

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



SECTION 52 REPORT: 2023/24

REPORTING PERIOD: SECOND QUARTER

PART 1: QUARTERLY REPORT

PURPOSE

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

Executive Summary

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

IN YEAR BUDGET STATEMENT TABLES

DESCRIPTION	2023/24			
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE ACTUAL	PERCENT AGE
OPERATING REVENUE	680,763,743	-	350,955,008	52%
OPERATING EXPENDITURE	654,216,898	-	277,494,031	42%
TRANSFER - CAPITAL	79,756,000	-	32,496,784	41%
SURPLUS/(DEFICIT)	106,302,845	-	105,977,355	100%
CAPITAL EXPENDITURE	84,156,000	-	28,447,469	34%

Table C1: Quarterly Budget Statement Summary

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Financial Performance									
Property rates	54,993	63,025	-	16,963	29,696	31,512	(1,816)	-6%	63,025
Service charges	96,995	125,701	-	28,288	55,415	62,850	(7,435)	-12%	125,701
Investment revenue	2,996	2,306	-	1,162	3,544	727	2,817	388%	2,306
Transfers and subsidies	338,905	363,745	-	99,858	250,468	280,825	(30,357)	-11%	363,745
Other own revenue	26,828	125,987	-	5,113	11,831	64,816	(52,984)	-82%	125,987
Total Revenue (excluding capital transfers and contributions)	520,718	680,764	-	151,384	350,955	440,730	(89,775)	-20%	680,764
Employee costs	162,017	194,460	-	50,428	91,747	100,344	(8,597)	-9%	194,460
Remuneration of Councillors	24,855	26,490	-	6,605	14,295	13,245	1,050	8%	26,490
Depreciation & asset impairment	60,629	65,402	-	15,373	30,688	31,505	(817)	-3%	65,402
Finance charges	1,623	931	-	696	696	533	163	31%	931
Materials and bulk purchases	129,936	153,791	-	39,316	70,113	72,477	(2,364)	-3%	153,791
Transfers and subsidies	4,495	3,176	-	1,731	2,568	527	2,041	387%	3,176
Other expenditure	151,158	209,967	-	32,410	67,388	63,266	4,122	7%	209,967
Total Expenditure	534,713	654,217	-	146,558	277,494	281,896	(4,402)	-2%	654,217
Surplus/(Deficit)	(13,995)	26,547	-	4,825	73,461	158,834	(85,373)	-54%	26,547
Transfers and subsidies - capital (monetary allocations)	91,816	79,756	-	25,168	32,497	64,016	(31,520)	-49%	79,756
Transfers and subsidies - capital (monetary allocations)	-	-	-	20	20	-	20	0%	-
Surplus/(Deficit) after capital transfers & contributions	77,820	106,303	-	30,013	105,977	222,850	(116,873)	-52%	106,303
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	77,820	106,303	-	30,013	105,977	222,850	(116,873)	-52%	106,303
Capital expenditure & funds sources									
Capital expenditure	98,645	84,156	-	21,622	28,447	38,437	(9,990)	-26%	84,156
Capital transfers recognised	77,457	79,756	-	20,791	27,164	35,963	(8,800)	-24%	79,756
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	21,188	4,400	-	831	1,284	2,474	(1,190)	-48%	4,400
Total sources of capital funds	98,645	84,156	-	21,622	28,447	38,437	(9,990)	-26%	84,156
Financial position									
Total current assets	256,254	248,465	-		339,007				248,465
Total non current assets	1,239,934	1,379,378	-		1,378,858				1,379,378
Total current liabilities	169,725	124,219	-		188,997				124,219
Total non current liabilities	92,008	92,871	-		120,017				92,871
Community wealth/Equity	1,234,455	1,410,753	-		1,408,850				1,410,753
Cash flows									
Net cash from (used) operating	128,295	56,732	-	31,858	90,916	115,424	24,508	21%	56,732
Net cash from (used) investing	(98,645)	(71,634)	-	(21,622)	(28,447)	(28,490)	(42)	0%	(71,634)
Net cash from (used) financing	(7,251)	(7,009)	-	(3,147)	(3,151)	(3,500)	(349)	10%	(7,009)
Cash/cash equivalents at the month/year end	32,939	19,757	-	-	100,985	125,102	24,117	19%	19,757
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	13,577	5,694	4,208	3,491	4,180	3,980	3,121	156,402	194,654
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

Revenue

For the second quarter of October to December 2023, the year to date actual amounted to R350, 955 million with the year-to-date budget of R440, 730 which shows negative 20% year to date variance when compared to the year-to-date budget. Of the total revenue received during the second quarter, the major portion of R248, 179 million is from equitable share. Other receipts are from property rates, service charges and other grants.

Operating Expenditure

The operating expenditure for the Second quarter amounts to R277, 494 million with the year-to-date budget of R281, 896 million which shows negative 2% year to date variance when compared to the year-to-date budget.

Capital Expenditure

The year-to-date actual capital expenditure as at end of second quarter amounts to R28, 447 million and the year-to-date budget amounts to R38, 473 million and this deviates with negative 26% when compared to year to date target.

Surplus/Deficit

Taking the above into consideration the net operating surplus for the second quarter ending 31 December 2023 amounts to R105, 977 million.

Debtors

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of December amounts to R194, 654 million and this shows an increase of R9, 127 million as compared to R185, 527 million as at end of 2022/23 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 R119, 239 million and other debtors amounting to R75, 415 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

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, however the municipality try by all means to avoid such.

Table C2 – Quarterly Financial Performance (Standard Classification)

