

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



SECTION 52 REPORT: 2022/23

REPORTING PERIOD: FIRST QUARTER

PART 1: QUARTERLY REPORT

PURPOSE

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

Executive Summary

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

IN YEAR BUDGET STATEMENT TABLES

DESCRIPTION	2022/23			
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE ACTUAL	PERCENT AGE
OPERATING REVENUE	601,350,985	-	178,715,600	30%
OPERATING EXPENDITURE	597,283,011	-	119,399,722	20%
TRANSFER - CAPITAL	79,606,004	-	24,444,231	31%
SURPLUS/(DEFICIT)	83,673,978	-	83,760,108	100%
CAPITAL EXPENDITURE	98,041,001	-	22,693,102	23%

Table C1: Quarterly Budget Statement Summary

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	First Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Financial Performance									
Property rates	39,913	44,645	-	14,671	14,671	11,161	3,510	31%	44,645
Service charges	108,243	117,968	-	25,808	25,808	29,702	(3,894)	-13%	117,968
Investment revenue	1,780	3,652	-	495	495	661	(166)	-25%	3,652
Transfers and subsidies	297,765	338,906	-	131,979	131,979	142,845	(10,866)	-8%	338,906
Other own revenue	30,108	96,180	-	5,762	5,762	30,271	(24,509)	-81%	96,180
Total Revenue (excluding capital transfers and subsidies)	477,810	601,351	-	178,716	178,716	214,640	(35,924)	-17%	601,351
Employee costs	157,625	185,316	-	39,318	39,318	46,344	(7,025)	-15%	185,316
Remuneration of Councillors	24,783	25,580	-	6,542	6,542	6,395	147	2%	25,580
Depreciation & asset impairment	-	59,780	-	-	-	14,945	(14,945)	-100%	59,780
Finance charges	1,121	2,185	-	137	137	944	(807)	-85%	2,185
Materials and bulk purchases	136,677	148,283	-	38,067	38,067	36,281	1,786	5%	148,283
Transfers and subsidies	1,547	3,292	-	273	273	687	(414)	-60%	3,292
Other expenditure	143,963	172,846	-	35,062	35,062	54,095	(19,033)	-35%	172,846
Total Expenditure	465,716	597,283	-	119,400	119,400	159,691	(40,291)	-25%	597,283
Surplus/(Deficit)	12,094	4,068	-	59,316	59,316	54,949	4,367	8%	4,068
Transfers and subsidies - capital (monetary allocations)	67,914	79,606	-	24,444	24,444	46,833	(22,389)	-48%	79,606
Surplus/(Deficit) after capital transfers & contributions	80,008	83,674	-	83,760	83,760	101,782	(18,022)	-18%	83,674
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	80,008	83,674	-	83,760	83,760	101,782	(18,022)	-18%	83,674
Capital expenditure & funds sources									
Capital expenditure	72,706	98,041	-	22,693	22,693	33,034	(10,341)	-31%	98,041
Capital transfers recognised	70,770	79,606	-	20,993	20,993	27,760	(6,767)	-24%	79,606
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	1,936	18,435	-	1,700	1,700	5,275	(3,575)	-68%	18,435
Total sources of capital funds	72,706	98,041	-	22,693	22,693	33,034	(10,341)	-31%	98,041
Financial position									
Total current assets	133,384	158,966	-	-	259,120	-	-	-	158,966
Total non current assets	1,223,261	1,325,025	-	-	1,207,519	-	-	-	1,325,025
Total current liabilities	92,636	120,343	-	-	147,711	-	-	-	120,343
Total non current liabilities	78,238	113,710	-	-	99,335	-	-	-	113,710
Community wealth/Equity	1,185,771	1,249,938	-	-	1,219,592	-	-	-	1,249,938
Cash flows									
Net cash from (used) operating	72,937	94,811	-	61,648	61,648	60,627	(1,021)	-2%	94,811
Net cash from (used) investing	(70,756)	(78,022)	-	(22,693)	(22,693)	(25,905)	(3,212)	12%	(78,022)
Net cash from (used) financing	(2,441)	(6,971)	-	(542)	(542)	(510)	32	-6%	(6,971)
Cash/cash equivalents at the month/year end	6,597	24,063	-	-	45,010	48,457	3,447	7%	16,415
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	13,475	4,618	4,226	2,836	3,297	3,241	18,412	113,168	163,273
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

Revenue

For the first quarter of July to September 2022, the year to date actual amounted to R178, 716 million with the year to date budget of R214, 640 which shows negative 17% year to date variance when compared to the year to date budget. Of the total revenue received during the first quarter, the major portion of R130, 361 million is from equitable share. Other receipts are from property rates, service charges and other grants.

Operating Expenditure

The operating expenditure for the first quarter amounts to R119, 400 million with the year to date budget of R159, 691 million which shows negative 25% year to date variance when compared to the year to date budget.

Capital Expenditure

The year to date actual capital expenditure as at end of first quarter amounts to R22, 693 million and the year to date budget amounts to R33, 034 million and this deviates with negative 31% when compared to year to date target.

Surplus/Deficit

Taking the above into consideration the net operating surplus for the first quarter ending 30 September 2022 amounts to R83, 760 million.

Debtors

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of September amounts to R163, 273 million and this shows an increase of R31, 597 million as compared to R131, 676 million as at end of 2021/22 financial year. This increase portrays declining revenue collection of the municipality as the lesser the collection rate the more the increase in consumer debtors.

Consumer debtors is made up of service charges and property rates that amount to R101, 169 million and other debtors amounting to R62, 104 million. Debtors such those relating to traffic fines are reported as other debtors as presented under current assets on Table C6 and as a result, they do not form part of consumer debtors.

