KOUGA MUNICIPALITY (EC108)

FINANCE PORTFOLIO COMMITTEE MEETING

FINANCE

DATE: **ITEM NO:**

……

MONTHLY BUDGET STATEMENTS FOR THE PERIOD OF JULY 2022 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 31 JULY 2022 (2022/23 FINANCIAL YEAR)

1. Purpose

This report is submitted in compliance with Section 71(1) of the Municipal Finance Management Act (MFMA) and the Municipal Budget and Reporting Regulations (MBRR).

2. Legislative Requirements

The Municipality is required to assess on an ongoing basis whether it collects sufficient revenue to meet its commitments, such as paying Employees, Councillors, Eskom, Nelson Mandela Bay Municipality, service providers etc.

In accordance with Section 71(1) of the MFMA, the Accounting Officer must by no later than 10 working days after the end of each month, submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.

In accordance with regulations 28 of the MBRR, the monthly budget statements of a municipality must be in the format specified in Schedule C.

3. Executive Summary

This report provides a balanced and consolidated financial performance overview to assist the Executive Mayor in his oversight role.

An analysis of the financial position and performance was undertaken to determine the relative financial strength and liquidity of the Municipality. This was complemented by analysing the cash flow position, the investment portfolio, ratios, the operating and capital budget performance for the months of July 2022, so as to facilitate an informed assessment of the relative liquidity and financial position of the Municipality

The financial performance highlights are as follows:

- Operating revenue amounted to R 204,407 million, whilst operating expenditure amounted to R 71,971 million, resulting in an operating surplus of R 132,436 million
- Capital expenditure constituted 2,44% of the 2022/23 Approved Capital Budget.
- Overdue consumer debts increased by R 2,598 million (1.00%) since July 2022.

- An amount of R 49,810 million is owing to creditors, of which R 43,536 million (87,40%) represents current creditors. Currently all outstanding creditors are not reflected on the creditors age analysis.
- The municipality's investment portfolio has increased by R 55,138,345 (198%) since June 2022, from R 27,850,138 to R 82,988,483.

Below is an analysis of the Investment Portfolio as at 31 July 2022.

31 JULY 2022						
	Balance as at 01 July 2022	**Invested**	**Interest**	**Withdrawals**	**Adjustments**	**Balance as at 31 July 2022**
Standard Bank	1 246 965	-	5 230	-		1 252 196
ABSA	1 223 022	-	4 080	-	-	1 227 102
Nedbank	1 225 308	-	5 039	-		1 230 347
RMB	4 883 568	31 286 551	32 476	49 551		36 153 043
INVESTEC	1 223 964	-	5 033	-		1 228 998
Total	**9 802 828**	**31 286 551**	**51 858**	**49 551**	**-**	**41 091 686**
INVESTMENT	**Balance as at 01 July 2022**	**Invested**	**Interest**	**Withdrawals**	**Adjustments**	**Balance as at 31 July 2022**
General Account	9 753 276	20 049 551	47 102	-	-	29 849 930
Conditional Grants	49 551	11 237 000	4 756	49 551	-	11 241 756
Housing Funds	0	-	-	-	-	0
Total	**9 802 828**	**31 286 551**	**51 858**	**(49 551)**	**-**	**41 091 686**
Cheque Accounts FNB 52540020791	4 850 118					4 410 147
Cheque Accounts FNB 52540033304	13 197 193					37 486 650
Cheque Accounts FNB 62682103591	-					
TOTAL	**27 850 138**	**31 286 551**	**51 858**	**- 49 551**	**-**	**82 988 483**

The following analysis indicates the extent to which the investments are committed:

Cash backed Reserves.