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue - Functional									
Governance and administration	277,768	300,481	-	80,069	185,382	204,127	(18,745)	-9%	300,481
Executive and council	43,728	55,444	-	13,303	25,476	36,476	(11,000)	-30%	55,444
Finance and administration	220,586	231,152	-	64,074	150,909	156,654	(5,745)	-4%	231,152
Internal audit	13,455	13,884	-	2,692	8,997	10,997	(2,000)	-18%	13,884
Community and public safety	31,175	129,150	-	15,025	28,977	74,935	(45,958)	-61%	129,150
Community and social services	10,947	11,327	-	4,494	7,706	7,734	(29)	0%	11,327
Sport and recreation	17,033	17,595	-	5,272	14,605	14,614	(9)	0%	17,595
Public safety	3,195	100,228	-	5,259	6,667	52,587	(45,920)	-87%	100,228
Economic and environmental services	140,432	130,503	-	37,679	73,683	110,733	(37,050)	-33%	130,503
Planning and development	21,669	22,674	-	9,563	20,046	18,116	1,930	11%	22,674
Road transport	117,952	106,992	-	27,904	52,931	91,911	(38,980)	-42%	106,992
Environmental protection	811	836	-	212	705	705	0	0%	836
Trading services	163,158	200,386	-	43,798	95,429	114,952	(19,523)	-17%	200,386
Energy sources	126,820	151,238	-	32,374	66,184	80,653	(14,470)	-18%	151,238
Waste management	36,339	49,148	-	11,424	29,245	34,299	(5,053)	-15%	49,148
Total Revenue - Functional	612,533	760,520	-	176,572	383,471	504,747	(121,275)	-24%	760,520
Expenditure - Functional									
Governance and administration	215,448	227,933	-	60,194	116,009	112,040	3,970	4%	227,933
Executive and council	40,873	45,702	-	11,994	23,716	22,734	983	4%	45,702
Finance and administration	162,605	170,758	-	42,582	85,479	82,560	2,920	4%	170,758
Internal audit	11,970	11,472	-	5,618	6,814	6,746	68	1%	11,472
Community and public safety	39,658	118,872	-	11,411	20,291	24,757	(4,466)	-18%	118,872
Community and social services	9,422	9,467	-	2,022	3,603	5,014	(1,412)	-28%	9,467
Sport and recreation	8,989	14,805	-	2,554	4,639	7,385	(2,746)	-37%	14,805
Public safety	21,246	94,601	-	6,835	12,049	12,358	(309)	-3%	94,601
Economic and environmental services	120,504	127,771	-	33,605	60,694	63,277	(2,583)	-4%	127,771
Planning and development	18,411	24,992	-	4,867	9,415	13,072	(3,656)	-28%	24,992
Road transport	102,093	102,085	-	28,738	51,279	49,859	1,420	3%	102,085
Environmental protection	-	695	-	-	-	347	(347)	-100%	695
Trading services	159,103	179,641	-	41,348	80,500	81,822	(1,322)	-2%	179,641
Energy sources	109,850	133,039	-	28,899	56,997	65,819	(8,822)	-13%	133,039
Waste management	49,253	46,602	-	12,449	23,502	16,003	7,500	47%	46,602
Total Expenditure - Functional	534,713	654,217	-	146,558	277,494	281,896	(4,402)	-2%	654,217
Surplus/ (Deficit) for the year	77,820	106,303	-	30,013	105,977	222,850	(116,873)	-52%	106,303

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

Vote Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue by Vote									
Vote 1 - Executive & Council	37,271	48,780	-	10,814	21,310	32,310	(11,000)	-34%	48,780
Vote 2 - Municipal Manager	46,531	48,017	-	14,300	37,187	37,187	(0)	0%	48,017
Vote 3 - Budget & Treasury	109,827	116,810	-	31,256	69,599	72,285	(2,686)	-4%	116,810
Vote 4 - Corporate Services	50,657	52,321	-	13,671	33,665	36,723	(3,058)	-8%	52,321
Vote 5 - Community Services	76,536	188,606	-	29,477	63,928	115,338	(51,410)	-45%	188,606
Vote 6 - Technical Services	263,115	276,162	-	67,164	134,837	187,888	(53,051)	-28%	276,162
Vote 7 - Developmental Planning	13,673	14,423	-	5,396	12,375	12,444	(70)	-1%	14,423
Vote 8 - Executive Support	14,925	15,401	-	4,495	10,570	10,570	(0)	0%	15,401
Total Revenue by Vote	612,533	760,520	-	176,572	383,471	504,747	(121,275)	-24%	760,520
Expenditure by Vote									
Vote 1 - Executive & Council	35,446	37,797	-	9,844	19,864	18,848	1,016	5%	37,797
Vote 2 - Municipal Manager	45,914	46,270	-	13,788	23,194	25,033	(1,840)	-7%	46,270
Vote 3 - Budget & Treasury	61,222	61,056	-	17,231	35,235	32,163	3,072	10%	61,056
Vote 4 - Corporate Services	27,772	41,928	-	6,654	15,260	19,407	(4,147)	-21%	41,928
Vote 5 - Community Services	97,515	175,066	-	26,528	48,834	45,448	3,386	7%	175,066
Vote 6 - Technical Services	230,159	254,734	-	61,476	115,503	121,785	(6,282)	-5%	254,734
Vote 7 - Developmental Planning	13,119	18,039	-	3,290	5,835	9,483	(3,649)	-38%	18,039
Vote 8 - Executive Support	23,567	19,327	-	7,747	13,991	9,728	4,263	44%	19,327
Total Expenditure by Vote	534,713	654,217	-	146,558	277,716	281,896	(4,180)	-1%	654,217
Surplus/ (Deficit) for the year	77,820	106,303	-	30,013	105,755	222,850	(117,095)	-53%	106,303

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	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue By Source									
Property rates	54,993	63,025	-	16,963	29,696	31,512	(1,816)	-6%	63,025
Service charges - electricity revenue	87,458	115,903	-	25,087	49,543	57,951	(8,408)	-15%	115,903
Service charges - refuse revenue	9,537	9,798	-	3,201	5,872	4,899	973	20%	9,798
Rental of facilities and equipment	1,039	913	-	280	1,276	404	872	216%	913
Interest earned - external investments	2,996	2,306	-	1,162	3,544	727	2,817	388%	2,306
Interest earned - outstanding debtors	14,200	14,686	-	1,404	7,436	6,484	952	15%	14,686
Fines, penalties and forfeits	3,300	100,528	-	1,501	2,911	52,737	(49,826)	-94%	100,528
Licences and permits	6,062	7,176	-	1,646	3,222	3,588	(366)	-10%	7,176
Transfers and subsidies	338,905	363,745	-	99,858	250,468	280,825	(30,357)	-11%	363,745
Other revenue	2,227	2,684	-	281	(3,013)	1,602	(4,615)	-288%	2,684
Gains							-		
Total Revenue (excluding capital transfers and contributions)	520,718	680,764	-	151,384	350,955	440,730	(89,775)	-20%	680,764
Expenditure By Type									
Employee related costs	162,017	194,460	-	50,428	91,747	100,344	(8,597)	-9%	194,460
Remuneration of councillors	24,855	26,490	-	6,605	14,295	13,245	1,050	8%	26,490
Debt impairment	19,063	95,607	-	-	-	5,111	(5,111)	-100%	95,607
Depreciation & asset impairment	60,629	65,402	-	15,373	30,688	31,505	(817)	-3%	65,402
Finance charges	1,623	931	-	696	696	533	163	31%	931
Bulk purchases	93,194	113,017	-	25,113	49,237	56,508	(7,271)	-13%	113,017
Other materials	36,742	40,774	-	14,203	20,876	15,969	4,907	31%	40,774
Contracted services	75,840	61,720	-	18,226	36,955	31,630	5,325	17%	61,720
Transfers and subsidies	4,495	3,176	-	1,731	2,568	527	2,041	387%	3,176
Other expenditure	56,254	52,641	-	14,155	30,433	26,525	3,908	15%	52,641
Losses	-	-	-	30	-	-	-	-	-
Total Expenditure	534,713	654,217	-	146,558	277,494	281,896	(4,402)	-2%	654,217
Surplus/(Deficit)	(13,995)	26,547	-	4,825	73,461	158,834	(85,373)	-54%	26,547
Transfers and subsidies - capital (monetary allocations)	91,816	79,756	-	25,168	32,497	64,016	(31,520)	-49%	79,756
Transfers and subsidies - capital (monetary allocations)							-		-
Transfers and subsidies - capital (in-kind - all)	-	-	-	20	20	-	20	0%	-
Surplus/(Deficit) after capital transfers & contributions	77,820	106,303	-	30,013	105,977	222,850			106,303
Taxation									
Surplus/(Deficit) after taxation	77,820	106,303	-	30,013	105,977	222,850			106,303
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	77,820	106,303	-	30,013	105,977	222,850			106,303
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	77,820	106,303	-	30,013	105,977	222,850			106,303

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.