Creditors

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

Table C2 – Quarterly Financial Performance (Standard Classification)

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	First Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue - Functional									
Governance and administration	249,584	281,883	–	99,134	99,134	106,816	(7,682)	-7%	281,883
Executive and council	53,432	53,728	–	13,925	13,925	14,925	(1,000)	-7%	53,728
Finance and administration	185,365	214,701	–	79,000	79,000	85,682	(6,682)	-8%	214,701
Internal audit	10,787	13,455	–	6,209	6,209	6,209	(0)	0%	13,455
Community and public safety	23,607	96,507	–	9,532	9,532	31,728	(22,196)	-70%	96,507
Community and social services	10,214	10,998	–	4,690	4,690	4,706	(15)	0%	10,998
Sport and recreation	11,148	17,075	–	4,738	4,738	4,750	(11)	0%	17,075
Public safety	2,244	68,435	–	103	103	22,273	(22,170)	-100%	68,435
Economic and environmental services	122,556	124,248	–	51,143	51,143	67,414	(16,271)	-24%	124,248
Planning and development	23,586	20,920	–	10,722	10,722	10,197	525	5%	20,920
Road transport	96,164	102,518	–	39,911	39,911	56,707	(16,796)	-30%	102,518
Environmental protection	2,806	811	–	511	511	511	(0)	0%	811
Trading services	149,977	178,318	–	43,350	43,350	55,514	(12,164)	-22%	178,318
Energy sources	121,594	145,384	–	30,391	30,391	40,495	(10,104)	-25%	145,384
Waste management	28,383	32,935	–	12,959	12,959	15,019	(2,061)	-14%	32,935
Total Revenue - Functional	545,724	680,957	–	203,160	203,160	261,473	(58,313)	-22%	680,957
Expenditure - Functional									
Governance and administration	213,771	220,755	–	58,964	58,964	60,490	(1,526)	-3%	220,755
Executive and council	41,413	47,573	–	10,053	10,053	11,159	(1,106)	-10%	47,573
Finance and administration	161,909	163,419	–	46,913	46,913	45,836	1,077	2%	163,419
Internal audit	10,449	9,764	–	1,998	1,998	3,495	(1,497)	-43%	9,764
Community and public safety	35,025	89,593	–	8,180	8,180	28,087	(19,908)	-71%	89,593
Community and social services	5,961	8,174	–	1,439	1,439	2,104	(665)	-32%	8,174
Sport and recreation	9,938	16,175	–	2,074	2,074	4,244	(2,170)	-51%	16,175
Public safety	19,126	65,243	–	4,667	4,667	21,740	(17,073)	-79%	65,243
Economic and environmental services	63,229	120,750	–	19,763	19,763	31,363	(11,600)	-37%	120,750
Planning and development	16,804	20,798	–	4,059	4,059	5,427	(1,368)	-25%	20,798
Road transport	46,228	99,257	–	15,704	15,704	25,763	(10,058)	-39%	99,257
Environmental protection	197	696	–	–	–	174	(174)	-100%	696
Trading services	153,690	166,185	–	32,493	32,493	39,750	(7,258)	-18%	166,185
Energy sources	120,044	134,925	–	24,822	24,822	31,795	(6,973)	-22%	134,925
Waste management	33,647	31,260	–	7,670	7,670	7,955	(285)	-4%	31,260
Total Expenditure - Functional	465,716	597,283	–	119,400	119,400	159,691	(40,291)	-25%	597,283
Surplus/ (Deficit) for the year	80,008	83,674	–	83,760	83,760	101,782	(18,022)	-18%	83,674

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

Vote Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	First Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue by Vote									
Vote 1 - Executive & Council	47,876	47,271	–	10,583	10,583	10,583	(0)	0%	47,271
Vote 2 - Municipal Manager	36,327	46,531	–	20,295	20,295	21,295	(1,000)	-5%	46,531
Vote 3 - Budget & Treasury	82,410	103,972	–	31,560	31,560	32,237	(677)	-2%	103,972
Vote 4 - Corporate Services	44,128	50,627	–	24,949	24,949	28,953	(4,005)	-14%	50,627
Vote 5 - Community Services	62,834	138,801	–	25,859	25,859	49,744	(23,885)	-48%	138,801
Vote 6 - Technical Services	231,991	265,908	–	75,386	75,386	102,657	(27,271)	-27%	265,908
Vote 7 - Developmental Planning	16,336	12,923	–	7,802	7,802	7,277	525	7%	12,923
Vote 8 - Executive Support	23,821	14,925	–	6,727	6,727	8,727	(2,000)	-23%	14,925
Total Revenue by Vote	545,724	680,957	–	203,160	203,160	261,473	(58,313)	-22%	680,957
Expenditure by Vote									
Vote 1 - Executive & Council	35,397	35,371	–	8,517	8,517	9,111	(594)	-7%	35,371
Vote 2 - Municipal Manager	45,887	41,983	–	12,458	12,458	11,976	482	4%	41,983
Vote 3 - Budget & Treasury	171,728	66,301	–	21,563	21,563	19,246	2,317	12%	66,301
Vote 4 - Corporate Services	26,478	36,714	–	7,124	7,124	10,022	(2,898)	-29%	36,714
Vote 5 - Community Services	77,045	130,751	–	17,992	17,992	38,511	(20,519)	-53%	130,751
Vote 6 - Technical Services	179,490	248,110	–	43,303	43,303	61,189	(17,886)	-29%	248,110
Vote 7 - Developmental Planning	12,217	15,057	–	2,547	2,547	3,880	(1,333)	-34%	15,057
Vote 8 - Executive Support	22,638	22,996	–	5,896	5,896	5,757	139	2%	22,996
Total Expenditure by Vote	570,880	597,283	–	119,400	119,400	159,691	(40,291)	-25%	597,283
Surplus/ (Deficit) for the year	(25,156)	83,674	–	83,760	83,760	101,782	(18,022)	-18%	83,674

