	1 925	2 188	263	12%	2 493
Capital Spares							-		
Community Assets	537	323	929	3	416	1 050	634	60%	1 299
Community Facilities	537	323	929	3	416	1 050	634	60%	1 299
Parks	537	323	929	3	416	1 050	634	60%	1 299
Other assets	1 443	1 598	2 283	146	1 950	1 175	(775)	-66%	2 283
Operational Buildings	1 443	1 598	2 283	146	1 950	1 175	(775)	-66%	2 283
Municipal Offices	1 443	1 598	2 283	146	1 950	1 175	(775)	-66%	2 283
Intangible Assets	58	211	211	-	119	79	(40)	-51%	211
Licences and Rights	58	211	211	-	119	79	(40)	-51%	211
Computer Software and Applications	58	211	211	-	119	79	(40)	-51%	211
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	7 250	6 212	10 379	880	9 512	9 086	(426)	-5%	10 179
Machinery and Equipment	7 250	6 212	10 379	880	9 512	9 086	(426)	-5%	10 179
Transport Assets	3 424	2 646	1 643	-	1 720	2 470	751	30%	1 643
Transport Assets	3 424	2 646	1 643	-	1 720	2 470	751	30%	1 643
Total Repairs and Maintenance Expenditure	39 346	32 656	36 715	3 089	34 041	33 743	(297)	-1%	36 985

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
Depreciation by Asset Class									
Infrastructure	43 983	51 395	41 285	3 865	41 878	37 228	(4 650)	-12%	41 285
Roads Infrastructure	37 525	43 096	34 719	3 315	35 935	31 436	(4 499)	-14%	34 719
Roads	37 233	43 096	34 258	3 277	35 516	31 029	(4 486)	-14%	34 258
Road Structures	227			19	75	203	127	63%	
Road Furniture	64		460	19	344	203	(141)	-69%	460
Storm water Infrastructure	–	440	40	–	–	29	29	100%	40
Drainage Collection	–	440	40	–	–	29	29	100%	40
Electrical Infrastructure	5 390	7 083	5 851	493	5 326	5 166	(160)	-3%	5 851
MV Substations		4 238	1 569	131	1 420	1 383	(37)	-3%	1 569
MV Switching Stations			358	30	327	316	(10)	-3%	358
MV Networks	3 254	2 845	1 794	97	1 425	1 584	159	10%	1 794
LV Networks				54	210	–	(210)	#DIV/0!	
Capital Spares	2 136		2 130	181	1 944	1 882	(63)	-3%	2 130
Solid Waste Infrastructure	1 068	777	676	57	617	597	(19)	-3%	676
Landfill Sites	764	777	398	33	363	351	(11)	-3%	398
Waste Transfer Stations							–		
Waste Processing Facilities	302		276	23	252	244	(8)	-3%	276
Capital Spares	3		3	0	2	2	(0)	-3%	3
Community Assets	1 039	1 333	1 065	90	971	941	(30)	-3%	1 065
Community Facilities	799	1 333	814	68	742	719	(23)	(0)	814
Halls			30	3	27	26	(1)	-3%	30
Centres			184	15	168	163	(5)	-3%	184
Cemeteries/Crematoria	91		92	8	84	81	(3)	-3%	92
Parks	456		2	0	2	2	(0)	-3%	2
Public Open Space	–	1 333		–	–	–	–		
Taxi Ranks/Bus Terminals			251	21	229	222	(7)	-3%	251
Capital Spares	252		255	21	232	225	(7)	-3%	255
Sport and Recreation Facilities	240	–	251	21	229	222	(7)	-3%	251
Indoor Facilities	240						–		
Outdoor Facilities			251	21	229	222	(7)	-3%	251
Heritage assets	–	6	6	–	–	4	4	100%	6
Other Heritage	–	6	6	–	–	4	4	100%	6
Investment properties	–	–	–	–	–	371	371	100%	–
Non-revenue Generating	–	–	–	–	–	371	371	100%	–
Improved Property						–	–		
Unimproved Property						371	371	100%	
Other assets	3 999	4 453	6 440	337	3 653	4 890	1 238	25%	6 440
Operational Buildings	3 999	4 453	2 857	242	1 193	1 725	533	31%	2 857
Municipal Offices	3 999	4 453	2 453	208	824	1 369	544	40%	2 453
Stores			33	3	30	29	(1)	-3%	33
Training Centres			371	31	338	328	(11)	-3%	371
Housing	–	–	3 583	95	2 460	3 165	705	22%	3 583
Social Housing			3 583	95	2 460	3 165	705	22%	3 583
Intangible Assets	7	88	21	1	10	17	7	43%	21
Servitudes			13	1	10	11	2	15%	13
Licences and Rights	7	88	8	–	–	6	6	100%	8
Computer Software and Applications	7	88	8	–	–	6	6	100%	8
Computer Equipment	835	974	948	29	637	838	201	24%	948
Computer Equipment	835	974	948	29	637	838	201	24%	948
Furniture and Office Equipment	766	651	801	72	741	708	(34)	-5%	801
Furniture and Office Equipment	766	651	801	72	741	708	(34)	-5%	801
Machinery and Equipment	3 355	3 118	3 021	256	2 758	2 668	(90)	-3%	3 021
Machinery and Equipment	3 355	3 118	3 021	256	2 758	2 668	(90)	-3%	3 021
Transport Assets	6 645	3 384	5 710	537	5 301	5 214	(87)	-2%	5 710
Transport Assets	6 645	3 384	5 710	537	5 301	5 214	(87)	-2%	5 710
Total Depreciation	60 629	65 402	59 298	5 187	55 948	52 879	(3 070)	-6%	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
Capital expenditure on upgrading of existing assets by Asset Class									
Infrastructure	44 323	66 356	57 694	2 849	52 014	50 586	(1 429)	-3%	57 694
Roads Infrastructure	43 487	65 356	56 694	2 849	51 145	49 826	(1 320)	-3%	56 694
Roads	43 487	65 356	56 694	2 849	51 145	49 826	(1 320)	-3%	56 694
Road Structures							-		
Storm water Infrastructure	-	-	-	-	-	-	-		-
Electrical Infrastructure	-	-	-	-	-	-	-		-
MV Substations							-		
MV Switching Stations							-		
MV Networks							-		
LV Networks							-		
Solid Waste Infrastructure	836	1 000	1 000	-	869	760	(109)	-14%	1 000
Landfill Sites	836	1 000	1 000	-	869	760	(109)	-14%	1 000
Waste Transfer Stations							-		
Community Assets	-	-	-	-	-	-	-		-
Community Facilities	-	-	-	-	-	-	-		-
Cemeteries/Crematoria	-	-	-	-	-	-	-		-
Parks		-	-	-	-	-	-		-
Other assets	1 075	-	-	-	-	-	-		-
Operational Buildings	1 075	-	-	-	-	-	-		-
Municipal Offices	-						-		
Yards	1 075	-		-	-	-	-		-
Intangible Assets	-	-	-	-	-	-	-		-
Licences and Rights	-	-	-	-	-	-	-		-
Computer Software and Applications							-		
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	-	-	-	-	-	-	-		-
Machinery and Equipment			-	-	-		-		
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets							-		
Total Capital Expenditure on upgrading of existing assets	45 398	66 356	57 694	2 849	52 014	50 586	(1 429)	-3%	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 R26, 359 million and the year to date budget is R29, 639 million that reflects positive spending variance of R3, 280 million that translates to 11% 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 R34, 041 million, and the year-to-date budget is R33, 743 million, reflecting an underspending variance of R297 million that translates to 1%.