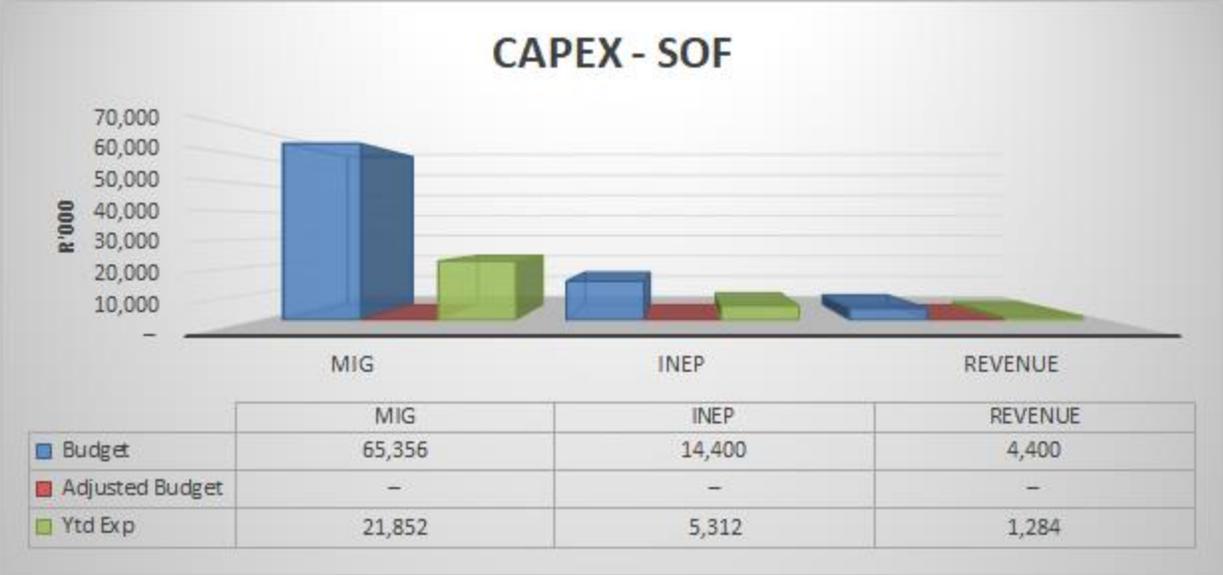
Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding

Vote Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital Expenditure - Functional Classification									
Governance and administration	2,663	1,000	-	680	859	611	248	41%	1,000
Executive and council	-	-	-	-	-	-	-	-	-
Finance and administration	2,663	1,000	-	680	859	611	248	41%	1,000
Internal audit	-	-	-	-	-	-	-	-	-
Community and public safety	2,450	100	-	97	97	61	35	58%	100
Community and social services	1,455	-	-	-	-	-	-	-	-
Sport and recreation	550	100	-	97	97	61	35	58%	100
Public safety	445	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	75,671	66,256	-	16,342	21,909	29,683	(7,774)	-26%	66,256
Planning and development	1,075	-	-	-	-	-	-	-	-
Road transport	74,596	66,256	-	16,342	21,909	29,683	(7,774)	-26%	66,256
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	17,861	16,800	-	4,504	5,582	8,082	(2,500)	-31%	16,800
Energy sources	16,001	15,000	-	4,478	5,556	6,726	(1,170)	-17%	15,000
Waste management	1,860	1,800	-	26	26	1,356	(1,330)	-98%	1,800
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	98,645	84,156	-	21,622	28,447	38,437	(9,990)	-26%	84,156
Funded by:									
National Government	77,457	79,756	-	20,791	27,164	35,963	(8,800)	-24%	79,756
Provincial Government	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations)	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	77,457	79,756	-	20,791	27,164	35,963	(8,800)	-24%	79,756
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	21,188	4,400	-	831	1,284	2,474	(1,190)	-48%	4,400
Total Capital Funding	98,645	84,156	-	21,622	28,447	38,437	(9,990)	-26%	84,156

Table C5C: Monthly Capital Expenditure by Vote

Vote Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Multi-Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	2,663	700	-	608	608	411	196	48%	700
Vote 5 - Community Services	4,063	1,000	-	-	-	586	(586)	-100%	1,000
Vote 6 - Technical Services	40,032	73,356	-	19,195	24,733	33,016	(8,284)	-25%	73,356
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	46,759	75,056	-	19,802	25,340	34,014	(8,674)	-26%	75,056
Single Year expenditure appropriation									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	300	-	73	252	200	52	26%	300
Vote 5 - Community Services	247	900	-	123	123	831	(709)	-85%	900
Vote 6 - Technical Services	50,564	7,900	-	1,625	2,733	3,392	(659)	-19%	7,900
Vote 7 - Developmental Planning	1,075	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	51,886	9,100	-	1,820	3,107	4,423	(1,316)	-30%	9,100
Total Capital Expenditure	98,645	84,156	-	21,622	28,447	38,437	(9,990)	-26%	84,156

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. R28, 447 million spending was incurred on capital budget, year to date budget is R38, 437 million, and this gave rise to an under-performance variance of R9, 990 million that translates to 26%.