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

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

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

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	First Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue By Source									
Property rates	39,913	44,645	–	14,671	14,671	11,161	3,510	31%	44,645
Service charges - electricity revenue	98,860	108,186	–	23,363	23,363	27,197	(3,834)	-14%	108,186
Service charges - refuse revenue	9,383	9,781	–	2,445	2,445	2,506	(61)	-2%	9,781
Rental of facilities and equipment	998	1,004	–	220	220	250	(30)	-12%	1,004
Interest earned - external investments	1,780	3,652	–	495	495	661	(166)	-25%	3,652
Interest earned - outstanding debtors	19,283	18,817	–	3,334	3,334	6,114	(2,780)	-45%	18,817
Fines, penalties and forfeits	2,236	68,520	–	103	103	22,294	(22,191)	-100%	68,520
Licences and permits	5,966	6,315	–	1,688	1,688	1,300	387	30%	6,315
Transfers and subsidies	297,765	338,906	–	131,979	131,979	142,845	(10,866)	-8%	338,906
Other revenue	1,624	1,524	–	418	418	313	105	34%	1,524
Gains							–		
Total Revenue (excluding capital transfers and cor	477,810	601,351	–	178,716	178,716	214,640	(35,924)	-17%	601,351
Expenditure By Type									
Employee related costs	157,625	185,316	–	39,318	39,318	46,344	(7,025)	-15%	185,316
Remuneration of councillors	24,783	25,580	–	6,542	6,542	6,395	147	2%	25,580
Debt impairment	17,950	61,181	–	–	–	20,545	(20,545)	-100%	61,181
Depreciation & asset impairment	–	59,780	–	–	–	14,945	(14,945)	-100%	59,780
Finance charges	1,121	2,185	–	137	137	944	(807)	-85%	2,185
Bulk purchases	97,917	109,638	–	21,974	21,974	26,127	(4,153)	-16%	109,638
Other materials	38,760	38,645	–	16,093	16,093	10,154	5,938	58%	38,645
Contracted services	82,960	67,165	–	19,611	19,611	16,895	2,716	16%	67,165
Transfers and subsidies	1,547	3,292	–	273	273	687	(414)	-60%	3,292
Other expenditure	43,053	44,500	–	15,452	15,452	16,656	(1,204)	-7%	44,500
Losses							–		
Total Expenditure	465,716	597,283	–	119,400	119,400	159,691	(40,291)	-25%	597,283
Surplus/(Deficit)	12,094	4,068	–	59,316	59,316	54,949	4,367	8%	4,068
Transfers and subsidies - capital (monetary allocations	67,914	79,606	–	24,444	24,444	46,833	(22,389)	-48%	79,606
Transfers and subsidies - capital monetary allocations							–		–
Transfers and subsidies - capital (in-kind - all)							–		
Surplus/(Deficit) after capital transfers & contributi	80,008	83,674	–	83,760	83,760	101,782			83,674
Taxation									
Surplus/(Deficit) after taxation	80,008	83,674	–	83,760	83,760	101,782			83,674
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	80,008	83,674	–	83,760	83,760	101,782			83,674
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	80,008	83,674	–	83,760	83,760	101,782		–	83,674

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

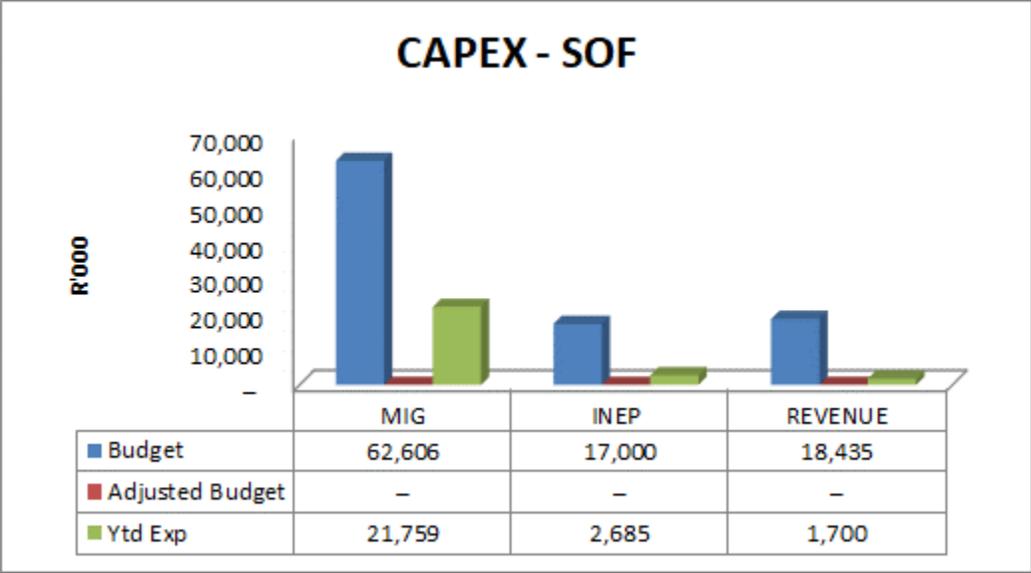
Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding

Vote Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	First Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Functional Classification									
Governance and administration	1,945	1,500	-	388	388	702	(314)	-45%	1,500
Executive and council	-						-		
Finance and administration	1,945	1,500	-	388	388	702	(314)	-45%	1,500
Internal audit	-						-		
Community and public safety	498	3,935	-	454	454	595	(141)	-24%	3,935
Community and social services	498	1,515	-	454	454	261	194	74%	1,515
Sport and recreation	-	1,680	-	-	-	235	(235)	-100%	1,680
Public safety	-	740	-	-	-	100	(100)	-100%	740
Housing							-		
Health							-		
Economic and environmental services	50,458	73,756	-	19,713	19,713	27,431	(7,718)	-28%	73,756
Planning and development	-	1,100	-	538	538	-	538	#DIV/0!	1,100
Road transport	50,458	72,656	-	19,175	19,175	27,431	(8,256)	-30%	72,656
Environmental protection	-						-		
Trading services	19,805	18,850	-	2,138	2,138	4,306	(2,168)	-50%	18,850
Energy sources	13,669	17,600	-	2,109	2,109	3,906	(1,797)	-46%	17,600
Waste management	6,135	1,250	-	29	29	400	(372)	-93%	1,250
Other							-		
Total Capital Expenditure - Functional Classification	72,706	98,041	-	22,693	22,693	33,034	(10,341)	-31%	98,041
Funded by:									
National Government	70,770	79,606	-	20,993	20,993	27,760	(6,767)	-24%	79,606
Provincial Government							-		
District Municipality							-		
Transfers and subsidies - capital monetary allocations							-		
Transfers recognised - capital	70,770	79,606	-	20,993	20,993	27,760	(6,767)	-24%	79,606
Borrowing							-		
Internally generated funds	1,936	18,435	-	1,700	1,700	5,275	(3,575)	-68%	18,435
Total Capital Funding	72,706	98,041	-	22,693	22,693	33,034	(10,341)	-31%	98,041

Table C5C: Monthly Capital Expenditure by Vote

Vote Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	First Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Multi-Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	866	1,500	-	388	388	702	(314)	-45%	1,500
Vote 5 - Community Services	-	4,345	-	454	454	895	(441)	-49%	4,345
Vote 6 - Technical Services	37,435	22,815	-	3,464	3,464	9,131	(5,668)	-62%	22,815
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	38,301	28,660	-	4,306	4,306	10,728	(6,422)	-60%	28,660
Single Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	6,633	840	-	29	29	100	(72)	-72%	840
Vote 6 - Technical Services	27,771	67,441	-	17,821	17,821	22,206	(4,385)	-20%	67,441
Vote 7 - Developmental Planning	-	1,100	-	538	538	-	538	#DIV/0!	1,100
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	34,405	69,381	-	18,387	18,387	22,306	(3,919)	-18%	69,381
Total Capital Expenditure	72,706	98,041	-	22,693	22,693	33,034	(10,341)	-31%	98,041

Table C5 Capex and C5C present capital expenditure performance for all votes, standard classification and the funding thereof and measures the year-to-date performance targets against the actual capital expenditure figures. R22, 693 million spending was incurred on capital budget, year to date budget is R33, 034 million, and this gave rise to an under performance variance of R10, 341 million that translates to 31%.