The year-to-date actual expenditure on upgrading of existing assets is R52, 014 and the year-to-date budget is R50, 586 million, reflecting a negative spending variance of R1 ,429 million that translates to 3%.

The year-to-date actual expenditure on depreciation and asset impairment is R55, 948 and the year-to-date budget is R52, 879 million, reflecting a negative spending variance of R 3,070 million, that translates to 6% 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			
					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	125 603	50%
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	1 825 234	79%
Technical Services	Furniture and Office Equipment	Single	Furniture and Office Equipment	Furniture and Office Equipment	300 000	300 000	299 660	100%
	Groblersdal Stormwater	Single	Storm water Infrastructure	Drainage Collection	800 000	-	-	0%
	Landfill Sites: Groblersdal Landfill site 6.6	Multi	Solid Waste Infrastructure	Landfill Sites	-	11 650 000	6 494 636	56%
	Upgrading of Hlogottlou-Bopanang Road	Multi	Roads Infrastructure	Roads	12 275 600	-	-	0%
	Upgrading of Kgobokwane-Kgaphamadi Road	Multi	Roads Infrastructure	Roads	20 580 400	13 580 400	12 894 802	95%
	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	16 500 000	16 452 231	100%
	Roads: Upgrading of Stompo Bus Road	single	Roads Infrastructure	Roads	-	695 649		0%
	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	2 000 000	1 001 690	50%
	Electrification of Phoko	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	1 000 000	702 989	70%
	Power Plants: Alternative Energy Solution	Multi	Electrical Infrastructure	Power Plants	-	5 740 961	5 736 714	100%
	Electrification of Makaepea	Single	Electrical Infrastructure	MV Networks	-	1 400 000	1 362 297	97%
	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, **KGAUGELO LAMMY EBENEZA HUTAMO**, the acting Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the monthly budget statement report and supporting documentation for the month of 31 May 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 *Kgaugelo Lammy Ebeneza Hutamo*

Date 18/06/2024