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R84, 156 million, R65, 356 is funded from Municipal Infrastructure grant, R14, 400 million from INEP and R4, 400 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	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	–	9,686	18,804
Call investment deposits	25,460	–	–	91,300	–
Consumer debtors	109,709	178,921	–	123,512	178,921
Other debtors	88,862	12,169	–	85,028	12,169
Current portion of long-term receivables	–	–	–	–	–
Inventory	24,743	38,571	–	29,481	38,571
Total current assets	256,254	248,465	–	339,007	248,465
Non current assets					
Long-term receivables	–	–	–	–	–
Investments	17,149	18,499	–	–	18,499
Investment property	96,399	48,884	–	103,831	48,884
Investments in Associate	–	–	–	–	–
Property, plant and equipment	1,123,988	1,310,538	–	1,271,715	1,310,538
Biological	463	463	–	–	463
Intangible	7	606	–	1,384	606
Other non-current assets	1,928	388	–	1,928	388
Total non current assets	1,239,934	1,379,378	–	1,378,858	1,379,378
TOTAL ASSETS	1,496,188	1,627,843	–	1,717,864	1,627,843
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	4,650	7,246	–	4,415	7,246
Consumer deposits	5,757	5,937	–	5,480	5,937
Trade and other payables	158,176	108,287	–	169,348	108,287
Provisions	1,142	2,750	–	9,754	2,750
Total current liabilities	169,725	124,219	–	188,997	124,219
Non current liabilities					
Borrowing	7,288	5,456	–	9,357	5,456
Provisions	84,720	87,415	–	110,660	87,415
Total non current liabilities	92,008	92,871	–	120,017	92,871
TOTAL LIABILITIES	261,733	217,091	–	309,014	217,091
NET ASSETS	1,234,455	1,410,753	–	1,408,850	1,410,753
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	1,234,455	1,410,753	–	1,408,850	1,410,753
Reserves	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	1,234,455	1,410,753	–	1,408,850	1,410,753

The above table shows that community wealth amounts to R1, 408 billion, total liabilities R309, 014 million and the total assets R1, 717 billion. Non-current liabilities are mainly made up of provisions for long service award, landfill site and bonus.

Total current assets appear to be fairly reasonable relative to total current liabilities and this as a result portray a much better picture of the municipality's current ratio of 1.8:1 which is below the acceptable norm of 2:1.

Table C7: Quarterly Budgeted Statement Cash Flow

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	37,194	54,392	-	10,096	22,127	26,260	(4,134)	-16%	54,392
Service charges	89,721	124,873	-	26,108	47,458	52,375	(4,917)	-9%	124,873
Other revenue	53,816	21,801	-	17,918	27,537	24,632	2,905	12%	21,801
Transfers and Subsidies - Operational	333,406	363,745	-	99,865	252,785	273,448	(20,664)	-8%	363,745
Transfers and Subsidies - Capital	111,606	79,756	-	41,476	58,676	58,676	-		79,756
Interest	5,365	1,455	-	1,464	3,432	3,212	220	7%	1,455
Payments									
Suppliers and employees	(499,712)	(585,183)	-	(162,943)	(318,135)	(320,125)	(1,990)	1%	(585,183)
Finance charges	(1,314)	(931)	-	(396)	(396)	(401)	(6)	1%	(931)
Transfers and Grants	(1,787)	(3,176)	-	(1,731)	(2,568)	(2,655)	(87)	3%	(3,176)
NET CASH FROM/(USED) OPERATING ACTIVITIES	128,295	56,732	-	31,858	90,916	115,424	24,508	21%	56,732
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	851	-	-	-	-	-	-	851
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
Payments									
Capital assets	(98,645)	(72,485)	-	(21,622)	(28,447)	(28,490)	(42)	0%	(72,485)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(98,645)	(71,634)	-	(21,622)	(28,447)	(28,490)	(42)	0%	(71,634)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	237	-	60	56	42	14	33%	237
Payments									
Repayment of borrowing	(7,251)	(7,246)	-	(3,207)	(3,207)	(3,542)	(335)	9%	(7,246)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(7,251)	(7,009)	-	(3,147)	(3,151)	(3,500)	(349)	10%	(7,009)
NET INCREASE/ (DECREASE) IN CASH HELD	22,400	(21,911)	-	7,088	59,317	83,434			(21,911)
Cash/cash equivalents at beginning:	10,539	41,668	-		41,668	41,668			41,668
Cash/cash equivalents at month/year end:	32,939	19,757	-		100,985	125,102			19,757

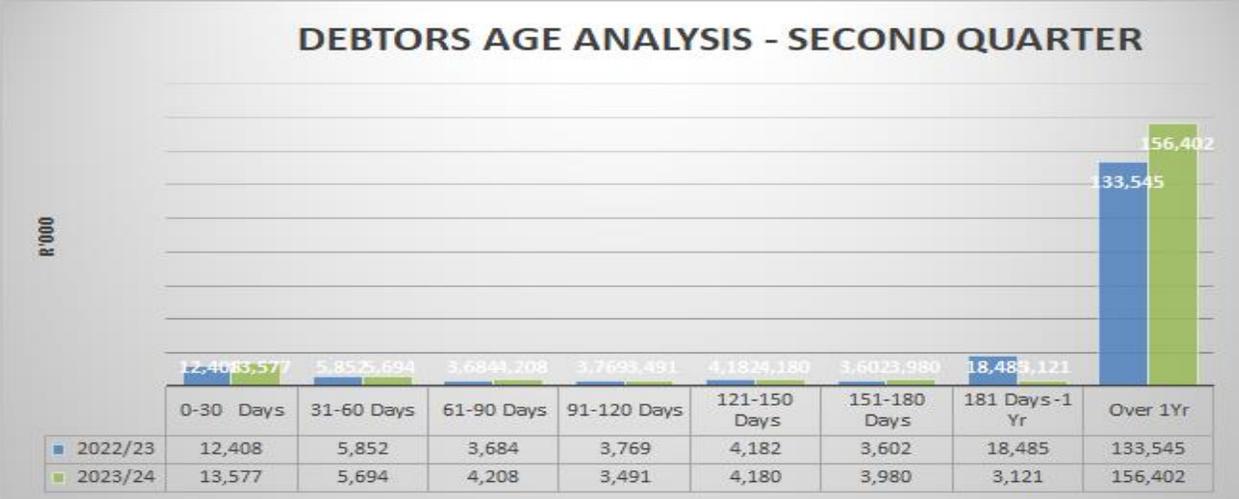
Table C7 provides details of the monthly cash in and outflow. For the quarter ending 31 December 2023 the net cash from operating activities is R90, 916 million whilst cash used for investing activities is R28, 447 million and the net cash from financing activities is R3, 151 million. The cash and cash equivalent held at end of the second quarter amounted to R100, 985 million.

PART 2: SUPPORTING TABLES

Table SC3: Debtors Analysis

Table provides a breakdown of the consumer and sundry debtors at the end of the second quarter. The outstanding debtors amounted to R194, 654 million as of 31 December 2023. Consumer debtors amounts to R119, 239 million and sundry debtors amounts to R 75, 864 million as at end of the second quarter.