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

Table C6: Quarterly Budget Statement Financial Position

Description	2021/22	Budget Year 2022/23			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash	14,775	24,162		16,622	24,162
Call investment deposits	–	–		28,388	–
Consumer debtors	102,891	61,834		104,525	61,834
Other debtors	5,863	62,845		85,941	62,845
Current portion of long-term receivables	–	119			119
Inventory	9,855	10,005		23,644	10,005
Total current assets	133,384	158,966	–	259,120	158,966
Non current assets					
Long-term receivables	–	–		–	–
Investments	–	17,278		–	17,278
Investment property	93,880	48,547		95,259	48,547
Investments in Associate	–				
Property, plant and equipment	1,128,896	1,258,405		1,110,318	1,258,405
Biological	–	–		–	–
Intangible	23	331		14	331
Other non-current assets	463	463		1,928	463
Total non current assets	1,223,261	1,325,025	–	1,207,519	1,325,025
TOTAL ASSETS	1,356,645	1,483,992	–	1,466,639	1,483,992
LIABILITIES					
Current liabilities					
Bank overdraft	–	–		–	–
Borrowing	1,022	7,459		4,224	7,459
Consumer deposits	5,622	5,700		5,581	5,700
Trade and other payables	83,990	101,172		136,764	101,172
Provisions	2,003	6,012		1,142	6,012
Total current liabilities	92,636	120,343	–	147,711	120,343
Non current liabilities					
Borrowing	–	17,458		14,616	17,458
Provisions	78,238	96,252		84,720	96,252
Total non current liabilities	78,238	113,710	–	99,335	113,710
TOTAL LIABILITIES	170,874	234,053	–	247,046	234,053
NET ASSETS	1,185,771	1,249,938	–	1,219,592	1,249,938
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	1,175,771	1,230,938		1,200,521	1,230,938
Reserves	10,000	19,000		19,071	19,000
TOTAL COMMUNITY WEALTH/EQUITY	1,185,771	1,249,938	–	1,219,592	1,249,938

The above table shows that community wealth amounts to R1, 219 billion, total liabilities R247, 046 million and the total assets R1, 466 billion. Non-current liabilities are mainly made up of provisions for long service award, landfill site and bonus.

Total current assets appear to be slightly unreasonable relative to total current liabilities and this as a result portray in the picture of the municipality's current ratio of 1.7:1 which is slightly below the acceptable norm of 2:1.

Table C7: Quarterly Budgeted Statement Cash Flow

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	First Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	28,584	40,092		10,049	10,049	11,225	(1,177)	-10%	40,092
Service charges	96,925	122,434		23,921	23,921	23,425	496	2%	122,434
Other revenue	8,077	17,752		7,872	7,872	7,955	(83)	-1%	17,752
Transfers and Subsidies - Operational	307,767	338,906		133,660	133,660	133,846	(186)	0%	338,906
Transfers and Subsidies - Capital	69,330	79,606		42,270	42,270	42,371	(101)	0%	79,606
Interest	1,570	3,652		1,430	1,430	1,435	(5)	0%	3,652
Payments									
Suppliers and employees	(437,783)	(508,739)		(157,143)	(157,143)	(159,214)	(2,070)	1%	(508,739)
Finance charges	(1,300)	(2,185)		(137)	(137)	(136)	1	-1%	(2,185)
Transfers and Grants	(232)	3,292		(273)	(273)	(279)	(7)	2%	3,292
NET CASH FROM/(USED) OPERATING ACTIVITIES	72,937	94,811	-	61,648	61,648	60,627	(1,021)	-2%	94,811
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	1,778	5,544				421	(421)	-100%	5,544
Decrease (increase) in non-current receivables	-	-					-		-
Decrease (increase) in non-current investments	-	(1,776)				(1,780)	1,780	-100%	(1,776)
Payments									
Capital assets	(72,534)	(81,790)		(22,693)	(22,693)	(24,546)	(1,853)	8%	(81,790)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(70,756)	(78,022)	-	(22,693)	(22,693)	(25,905)	(3,212)	12%	(78,022)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-					-		-
Borrowing long term/refinancing	-	488				42	(42)	-100%	488
Increase (decrease) in consumer deposits	-						-		
Payments									
Repayment of borrowing	(2,441)	(7,459)		(542)	(542)	(552)	(10)	2%	(7,459)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(2,441)	(6,971)	-	(542)	(542)	(510)	32	-6%	(6,971)
NET INCREASE/ (DECREASE) IN CASH HELD	(261)	9,818	-	38,412	38,412	34,212			9,818
Cash/cash equivalents at beginning:	6,858	14,245			6,597	14,245			6,597
Cash/cash equivalents at month/year end:	6,597	24,063			45,010	48,457			16,415

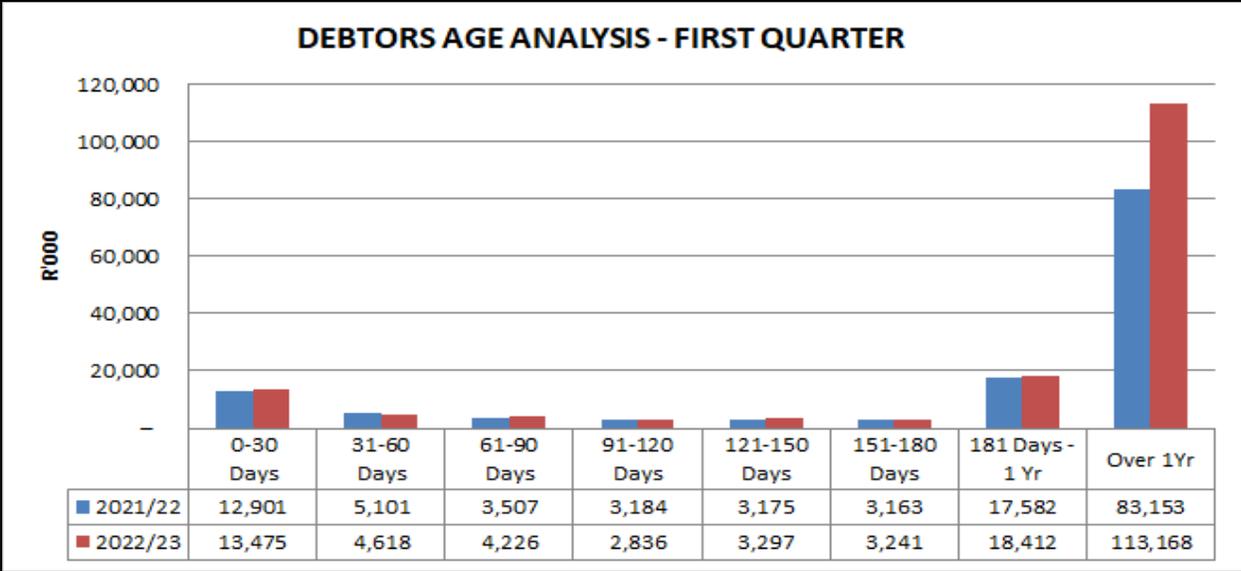
Table C7 provides details of the monthly cash in and outflow. For the quarter ending 30 September 2022 the net cash from operating activities is R61, 648 million whilst cash used for investing activities is R22, 693 million and the net cash from financing activities is R542 thousand. The cash and cash equivalent held at end of the first quarter amounted to R45, 010 million.