Bank Balances and Cash	R 41,896,797
Short-term Investment Deposits	R 41,091,686
	R82,988,483

Application of Cash

Unspent Conditional Grants	10,210,552
Internally Generated Funds (Capital commitments)	8,295,041
Outstanding Creditors Liability	49,809,892
	68,315,485
Reserves in excess of commitments	**14,672,998**

The cash backed reserves exceed commitments at this stage by an amount of R14,672,998. It should be noted the excess of reserves over commitments as at 31 July 2022, is mainly due to an amount of R63,683 millions in respect of the equitable share allocation received on 06 July 2022, but not yet fully spent. These funds are already committed towards spending in the 2022/23 operating budget.

The following key financial ratios are monitored on an on-going basis:

Ratio	Actuals as at 30 June 2020	Actuals as at 30 June 2021	Actuals as at 30 June 2022	MFMA Circular 71 Norms	Approved Budget 2022/23	Actuals as at 31 July 2022
Current Ratio	1.26:1	2.61:1	1.12:1	1.5:1 to 2:1	0.86:1	1.67:1
Liquidity Ratio	0.61:	0.45:1	0.24:1		0.04:1	0.70:1
Cost Coverage (Excluding unspent conditional grants)	1.79 Months	0.62 Months	0:37 Months	1 Month to 3 Months	0.06 Months	0.86 Months
Debtors Collection Rate	95.42%	94.41%	94.32%	95%	95%	114.37%
Capital Expenditure	75.33%	76.92%	87.00%		95%	2.44%

4. Detailed Reports

In order to comply with Schedule C of the Municipal Budget and Reporting Regulations, the following detailed schedules are attached for the period, ending 31 July 2022:

Annexure "A1" – Operating Revenue and Expenditure Performance

Annexure "A2" - Capital Budget Performance

Annexure "A3"- Projected Cash Flow Statement

Annexure "A4" – Municipal Monthly Budget Tables

Annexure "A5"- Analysis of Municipality's Statement of Financial Performance

i. Overview of Outstanding Consumer Debtors
ii. Overview of Creditors position
iii. Grants receipts and Expenditure
iv. Councillors & Employee benefits
v. Key performance Indicators

5. Recommendation

5.1 That the Executive Mayor notes Municipal Manager's report on the monthly budget statements, in accordance with Section 71(1) of the Municipal Finance Management Act.

5.2 That the monthly budget statements accordingly be submitted to Provincial Treasury as stipulated in Section 71(1) of the MFMA.

6. Municipal Manager's Quality Certificate

I, Charl Du Plessis, Municipal Manager of Kouga Local Municipality hereby certify that the monthly budget statements have been prepared in accordance with the Municipal Finance Management act and regulations made under the Act, and that monthly budget statements are consistent with the Integrated Development Plan of the municipality.

Print Name _Charl Du Plessis

Municipal Manager of Kouga Local Municipal

Signature……  ……..

Date……15 August 2022……..

Annexure "A1"

OVERVIEW OF OPERATING REVENUE AND EXPENDITURE PERFORMANCE FOR THE PERIOD OF JULY 2022.

Summary Statement of Financial Performance

Description	Budget Year 2022/23					
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance
R thousands						
Total Revenue (excluding capital transfers and contributions)	1 052 961	1 052 961	204 407	204 407	209 251	(4 845)
Total Expenditure	1 163 909	1 163 909	71 971	71 971	188 468	(116 498)
Surplus/(Deficit)	(110 948)	(110 948)	132 436	132 436	20 783	111 653

The statement of financial performance reflects an operating surplus of R132,436 million.