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	6,404	1,093	138	178	148	102	111	3,645	11,819	4,185	-	-
Receivables from Non-exchange Transactions - Property Rates	4,996	2,457	2,120	1,948	1,821	1,764	1,658	62,533	79,297	69,725	-	-
Receivables from Exchange Transactions - Waste Management	1,042	734	661	648	622	610	386	23,419	28,123	25,687	-	-
Receivables from Exchange Transactions - Property Rental Debtors	71	55	44	44	270	1	16	1,534	2,034	1,864	-	-
Interest on Arrear Debtor Accounts	718	1,325	1,289	1,260	1,230	1,202	1,178	61,089	69,291	65,959	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Other	346	30	(42)	(586)	89	300	(228)	4,181	4,090	3,756	-	-
Total By Income Source	13,577	5,694	4,208	3,491	4,180	3,980	3,121	156,402	194,654	171,175	-	-
2022/23 - 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	1,405	964	1,021	988	1,056	1,152	632	44,464	51,681	48,291	-	-
Commercial	6,930	1,283	547	567	594	358	333	10,660	21,273	12,512	-	-
Households	5,342	3,270	2,529	2,442	2,406	2,359	2,034	98,912	119,296	108,154	-	-
Other	(100)	176	111	(505)	124	110	122	2,366	2,404	2,218	-	-
Total By Customer Group	13,577	5,694	4,208	3,491	4,180	3,980	3,121	156,402	194,654	171,175	-	-



The graph compares debtors' age analysis for 2022/23 financial year and 2023/24 (as at end of second quarter) and noted from the graph there is an increase in the municipal debt book for 2023/24 financial year.

Table SC4: Creditors Analysis

Description	Budget Year 2023/24								Prior year totals for chart
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
Creditors Age Analysis By Customer Type									
Bulk Electricity									-
Bulk Water									-
PAYE deductions									-
VAT (output less input)									-
Pensions / Retirement deductions									-
Loan repayments									-
Trade Creditors	1,523								-
Auditor General									-
Other									-
Total By Customer Type	1,523	-	-	-	-	-	-	-	-

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

Table SC5: Investment Portfolio Analysis

Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Commission Paid	Expiry Date	Opening balance	Interest Erned	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
ABSA (2081162388)		Current Investment	9.4%		31-Oct-23	25,522,616	122,589	25,645,205	-	-
ABSA (9381052783)	1 Month	Current Investment	8.9%		31-Dec-23	40,587,346	561,303	20,000,000	10,000,000	31,148,649
ABSA (2081162528)		Current Investment	9.6%		22-Mar-24	25,536,370	327,055	25,863,425	-	-
STANDARD BANK (03882352013)		Current Investment	9.1%		22-Jan-24	-	50,000	-	20,000,000	20,050,000
STANDARD BANK (038823527014)		Current Investment	9.2%		22-Jan-24	-	50,274	-	20,000,000	20,050,274
ABSA (2081371923)		Current Investment	9.3%		22-Mar-24	-	50,685	-	20,000,000	20,050,685
TOTAL INVESTMENTS AND INTEREST						91,646,332	1,161,906	71,508,630	70,000,000	91,299,608

Supporting Table SC5 displays the council's investments portfolio and indicates that the municipality had an investment with opening balance of R91, 646 million in the second quarter, withdrew R71, 508 million, earned interest of R1, 161 million and investment top R70, 000 and closed off with R91, 299 million at the end of second quarter.

Table SC6- Allocation and grant receipts

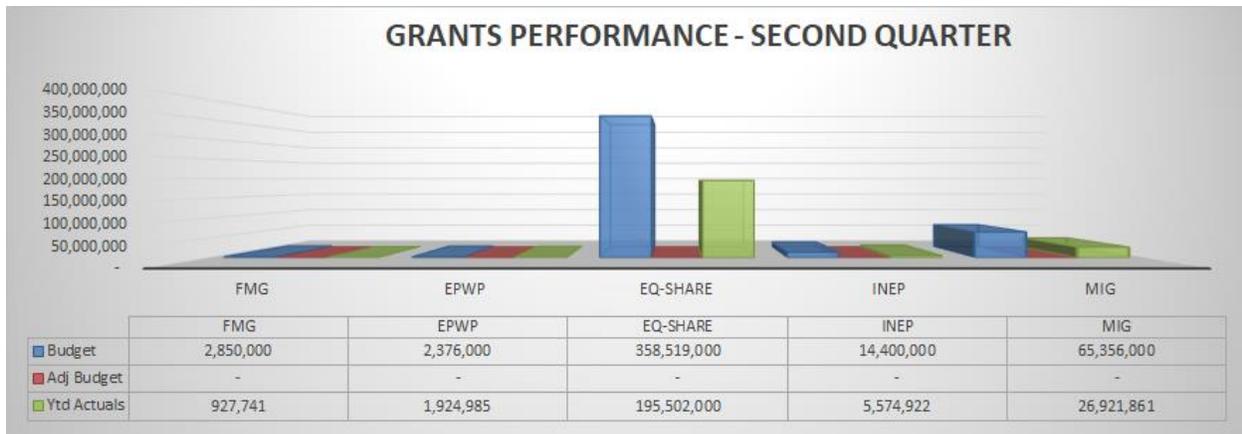
Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
RECEIPTS:									
Operating Transfers and Grants									
National Government:	338,905	363,745	-	99,865	252,692	280,825	(28,133)	-10%	363,745
Local Government Equitable Share	334,259	358,519	-	98,796	248,179	276,310	(28,131)	-10%	358,519
Finance Management	2,850	2,850	-	-	2,850	2,850	-		2,850
EPWP Incentive	1,796	2,376	-	1,069	1,663	1,664	(1)	0%	2,376
Other grant providers:	358	-	-	-	46	-	46	0%	-
LGSETA Learnership and Development	358	-	-	-	46	-	46	0%	-
Total Operating Transfers and Grants	339,263	363,745	-	99,865	252,738	280,825	(28,086)	-10%	363,745
Capital Transfers and Grants									
National Government:	111,606	79,756	-	41,476	58,676	64,016	(5,340)	-8%	79,756
Municipal Infrastructure Grant (MIG)	94,606	65,356	-	36,276	49,776	56,393	(6,617)	-12%	65,356
Intergrated National Electrification Grant	17,000	14,400	-	5,200	8,900	7,624	1,276	17%	14,400
Provincial Government:	-	-	-	-	-	-	-	-	-
Coghsta - Development	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
N/A	-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	111,606	79,756	-	41,476	58,676	64,016	(5,340)	-8%	79,756
TOTAL RECEIPTS OF TRANSFERS & GRANTS	450,869	443,501	-	141,341	311,414	344,841	(33,427)	-10%	443,501