PART 2: SUPPORTING TABLES

Table SC3: Debtors Analysis

Table provides a breakdown of the consumer and sundry debtors at the end of the first quarter. The outstanding debtors amounted to R163, 273 million as at 30 September 2022. Consumer debtors amounts to R101, 169 million and sundry debtors amounts to R 62, 104 million as at end of the first quarter.

Description	Budget Year 2022/23											
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Electricity	7,532	1,560	417	137	82	70	657	2,408	12,863	3,353	-	-
Receivables from Non-exchange Transactions - Property Rates	4,705	2,702	2,353	1,211	1,176	1,137	6,148	46,772	66,204	56,444	-	-
Receivables from Exchange Transactions - Waste Management	813	516	422	392	391	392	2,336	16,840	22,102	20,351	-	-
Receivables from Exchange Transactions - Property Rental Debtors	76	29	22	22	22	22	130	1,210	1,535	1,407	-	-
Interest on Arrear Debtor Accounts	1,132	1,099	1,063	1,683	1,640	1,607	8,815	42,346	59,385	56,091	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Other	(782)	(1,289)	(52)	(609)	(15)	13	326	3,593	1,184	3,308	-	-
Total By Income Source	13,475	4,618	4,226	2,836	3,297	3,241	18,412	113,168	163,273	140,954	-	-
2019/20 - totals only	12,901	5,101	3,507	3,184	3,175	3,163	17,585	83,153	131,676	110,257		
Debtors Age Analysis By Customer Group												
Organs of State	2,390	1,272	1,608	1,045	1,011	992	5,687	37,107	51,112	45,842	-	-
Commercial	5,570	497	573	(228)	331	309	1,506	7,802	16,359	9,720	-	-
Households	5,405	2,796	2,009	1,910	1,873	1,850	10,717	65,642	92,204	81,993	-	-
Other	110	53	35	109	82	89	502	2,617	3,599	3,400	-	-
Total By Customer Group	13,475	4,618	4,226	2,836	3,297	3,241	18,412	113,168	163,273	140,954	-	-



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

Table SC4: Creditors Analysis

Description	Budget Year 2022/23									Prior year	
	0 - 30 Day	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days	Over 1Year	Total		
Creditors Age Analysis By Customer Type											
Bulk Electricity											-
Bulk Water											-
PAYE deductions											-
VAT (output less input)											-
Pensions / Retirement deductions											-
Loan repayments											-
Trade Creditors											-
Auditor General											-
Other											-
Total By Customer Type	0	0	0	0	0	0	0	0	0	0	0

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

Table SC5: Investment Portfolio Analysis

Name of institution	Period of Investment	Type of Investment	Interest Rate %	Commission Paid (Rands)	Expiry date	Opening balance	Interest to be realised	Withdrawal	Investment Top Up	Closing Balance
Municipality										
ABSA 9372565177	1 Month	Current Investment	5.4%		31-Jul-22	19,170,982	79,634	-11,000,000	-	8,250,617
STANDARD BANK 013	1 Month	Current Investment				-	106,849	-20,106,849	20,000,000	-
STANDARD BANK 014	2 Month	Current Investment				-	137,425	-	20,000,000	20,137,425
Municipality sub-total						19,170,982		-31,106,849	40,000,000	28,388,041

Supporting Table SC5 displays the council's investments portfolio and indicates that the municipality had initially investment of R59, 170 million, earned interest of R320 thousand, withdrew R31, 106 million and at the end of the first quarter the municipal had an investment of R28,388 million.