Revenue

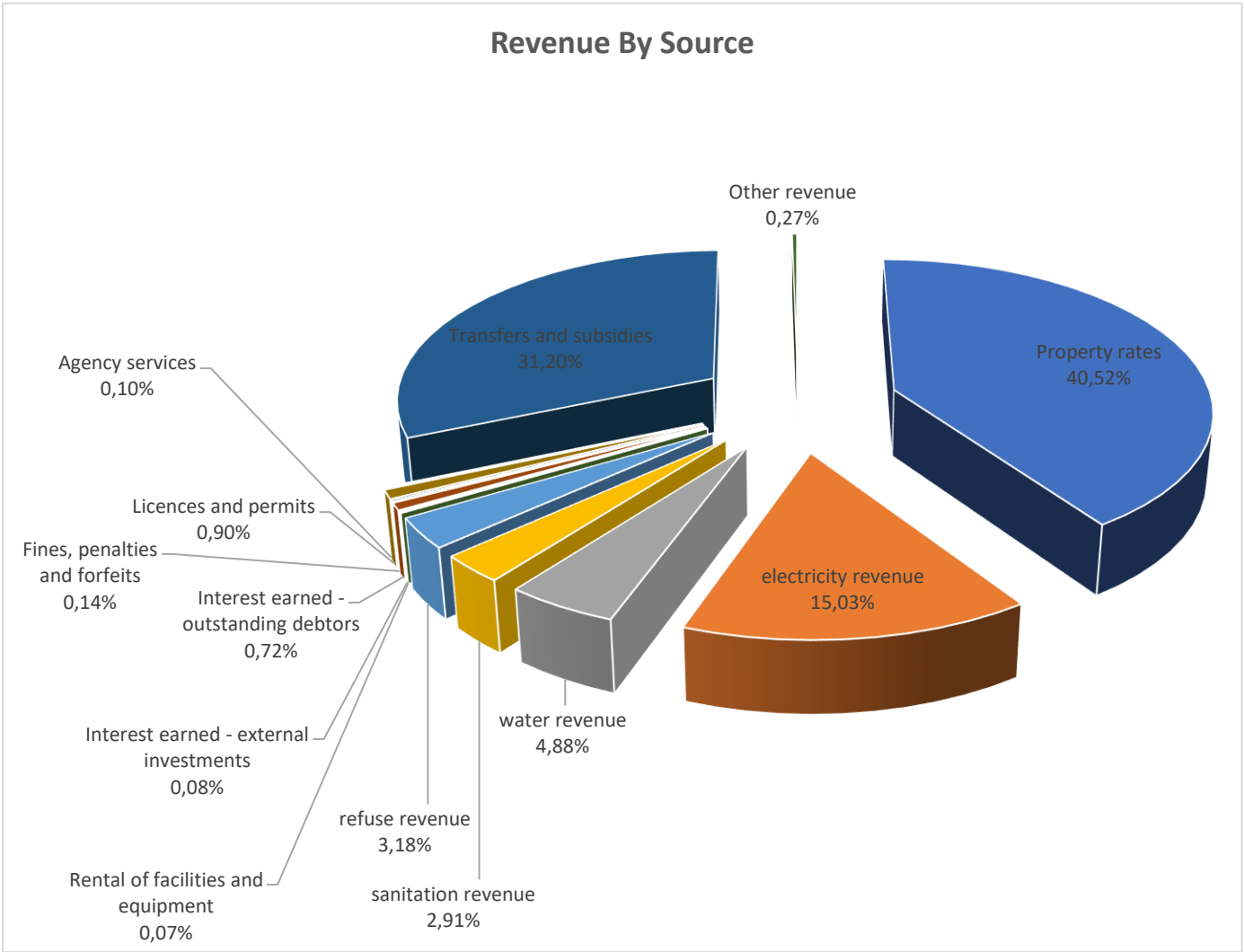
Main revenue sources for 2022/23

Description	Budget Year 2022/23		
	Original Budget	YearTD actual	YTD variance
R thousands			**%**
Revenue By Source			
Property rates	240 849	82 819	34,39%
Service charges - electricity revenue	371 804	30 719	8,26%
Service charges - water revenue	89 362	9 985	11,17%
Service charges - sanitation revenue	62 796	5 939	9,46%
Service charges - refuse revenue	62 858	6 509	10,36%
Rental of facilities and equipment	2 968	147	4,94%
Interest earned - external investments	2 811	168	5,98%
Interest earned - outstanding debtors	13 706	1 464	10,68%
Fines, penalties and forfeits	1 842	284	15,41%
Licences and permits	8 397	1 831	21,81%
Agency services	5 352	211	3,95%
Transfers and subsidies	177 920	63 780	35,85%
Other revenue	12 298	551	4,48%
Total Revenue (excluding capital transfers and contributions)	**1 052 961**	**204 407**	**19,41%**

Reasons for major over-/under-recovery per revenue source

- **Property Rates**
  As at July 2022, the municipality has recognised 34.39% of property rates revenue, compared to the budget. This is influenced by annual property rates raised in July 2022.