Supporting tables SC6 provides details of grants received. The year-to-date actual receipts amounts to R311, 414 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	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	338,905	363,745	-	105,882	198,355	167,961	30,393	18%	363,745
Local Government Equitable Share	334,259	358,519	-	104,255	195,502	165,666	29,836	18%	358,519
Finance Management	2,850	2,850	-	636	928	1,107	(179)	-16%	2,850
EPWP Incentive	1,796	2,376	-	991	1,925	1,188	737	62%	2,376
Other grant providers:	358	-	-	-	-	-	-		-
LGSETA Learnership and Development	358	-	-	-	-	-	-		-
Total operating expenditure of Transfers and Grants:	339,263	363,745	-	105,882	198,355	167,961	30,393	18%	363,745
Capital expenditure of Transfers and Grants									
National Government:	90,896	79,756	-	25,168	32,497	35,963	(3,466)	-10%	79,756
Municipal Infrastructure Grant (MIG)	73,896	65,356	-	20,553	26,922	29,388	(2,466)	-8%	65,356
Integrated National Electrification Grant	17,000	14,400	-	4,615	5,575	6,576	(1,001)	-15%	14,400
Total capital expenditure of Transfers and Grants	90,896	79,756	-	25,168	32,497	35,963	(3,466)	-10%	79,756
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	430,159	443,501	-	131,050	230,852	203,924	26,927	13%	443,501

A total amount of R230, 852 million that have been spent on grants by the end second quarter and the year-to-date budget thereof amount to R203, 924 million and this resulted in overspending variance of R26, 927 million that translates to 13%. Of the total spending amounting to R230, 852 million, R198, 355 million is spent on operational grants whilst R32, 497 million is spent of capital grants.



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

- Financial Management Grant 32.55%
- Expanded Public Work Programme 81.02%
- Equitable Share 54.53%
- Municipal Infrastructure Grant 41.19%
- Integrated National Electrification Grant 38.71%

Table SC8: Councilor Allowances and Employee Benefits

Summary of Employee and Councillor remuneration	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	14,631	16,222	–	3,861	8,210	8,111	99	1%	16,222
Pension and UIF Contributions	2,008	2,060	–	542	1,064	1,030	33	3%	2,060
Medical Aid Contributions	91	89	–	24	47	44	3	7%	89
Motor Vehicle Allowance	5,376	5,399	–	1,401	3,017	2,700	317	12%	5,399
Cellphone Allowance	2,511	2,489	–	717	1,812	1,244	568	46%	2,489
Other benefits and allowances	239	230	–	60	145	115	30	26%	230
Sub Total - Councillors	24,855	26,490	–	6,605	14,295	13,245	1,050	8%	26,490
% increase		7%							7%
Senior Managers of the Municipality									
Basic Salaries and Wages	1,798	4,877	–	355	936	2,439	(1,503)	-62%	4,877
Pension and UIF Contributions	97	366	–	14	178	183	(5)	-3%	366
Medical Aid Contributions	109	211	–	12	45	105	(61)	-58%	211
Motor Vehicle Allowance	200	545	–	69	165	272	(107)	-39%	545
Cellphone Allowance	58	168	–	14	35	84	(49)	-58%	168
Other benefits and allowances	97	361	–	84	133	180	(47)	-26%	361
Payments in lieu of leave	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality	2,358	6,527	–	548	1,491	3,264	(1,772)	-54%	6,527
% increase		177%							177%
Other Municipal Staff									
Basic Salaries and Wages	105,415	124,064	–	27,611	55,210	62,032	(6,822)	-11%	124,064
Pension and UIF Contributions	20,535	25,011	–	5,442	10,863	12,506	(1,642)	-13%	25,011
Medical Aid Contributions	5,908	6,133	–	1,639	3,269	3,066	203	7%	6,133
Overtime	312	1,232	–	113	198	616	(418)	-68%	1,232
Motor Vehicle Allowance	14,071	15,907	–	3,839	7,670	7,953	(283)	-4%	15,907
Cellphone Allowance	1,919	1,830	–	519	1,011	915	96	11%	1,830
Housing Allowances	255	268	–	70	141	134	7	5%	268
Other benefits and allowances	10,609	12,655	–	9,312	9,852	9,444	408	4%	12,655
Payments in lieu of leave	(177)	35	–	471	837	3	835	32777%	35
Long service awards	812	797	–	863	1,202	412	790	192%	797
Post-retirement benefit obligations		–	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff	159,659	187,932	–	49,880	90,255	97,080	(6,825)	-7%	187,932
% increase		18%							18%
Total Parent Municipality	186,872	220,949	–	57,033	106,042	113,589	(7,547)	-7%	220,949
% increase		18%							18%
TOTAL SALARY, ALLOWANCES & BENEFITS	186,872	220,949	–	57,033	106,042	113,589	(7,547)	-7%	220,949
% increase		18%							18%
TOTAL MANAGERS AND STAFF	162,017	194,460	–	50,428	91,747	100,344	(8,597)	-9%	194,460

This table provides the details for councilor and employee benefits. For the second quarter the total salaries, allowances and benefits amounted to R106, 042 million which deviates with R113, 589 million from the planned figure.

Table SC9: Actual and Revised Targets for Cash Receipts

Description	Budget Year 2023/24				2023/24 Medium Term Revenue & Expenditure Framework		
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Year	Year +1	Year +2
	Outcome	Outcome	Budget	Budget	2023/24	2024/25	2025/26
Cash Receipts By Source							
Property rates	12,031	10,096	13,614	18,652	54,392	58,227	62,147
Service charges - electricity revenue	19,975	24,673	21,584	45,774	112,005	130,679	153,686
Service charges - refuse	1,375	1,435	1,715	2,688	7,213	7,791	8,385
Rental of facilities and equipment	135	94	294	390	913	958	1,003
Interest earned - external investments	1,200	732	123	(600)	1,455	1,600	1,659
Interest earned - outstanding debtors	768	733	1,952	2,202	5,655	5,864	5,965
Fines, penalties and forfeits	1,410	1,501	3,008	5,109	11,028	11,568	12,112
Licences and permits	1,576	1,646	1,957	1,997	7,176	7,528	7,882
Transfers and Subsidies - Operational	152,920	99,865	90,343	20,617	363,745	387,608	378,480
Other revenue	6,497	14,677	-	(18,491)	2,684	2,816	2,948
Cash Receipts by Source	197,887	155,451	134,590	78,338	566,266	614,639	634,268
Other Cash Flows by Source	-	-	-	-			
Transfers and subsidies - capital (monetary allocations)	17,200	41,476	21,080	-	79,756	76,283	79,692
Borrowing long term/refinancing	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	(4)	60	92	89	237	305	320
Decrease (increase) in non-current receivables	-	-	-	-			
Decrease (increase) in non-current investments	-	-	307	544	851	891	935
Total Cash Receipts by Source	215,083	196,987	156,069	78,971	647,110	692,118	715,215
Cash Payments by Type	-	-	-	-			
Employee related costs	41,319	50,428	46,527	54,066	192,340	198,267	207,585
Remuneration of councillors	7,690	6,605	6,711	5,894	26,900	28,218	29,544
Interest paid	-	396	205	330	931	471	100
Bulk purchases - Electricity	24,124	25,113	28,041	35,739	113,017	127,505	150,074
Other materials	6,673	14,203	7,905	4,538	33,319	34,942	36,575
Contracted services	18,729	18,226	15,868	10,697	63,520	67,294	70,501
Grants and subsidies paid - other	837	1,731	487	121	3,176	3,417	3,671
General expenses	21,302	35,379	13,261	(21,183)	48,758	49,202	51,469
Cash Payments by Type	120,674	152,080	119,005	90,203	481,961	509,316	549,519
Other Cash Flows/Payments by Type	-	-	-	-			
Capital assets	6,825	21,622	23,652	20,386	72,485	77,363	77,492
Repayment of borrowing	-	3,207	1,832	2,207	7,246	5,456	-
Other Cash Flows/Payments	35,355	12,990	40,000	18,984	107,329	67,329	67,329
Total Cash Payments by Type	162,854	189,899	184,489	131,780	669,022	659,465	694,340
NET INCREASE/(DECREASE) IN CASH HELD	52,229	7,088	(28,420)	(52,808)	(21,911)	32,654	20,875
Cash/cash equivalents at the month/year beginning:	336,549	198,134	172,033	145,139	41,668	19,757	52,411
Cash/cash equivalents at the month/year end:	388,779	205,222	143,613	92,330	19,757	52,411	73,286