Table SC6- Allocation and grant receipts

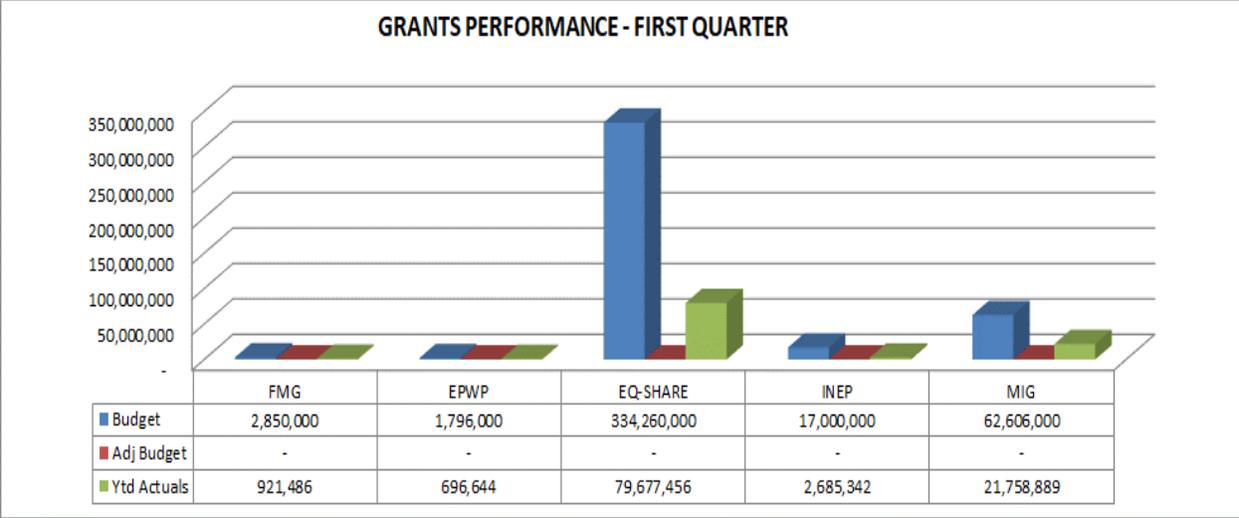
Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	First Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
RECEIPTS:									
Operating Transfers and Grants									
National Government:	307,637	338,906	-	133,660	133,660	142,845	(9,185)	-6%	338,906
Local Government Equitable Share	302,788	334,260		130,361	130,361	139,546	(9,185)	-7%	334,260
Finance Management	2,650	2,850		2,850	2,850	2,850	-		2,850
EPWP Incentive	2,199	1,796		449	449	449	(0)	0%	1,796
Disaster Relief Grant COVID-19 (Corona virus)							-		-
Other grant providers:	-	-	-	-	-	-	-		-
LGSETA Learnership and Development							-		
Total Operating Transfers and Grants	307,637	338,906	-	133,660	133,660	142,845	(9,185)	-6%	338,906
Capital Transfers and Grants									
National Government:	74,315	79,606	-	42,270	42,270	46,833	(4,563)	-10%	79,606
Municipal Infrastructure Grant (MIG)	57,924	62,606		37,270	37,270	38,870	(1,600)	-4%	62,606
Intergrated National Electrification Grant	16,391	17,000		5,000	5,000	7,963	(2,963)	-37%	17,000
Provincial Government:	-	-	-	-	-	-	-		-
Coghsta - Development							-		-
District Municipality:	-	-	-	-	-	-	-		-
N/A							-		
Total Capital Transfers and Grants	74,315	79,606	-	42,270	42,270	46,833	(4,563)	-10%	79,606
TOTAL RECEIPTS OF TRANSFERS & GRAN	381,952	418,512	-	175,930	175,930	189,678	(13,748)	-7%	418,512

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R175, 930 million of which the major portion is attributed to equitable share. In the reporting period, all gazetted grants were received according to National Treasury's grants payment schedule.

Table SC7: Transfers and Grant Expenditure

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	First Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
EXPENDITURE									
Operating Transfers and Grants									
National Government:	307,637	338,906	–	81,296	81,296	84,605	(3,309)	-4%	338,906
Local Government Equitable Share	302,788	334,260		79,677	79,677	81,306	(1,628)	-2%	334,260
Finance Management	2,650	2,850		921	921	2,850	(1,929)	-68%	2,850
EPWP Incentive	2,199	1,796		697	697	449	247	55%	1,796
Disaster Relief Grant COVID-19 (Corona virus)							–		–
Provincial Government:	–	–	–	–	–	–	–	–	–
N/A							–		–
District Municipality:	–	–	–	–	–	–	–	–	–
N/A							–		–
Other grant providers:	–	–	–	–	–	–	–	–	–
LGSETA Learnership and Development							–		–
Total operating expenditure of Trans	307,637	338,906	–	81,296	81,296	84,605	(3,309)	-4%	338,906
Capital Transfers and Grants									
National Government:	79,332	79,606	–	24,444	24,444	26,125	(1,681)	-6%	79,606
Municipal Infrastructure Grant (MIG)	57,984	62,606		21,759	21,759	22,674	(915)	-4%	62,606
Intergrated National Electrification Gra	21,348	17,000		2,685	2,685	3,451	(766)	-22%	17,000
Provincial Government:	–	–	–	–	–	–	–	–	–
Coghsta - Development		–					–		–
District Municipality:	–	–	–	–	–	–	–	–	–
N/A							–		–
Other grant providers:									
N/A									
Total Capital Transfers and Grants	79,332	79,606	–	24,444	24,444	26,125	(1,681)	-6%	79,606
TOTAL EXPENDITURE OF TRANSF	386,969	418,512	–	105,740	105,740	110,730	(4,990)	-5%	418,512

A total amount of R105, 740 million that have been spent on grants during the first quarter and the year to date budget thereof amount to R110, 730 million and this resulted in underspending variance of R4, 990 million that translates to 5%. Of the total spending amounting to R105, 740 million, R81, 296 million is spent on operational grants whilst R24, 444 million is spent of capital grants.



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

- Financial Management Grant 32.33%
- Expanded Public Work Programme 38.79%
- Equitable Share 23.84%
- Municipal Infrastructure Grant 34.76%
- Integrated National Electrification Grant 15.80%

Table SC8: Councilor Allowances and Employee Benefits

Summary of Employee and Councillor remuneration	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	First Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	14,470	14,476		3,996	3,996	3,619	377	10%	14,476
Pension and UIF Contributions	1,863	2,504		510	510	626	(116)	-19%	2,504
Medical Aid Contributions	194	89		22	22	22	-		89
Motor Vehicle Allowance	5,281	5,536		1,480	1,480	1,384	96	7%	5,536
Cellphone Allowance	2,738	2,753		459	459	688	(229)	-33%	2,753
Other benefits and allowances	238	223		75	75	56	19	34%	223
Sub Total - Councillors	24,783	25,580	-	6,542	6,542	6,395	147	2%	25,580
% increase		3%							3%
Senior Managers of the Municipality									
Basic Salaries and Wages	3,137	4,315		704	704	1,079	(375)	-35%	4,315
Pension and UIF Contributions	88	338		21	21	84	(63)	-75%	338
Medical Aid Contributions	80	1,464		20	20	366	(346)	-95%	1,464
Motor Vehicle Allowance	186	519		42	42	130	(88)	-68%	519
Cellphone Allowance	85	166		19	19	41	(22)	-54%	166
Housing Allowances	-						-		
Other benefits and allowances	211	312		51	51	78	(27)	-34%	312
Payments in lieu of leave							-		
Post-retirement benefit obligations							-		
Sub Total - Senior Managers of Munic	3,787	7,112	-	858	858	1,778	(920)	-52%	7,112
% increase		88%							88%
Other Municipal Staff									
Basic Salaries and Wages	98,265	115,473		26,034	26,034	28,868	(2,834)	-10%	115,473
Pension and UIF Contributions	19,580	26,387		5,183	5,183	6,597	(1,414)	-21%	26,387
Medical Aid Contributions	5,442	5,593		1,426	1,426	1,398	28	2%	5,593
Overtime	1,053	1,163		134	134	291	(156)	-54%	1,163
Performance Bonus	-						-		
Motor Vehicle Allowance	13,018	15,702		3,534	3,534	3,925	(391)	-10%	15,702
Cellphone Allowance	1,917	1,426		484	484	357	127	36%	1,426
Housing Allowances	220	230		62	62	58	4	7%	230
Other benefits and allowances	10,429	11,279		527	527	2,835	(2,307)	-81%	11,279
Payments in lieu of leave	624	442		639	639	110	529	479%	442
Long service awards	1,288	510		437	437	128	310	243%	510
Post-retirement benefit obligations	2,002	-		-	-		-		-
Sub Total - Other Municipal Staff	153,838	178,204	-	38,461	38,461	44,566	(6,105)	-14%	178,204
% increase		16%							16%
Total Parent Municipality	182,408	210,897	-	45,861	45,861	52,739	(6,878)	-13%	210,897
		16%							16%
TOTAL SALARY, ALLOWANCES & BENEFITS	182,408	210,897	-	45,861	45,861	52,739	(6,878)	-13%	210,897
% increase		16%							16%
TOTAL MANAGERS AND STAFF	157,625	185,316	-	39,318	39,318	46,344	(7,025)	-15%	185,316