- **Licences and permits**
  Licence and permits mostly relates to motor registrations and is influenced by the extent of vehicle registrations.
- **Transfers and subsidies**
  Transfers and subsidies are largely influenced by the equitable share allocation received on 06 July 2022 amounting to R 63,683 million.



Expenditure

Main expenditure types for 2022/23

Description	Budget Year 2022/23		
	Original Budget	YearTD actual	YTD variance
R thousands			%
Expenditure By Type			
Employee related costs	391 318	27 062	6,92%
Remuneration of councillors	14 364	1 570	10,93%
Debt impairment	42 069	2 171	5,16%
Depreciation & asset impairment	103 850	–	0,00%
Bulk purchases – electricity	325 900	32 927	10,10%
Inventory consumed	74 648	3 154	4,23%
Contracted services	93 375	1 264	1,35%
Transfers and subsidies	400	–	0,00%
Other expenditure	117 984	3 822	3,24%
Total Expenditure	**1 163 909**	**71 971**	**6,18%**

Reasons for major over-/under expenditure per type

- **Depreciation & asset impairment**
  The depreciation & asset impairment is calculated in line with the municipal asset register.
- **Transfers and subsidies**
  Transfers and subsidies relate to grant-in-aid given by the municipality to various non-profit organisations, in line with the Council approved grant-in-aid policy.

- **Bulk purchases (Electricity)**

Description	Budget Year 2022/23		
	Origin Budget	YearTD actual	%
R thousands			
Bulk purchases – Electricity	325 900 000	32 927 266	10,10%
	325 900 000	**32 927 266**	**10,10%**

- **Contracted Services**
  Contracted services mostly relate to outsourced work, in relation to the maintenance of municipal infrastructure assets and includes consultation fees.