Supporting Table SC9 provides the details of the cash inflow for the budget setting out receipt by source and payments by type. As at end of second quarter, cash receipts reflect an amount of R196, 987 million whilst the total cash payment is R189, 899 million. The cash and cash equivalent at end of the quarter amounted to R205, 222 million that is inclusive of unspent conditional grants amounting to R80, 516 million

Table SC12: Capital Expenditure Trend

Month	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
Monthly expenditure performance trend									
First Quarter	22,693	10,821	–	6,825	7,937	10,821	2,883	27%	9%
Second Quarter	27,088	27,617	–	21,622	28,447	38,437	9,990	26%	34%
Third Quarter	16,931	19,024	–	–	–	19,024	–	0%	0%
Fourth Quarter	31,933	26,694	–	–	–	26,694	–	0%	0%
Total Capital expenditure	98,645	84,156	–	28,447					

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 the second quarter amounts to R21, 622 million. The year-to-date actual amounts to R28, 447 million and year to date capital budget is R38, 437 million that gives rise to underspending variance of R9, 990 million that translate to 26%.

Table SC13a: Quarterly Capital Expenditure on New Assets

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on new assets by Asset Class									
Infrastructure	16,629	15,800	-	4,478	5,556	6,951	1,395	20%	15,800
Roads Infrastructure	-	-	-	-	-	-	-		-
Roads		-	-	-	-	-	-		-
Road Structures									
Storm water Infrastructure	-	800	-	-	-	225	225	100%	800
Drainage Collection		800	-	-	-	225	225	100%	800
Electrical Infrastructure	15,895	15,000	-	4,478	5,556	6,726	1,170	17%	15,000
Power Plants	2,230		-	-	-	-	-		-
MV Substations	-	-	-	-	-	-	-		-
MV Networks	13,665	14,800	-	4,478	5,556	6,676	1,120	17%	14,800
Capital Spares	-	200	-	-	-	50	50	100%	200
Solid Waste Infrastructure	734	-	-	-	-	-	-		-
Landfill Sites									
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	-	608	608	411	(196)	-48%	700
Computer Equipment	1,930	700	-	608	608	411	(196)	-48%	700
Furniture and Office Equipment	1,036	1,100	-	99	278	970	692	71%	1,100
Furniture and Office Equipment	1,036	1,100	-	99	278	970	692	71%	1,100
Machinery and Equipment	2,227	200	-	125	154	131	(23)	-17%	200
Machinery and Equipment	2,227	200	-	125	154	131	(23)	-17%	200
Transport Assets	-	-	-	-	-	-	-		-
Transport Assets	-								
Total Capital Expenditure on new assets	21,822	17,800	-	5,309	6,596	8,464	1,868	22%	17,800

Table SC13b: Quarterly Expenditure on Existing Assets

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class									
Infrastructure	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	-	-	-	-	-	-	-	-

Table SC13c: Quarterly Expenditure on Repairs & Maintenance

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Repairs and maintenance expenditure by Asset Class									
Infrastructure	26,633	21,666	-	8,623	13,332	8,196	(5,136)	-63%	19,481
Roads Infrastructure	21,436	14,350	-	7,505	10,976	4,475	(6,500)	-145%	12,165
Roads	21,436	14,350	-	7,505	10,976	4,475	(6,500)	-145%	12,165
Road Furniture							-		
Electrical Infrastructure	2,203	6,073	-	594	1,306	3,099	1,793	58%	6,073
MV Switching Stations							-		
MV Networks	2,203	6,073	-	594	1,306	3,099	1,793	58%	6,073
Solid Waste Infrastructure	2,994	1,243	-	525	1,050	621	(429)	-69%	1,243
Landfill Sites	2,994	1,243	-	525	1,050	621	(429)	-69%	1,243
Capital Spares							-		
Community Assets	537	323	-	86	174	431	257	60%	573
Community Facilities	537	323	-	86	174	431	257	60%	573
Parks	537	323	-	86	174	431	257	60%	573
Other assets	1,443	1,598	-	269	339	842	503	60%	1,698
Operational Buildings	1,443	1,598	-	269	339	842	503	60%	1,698
Municipal Offices	1,443	1,598	-	269	339	842	503	60%	1,698
Intangible Assets	58	211	-	73	73	92	19	21%	211
Licences and Rights	58	211	-	73	73	92	19	21%	211
Computer Software and Applications	58	211	-	73	73	92	19	21%	211
Computer Equipment	-	-	-	-	-	-	-		-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	7,250	6,212	-	2,439	5,099	3,207	(1,892)	-59%	6,262
Machinery and Equipment	7,250	6,212	-	2,439	5,099	3,207	(1,892)	-59%	6,262
Transport Assets	3,424	2,646	-	444	1,431	2,877	1,446	50%	2,646
Transport Assets	3,424	2,646	-	444	1,431	2,877	1,446	50%	2,646
Total Repairs and Maintenance Expenditure	39,346	32,656	-	11,934	20,448	15,645	(4,802)	-31%	30,871