This table provides the details for councilor and employee benefits. For the first quarter the total salaries, allowances and benefits amounted to R45, 861 million which deviates with R6, 878 million from the planned figure.

Table SC9: Actual and Revised Targets for Cash Receipts

Description	Current Year				2022/23 Medium Term Revenue		
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Year	Year +1	Year +2
	Outcome	Budget	Budget	Budget	2022/23	2023/24	2024/25
Cash Receipts By Source							
Property rates	10,049	10,023	10,023	9,997	40,092	41,856	43,740
Service charges - electricity revenue	22,569	28,707	28,707	34,844	114,826	119,873	125,264
Service charges - refuse	1,352	1,927	1,927	2,502	7,708	8,047	8,409
Rental of facilities and equipment	116	578	578	1,040	2,312		
Interest earned - external investments	552	84	86	(333)	389	3,669	3,675
Interest earned - outstanding debtors	877	1,644	2,029	1,962	6,512	7,551	8,541
Fines, penalties and forfeits	103	1,058	1,058	2,013	4,232	9,300	9,718
Licences and permits	1,688	1,579	1,579	1,470	6,315	6,593	6,890
Transfers and Subsidies - Operational	133,660	111,114	94,132	–	338,906	359,874	384,977
Other revenue	5,965	5,632	5,632	5,299	22,528	2,640	2,758
Cash Receipts by Source	176,931	162,346	145,751	58,795	543,823	559,405	593,974
Other Cash Flows by Source	–	–	–	–			
Transfers and subsidies - capital (monetary allocations)	42,270	20,750	16,586	–	79,606	76,364	79,794
Proceeds on Disposal of Fixed and Intangible Assets	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–			
Increase (decrease) in consumer deposits	–	–	–	488	488	237	505
Decrease (increase) in non-current receivables	–	–	–	–			
Decrease (increase) in non-current investments	–	–	–	–			
Total Cash Receipts by Source	219,201	183,096	162,337	59,283	623,917	636,006	674,273
Cash Payments by Type	–	–	–	–			
Employee related costs	39,318	50,472	50,472	61,626	201,889	210,668	219,614
Remuneration of councillors	6,542	6,208	6,208	7,444	26,401	30,493	34,153
Interest paid	137	938	1,014	1,132	3,221	2,326	2,472
Bulk purchases - Electricity	21,974	27,410	27,410	32,845	109,638	114,462	119,613
Other materials	16,093	9,961	9,961	3,829	39,844	35,165	36,667
Contracted services	19,611	17,416	17,416	15,221	69,664	63,305	66,069
Grants and subsidies paid - other	273	823	823	1,374	3,292	3,436	3,588
General expenses	15,452	10,580	10,515	12,400	48,946	61,842	52,478
Cash Payments by Type	119,400	123,808	123,818	135,871	502,897	521,699	534,655
Other Cash Flows/Payments by Type	–	–	–	–			
Capital assets	22,693	20,001	20,001	17,309	80,005	81,383	90,922
Repayment of borrowing	542	5,309	6,552	12,514	24,917	25,723	26,588
Other Cash Flows/Payments	38,153	4,251	6,197	(8,746)	39,855	31,800	46,694
Total Cash Payments by Type	180,789	153,370	156,568	156,948	647,674	660,605	698,859
NET INCREASE/(DECREASE) IN CASH HELD	38,412	29,726	5,770	(97,665)	(23,757)	(24,599)	(24,586)
Cash/cash equivalents at the month/year beginning:	183,695	31,885	123,559	139,452	6,597	(17,160)	(41,759)
Cash/cash equivalents at the month/year end:	222,107	61,611	129,329	41,787	(17,160)	(41,759)	(66,345)

Supporting Table SC9 provides the details of the cash inflow for the budget setting out receipt by source and payments by type. As at end of first quarter, cash receipts reflect an amount of R219, 201 million whilst the total cash payment is R180, 789 million. The cash and cash equivalent at end the quarter amounted to R222, 107 million that is inclusive of unspent conditional grants amounting to R19, 506 million.

Table SC12: Capital Expenditure Trend

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

Supporting table SC12 provides information on the monthly trends for capital expenditure and this tables serves as a supporting table for table C5. In terms of this table the capital expenditure for first quarter amounts to R22, 693 million. The year to date actual amounts to R22, 693 and year to date capital budget is R33, 034 million that gives rise to underspending variance of R10, 341 million that translate to 31%.