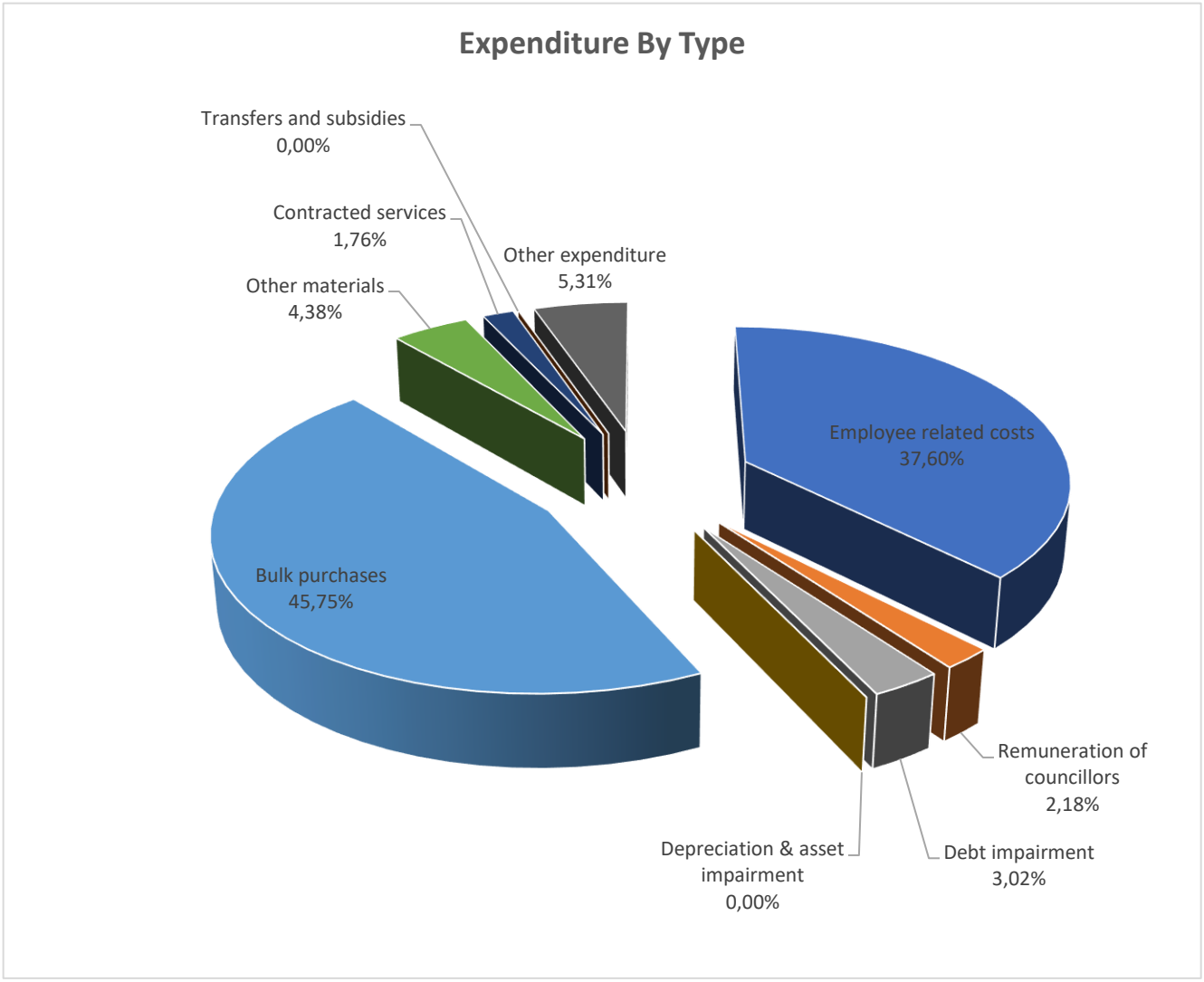
Contracted services are broken down as follows:

Item Description	Adjusted Budget 2022/23	Actuals as at 31 July 2022	%
Amanzi Challenge National Tournament	300 000	-	0,00%
Animal Care	475 000	-	0,00%
Audit of Municipal Land & Properties	500 000	-	0,00%
Boreholes Investigation - Thornhill	1 300 000	-	0,00%
Burial Services	230 000	-	0,00%
Catering Services	597 500	9 169	1,53%
Clearing and Grass Cutting Services	1 650 000	-	0,00%
Consultants and Professional Services	5 194 892	- 20 507	-0,39%
Destination Marketing and Promotion	200 000	-	0,00%
Drivers Licence Cards	500 000	-	0,00%
Dune Stabilisation	2 000 000	-	0,00%
Electricity Generation Project	1 200 000	-	0,00%
Employee Wellness	400 000	13 390	3,35%
Event Promoters	100 000	1 947	1,95%
FMG-AFS Support	443 478	-	0,00%
Hankey Precinct Plan Development	1 000 000	-	0,00%
Housing Panel of Professional Team	250 000	-	0,00%
Internal Auditors	120 000	-	0,00%
Ironman Tournament	1 000 000	-	0,00%
Jbay Precint Plan Implementation	2 000 000	-	0,00%
KLTO	500 000	-	0,00%
Kouga Tourism Indaba	200 000	-	0,00%
Laboratory Services:Water	580 000	-	0,00%
Land Availability and Readiness for Strategic Projects	200 000	-	0,00%
Land Valuations, Surveyor & Planning Services	500 000	-	0,00%
Legal Advice and Litigation	5 400 000	434 188	8,04%
Legal Cost:Collection	700 000	-	0,00%
Litter Picking and Street Cleaning	800 000	-	0,00%
Maintenance of Buildings and Facilities	5 945 000	-	0,00%
Maintenance of Electrical Infrastructure	2 650 000	-	0,00%
Maintenance of Equipment	1 206 100	1 103	0,09%
Maintenance of Sanitation Infrastructure	1 400 256	9 404	0,67%
Maintenance of Vehicles	8 044 584	207 454	2,58%
Maintenance of Water Infrastructure	1 291 830	-	0,00%
Media Monitoring	250 000	-	0,00%
Occupational Health and Safety	1 267 850	-	0,00%
Other Contracted Services	1 140 000	42 183	3,70%
Personnel and Labour	12 230 310	2 619	0,02%
Qualification Verification	500 000	-	0,00%
Roads Maintenance	10 255 000	-	0,00%
Security Services	3 100 000	28 027	0,90%
Special Rating Area	9 270 034	534 923	5,77%
Summer Festival	630 000	-	0,00%
Township Events	200 000	-	0,00%
Transport Services	400 000	-	0,00%
Valuer	3 000 000	-	0,00%
Water Saving Initiatives	255 000	-	0,00%
Winterfest	1 500 000	-	0,00%
Yellow Wood Annual Jazz Festival	500 000	-	0,00%
Total	**93 376 834**	**1 263 899**	**1,35%**