Table SC13d: Quarterly Expenditure on Depreciation

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Depreciation by Asset Class/Sub-class									
Infrastructure	43,983	51,395	-	11,468	22,934	25,244	2,311	9%	51,395
Roads Infrastructure	37,525	43,096	-	9,839	19,679	20,555	877	4%	43,096
Roads	37,233	43,096	-	9,724	19,449	20,352	903	4%	43,096
Road Structures	227			57	115	102	(13)	-12%	
Road Furniture	64			58	115	101	(14)	-14%	
Storm water Infrastructure	-	440	-	-	-	183	183	100%	440
Drainage Collection	-	440	-	-	-	183	183	100%	440
Electrical Infrastructure	5,390	7,083	-	1,459	2,917	4,062	1,145	28%	7,083
MV Substations		4,238	-	390	780	1,413	633	45%	4,238
MV Switching Stations				89	179	155	(24)	-16%	
MV Networks	3,254	2,845	-	288	577	1,185	609	51%	2,845
LV Networks				159	319	325	6	2%	
Capital Spares	2,136			532	1,063	985	(79)	-8%	
Solid Waste Infrastructure	1,068	777	-	169	338	443	106	24%	777
Landfill Sites	764	777	-	99	199	324	125	39%	777
Waste Transfer Stations							-		
Waste Processing Facilities	302			69	138	120	(18)	-15%	
Capital Spares	3			1	1	0	(1)	-948%	
Community Assets	1,039	1,333	-	266	532	1,032	501	48%	1,333
Community Facilities	799	1,333	-	203	406	924	517	0	1,333
Halls				7	15	33	18	54%	
Centres				46	92	87	(5)	-6%	
Cemeteries/Crematoria	91			23	46	17	(29)	-167%	
Parls	456			0	1	2	1	49%	
Public Open Space	-	1,333	-	-	-	555	555	100%	1,333
Taxi Ranks/Bus Terminals				63	125	43	(82)	-190%	
Capital Spares	252			64	127	187	59	32%	
Sport and Recreation Facilities	240	-	-	63	125	109	(17)	-16%	-
Indoor Facilities	240						-		
Outdoor Facilities				63	125	109	(17)	-16%	
Heritage assets	-	6	-	-	-	3	3	100%	6
Other Heritage	-	6	-	-	-	3	3	100%	6
Other assets	3,999	4,453	-	1,000	2,000	1,878	(122)	-7%	4,453
Operational Buildings	3,999	4,453	-	719	1,438	1,301	(136)	-10%	4,453
Municipal Offices	3,999	4,453	-	618	1,236	1,233	(4)	0%	4,453
Stores				8	16	7	(10)	-149%	
Training Centres				93	185	62	(123)	-197%	
Housing	-	-	-	281	563	577	14	2%	-
Social Housing				281	563	577	14	2%	
Intangible Assets	7	88	-	2	3	38	35	92%	88
Servitudes				2	3	2	(1)	-69%	
Licences and Rights	7	88	-	-	-	37	37	100%	88
Computer Software and Applications	7	88	-	-	-	37	37	100%	88
Load Settlement Software Applications							-		
Computer Equipment	835	974	-	245	467	546	79	14%	974
Computer Equipment	835	974	-	245	467	546	79	14%	974
Furniture and Office Equipment	766	651	-	203	399	565	167	29%	651
Furniture and Office Equipment	766	651	-	203	399	565	167	29%	651
Machinery and Equipment	3,355	3,118	-	755	1,506	788	(718)	-91%	3,118
Machinery and Equipment	3,355	3,118	-	755	1,506	788	(718)	-91%	3,118
Transport Assets	6,645	3,384	-	1,434	2,848	1,410	(1,438)	-102%	3,384
Transport Assets	6,645	3,384	-	1,434	2,848	1,410	(1,438)	-102%	3,384
Total Depreciation	60,629	65,402	-	15,373	30,688	31,505	817	3%	65,402

Table SC13e: Quarterly Capital Expenditure on Upgrading of Existing Assets

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Second Quarter	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Capital expenditure on upgrading of existing assets by Asset Class									
Infrastructure	44,323	66,356	-	16,313	21,852	29,974	8,122	27%	66,356
Roads Infrastructure	43,487	65,356	-	16,313	21,852	29,388	7,536	26%	65,356
Roads	43,487	65,356	-	16,313	21,852	29,388	7,536	26%	65,356
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Drainage Collection	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-
MV Substations	-	-	-	-	-	-	-	-	-
MV Switching Stations	-	-	-	-	-	-	-	-	-
MV Networks	-	-	-	-	-	-	-	-	-
LV Networks	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	836	1,000	-	-	-	586	586	100%	1,000
Landfill Sites	836	1,000	-	-	-	586	586	100%	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	-	16,313	21,852	29,974	8,122	27%	66,356

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

List of Capital Projects

Department	Project Description	Type	Asset Class	Asset Sub-Class	2023/24 Medium Term Revenue and Expenditure Framework		
					Original Budget	YTD Actuals	Percentage
Community Services	Furniture and Office Equipment	Single	Furniture and Office Equipment	Furniture and Office Equipment	800,000	26,000	3%
	Machinery and Equipment	Single	Machinery and Equipment	Machinery and Equipment	100,000	96,753	97%
	Fencing of Roossenekal Landfill Site	Multi	Solid Waste Infrastructure	Landfill Sites	1,000,000	-	0%
Corporate Services	Computer Equipment	Multi	Computer Equipment	Computer Equipment	700,000	607,500	87%
	Furniture and Office Equipment	Single	Furniture and Office Equipment	Furniture and Office Equipment	300,000	251,950	84%
Technical Services	Groblerdal Stormwater	Single	Storm water Infrastructure	Drainage Collection	800,000	-	0%
	Upgrading of Hlogottlou-Bopanang Road	Multi	Roads Infrastructure	Roads	12,275,600	4,648,971	38%
	Upgrading of Kgobokwane-Kgaphamadi Road	Multi	Roads Infrastructure	Roads	20,580,400	6,182,294	30%
	Upgrading of Malaeneng A Ntwane Access Road	Multi	Roads Infrastructure	Roads	10,000,000	3,578,799	36%
	Upgrading of Mokumong Access Road to Marateng Taxi Rank	Multi	Roads Infrastructure	Roads	22,500,000	7,441,533	33%
	Electrification of Magukubjane	Single	Electrical Infrastructure	MV Networks	400,000	244,295	61%
	Electrification of Masakaneng	Multi	Electrical Infrastructure	MV Networks	8,000,000	2,881,046	36%
	Electrification of Motetema High view	Single	Electrical Infrastructure	MV Networks	2,000,000	368,164	18%
	Electrification of Phoko	Single	Electrical Infrastructure	MV Networks	1,400,000	268,645	19%
	Electrification of Phomola	Single	Electrical Infrastructure	MV Networks	2,000,000	1,543,844	77%
	Electrification of Vlakkfontein	Single	Electrical Infrastructure	MV Networks	1,000,000	250,274	25%
	Aircons	Single	Furniture and Office Equipment	Furniture and Office Equipment	174,000	-	0%
	Machinery and Equipment	Single	Machinery and Equipment	Machinery and Equipment	126,000	57,400	46%

Quality Certificate

I, **MAKGOKE WALTER MOHLALA**, the Acting Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the quarterly report and supporting documentation for the quarter ending 31 December 2023 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