Table SC13a: Quarterly Capital Expenditure on New Assets

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	First Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	13,378	18,850	-	2,138	2,138	4,106	1,968	48%	18,850
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Roads									
Road Structures									
Road Furniture									
Capital Spares									
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	13,378	17,600	-	2,109	2,109	3,706	1,597	43%	17,600
HV Substations									
HV Switching Station									
MV Substations		400				235	235	100%	400
MV Switching Stations									
MV Networks	14,210	17,000		2,109	2,109	3,471	1,362	39%	17,000
LV Networks	(832)								
Capital Spares		200				-	-	-	200
Solid Waste Infrastructure	-	1,250	-	29	29	400	372	93%	1,250
Landfill Sites									
Waste Transfer Stations									
Waste Processing Facilities									
Waste Drop-off Points									
Waste Separation Facilities									
Electricity Generation Facilities									
Capital Spares		1,250	-	29	29	400	372	93%	1,250
Community Assets	-	418	-	-	-	300	300	100%	440
Community Facilities	-	418	-	-	-	300	300	100%	440
Halls									
Capital Spares		418				300	300	100%	440
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities									
Outdoor Facilities									
Capital Spares									
Heritage assets	-	-	-	-	-	-	-	-	-
Other assets	-	458	-	454	454	-	(454)	#DIV/0!	435
Operational Buildings	-	458	-	454	454	-	(454)	#DIV/0!	435
Municipal Offices	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Yards									
Stores		458		454	454	-	(454)	#DIV/0!	435
Intangible Assets	-	300	-	-	-	200	200	100%	300
Servitudes									
Licences and Rights	-	300	-	-	-	200	200	100%	300
Unspecified		300				200	200	100%	300
Computer Equipment	866	700	-	239	239	316	78	25%	700
Computer Equipment	866	700		239	239	316	78	25%	700
Furniture and Office Equipment	-	500	-	149	149	185	36	19%	500
Furniture and Office Equipment		500		149	149	185	36	19%	500
Machinery and Equipment	291	1,260	-	292	292	-	(292)	#DIV/0!	1,260
Machinery and Equipment	291	1,260		292	292	-	(292)	#DIV/0!	1,260
Transport Assets	1,079	-	-	-	-	-	-	-	-
Transport Assets	1,079								
Land	-	-	-	-	-	-	-	-	-
Land									
Total Capital Expenditure on new assets	15,615	22,485	-	3,272	3,272	5,108	1,836	36%	22,485

Table SC13b: Quarterly Expenditure on Existing Assets

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	First Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	34,499	32,631	-	6,008	6,008	10,839	4,831	45%	34,800
Roads Infrastructure	34,499	28,631	-	6,008	6,008	8,839	2,831	32%	30,800
Roads	34,499	28,331		6,008	6,008	8,839	2,831	32%	30,500
Road Structures							-		
Road Furniture		300				-	-		300
Capital Spares							-		
Electrical Infrastructure	-	-	-	-	-	-	-	-	-
HV Substations							-		
HV Switching Station							-		
HV Transmission Conductors							-		
MV Substations							-		
MV Switching Stations							-		
MV Networks							-		
LV Networks		-					-		
Capital Spares							-		
Solid Waste Infrastructure	-	4,000	-	-	-	2,000	2,000	100%	4,000
Landfill Sites		4,000				2,000	2,000	100%	4,000
Waste Transfer Stations							-		
Community Assets	-	1,000	-	-	-	261	261	100%	1,000
Community Facilities	-	1,000	-	-	-	261	261	100%	1,000
Libraries							-		
Cemeteries/Crematoria		1,000				261	261	100%	1,000
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities							-		
Outdoor Facilities							-		
Capital Spares							-		
Heritage assets	-	-	-	-	-	-	-	-	-
Other Heritage							-		
Other assets	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
Municipal Offices							-		
Intangible Assets	-	-	-	-	-	-	-	-	-
Servitudes							-		
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 re	34,499	33,631	-	6,008	6,008	11,100	5,092	45.9%	35,800

Table SC13c: Quarterly Expenditure on Repairs & Maintenance

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	First Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	33,280	24,753	-	10,466	10,466	7,604	(2,862)	-38%	26,448
Roads Infrastructure	13,895	14,217	-	7,935	7,935	4,799	(3,136)	-65%	14,217
Roads	13,895	14,217	-	7,935	7,935	4,799	(3,136)	-65%	14,217
Road Structures							-		
Road Furniture							-		
Capital Spares							-		
Electrical Infrastructure	12,201	9,536	-	1,809	1,809	1,731	(78)	-4%	2,909
HV Substations							-		
HV Switching Station							-		
MV Substations							-		
MV Networks	12,201	9,536	-	1,809	1,809	1,731	(78)	-4%	2,909
Solid Waste Infrastructure	7,184	1,000	-	722	722	1,074	351	33%	9,322
Landfill Sites	7,184	1,000	-	722	722	1,074	351	33%	9,322
Waste Transfer Stations							-		
Community Assets	166	594	-	316	316	200	(117)	-59%	594
Community Facilities	166	594	-	316	316	200	(117)	-59%	594
Parks	166	594	-	316	316	200	(117)	-59%	594
Public Open Space							-		
Sport and Recreation Facilit	-	-	-	-	-	-	-	-	-
Indoor Facilities							-		
Outdoor Facilities							-		
Capital Spares							-		
Heritage assets	-	-	-	-	-	-	-	-	-
Other Heritage							-		
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	541	2,645	-	132	132	277	144	52%	3,525
Operational Buildings	541	2,645	-	132	132	277	144	52%	3,525
Municipal Offices	541	2,645	-	132	132	277	144	52%	3,525
Intangible Assets	44	200	-	-	-	36	36	100%	200
Servitudes							-		
Licences and Rights	44	200	-	-	-	36	36	100%	200
Computer Software and Applic	44	200	-	-	-	36	36	100%	200
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment							-		
Furniture and Office Equipm	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment							-		
Machinery and Equipment	3,388	6,445	-	1,363	1,363	971	(392)	-40%	4,260
Machinery and Equipment	3,388	6,445	-	1,363	1,363	971	(392)	-40%	4,260
Transport Assets	3,268	3,904	-	1,583	1,583	821	(762)	-93%	3,515
Transport Assets	3,268	3,904	-	1,583	1,583	821	(762)	-93%	3,515
Total Repairs and Maintenan	40,687	38,542	-	13,861	13,861	9,908	(3,953)	-39.9%	38,542

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

The capital expenditure on new assets amounted to R3, 272 million for the first quarter, which reflects a 36% variance when compared to the quarterly target.

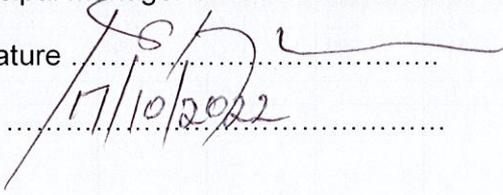
For renewal and upgrading of existing assets to R19, 421 million has been spent during the first quarter on renewal of assets. This reflects 30% variance when compared to the target.

The repairs and maintenance for the first quarter amounted to R13, 861 million reflecting a 39.9% variance when compared to the first quarter target.

Quality Certificate

I, **KGWALE MAHLAGAUME MESHACK**, Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the quarterly report and supporting documentation for the quarter ending 30 September 2022 have been prepared in accordance with the Municipal Finance Management Act and the regulation made under the Act

Municipal Manager of Elias Motsoaledi Local Municipality (LIM472)

Signature 

Date 17/10/2022