- **Other Expenditure**

The other expenditure is broken down as follows:

Item Description	Adjusted Budget 2022/23	Actuals as at 31 July 2022	%
Achievements and Awards	1 580 000	17 248	1,09%
Advertising, Publicity and Marketing	2 156 000	76 347	3,54%
Bank Charges	750 000	- 66 293	-8,84%
Bargaining Council	3 300 000	-	0,00%
Cellular Contract (Subscription and Calls)	2 894 907	201 989	6,98%
Claims paid to Third Parties	300 000	6 890	2,30%
External Audit Fees	4 500 000	-	0,00%
External Computer Service:Internet Charge	3 500 000	355 990	10,17%
Hire Charges	5 898 100	284 780	4,83%
Insurance Claims	1 200 000	-	0,00%
Insurance Underwriting:Premiums	3 745 026	-	0,00%
Leases:Furniture and Office Equipment	2 971 216	262 847	8,85%
Leases:Other Assets	3 963 740	628 743	15,86%
Leases:Transport Assets	15 044 210	487 769	
Motor Vehicle Licence and Registrations	1 605 030	41 999	2,62%
Municipal Services	32 187 728	64 015	0,20%
Other	700 000	-	0,00%
Postage/Stamps/Franking Machines	1 340 000	139 131	10,38%
Printing, Publications and Books	988 725	44 263	4,48%
Registration Fees:Professional and Regulatory Bodies	241 225	-	0,00%
Registration Fees:Seminars, Conferences, Workshops	2 427 057	-	0,00%
Remuneration to Ward Committees	2 241 923	312 208	13,93%
Riparian Levies	3 280 241	-	0,00%
Signage	635 518	18 612	2,93%
Skills Development Fund Levy	3 398 919	277 298	8,16%
Software Licences	2 410 300	34 842	1,45%
Storage of Files (Archiving)	500 000	-	0,00%
Supplier Development Programme	100 000	-	0,00%
Third Party Vendors	5 500 000	68 601	1,25%
Travel and Subsistence	2 698 206	39 742	1,47%
Uniform and Protective Clothing	3 395 852	295 643	8,71%
Vehicle Tracking	754 565	72 722	9,64%
Workmen''s Compensation Fund	1 774 003	156 758	8,84%
Total	**117 982 491**	**3 822 145**	**3,24%**



Repairs and Maintenance

Below is an analysis of actual repairs and maintenance expenditure, compared to the 2022/23 Approved Budget.

Item Description	Budget Year 2022/23		
	Adjusted Budget	Actuals as at 31 July 2022	%
Maintenance of Equipment	1 561 100	36 332	2,33%
Maintenance of Vehicles	9 412 159	373 849	3,97%
Maintenance of Buildings and Facilities	5 712 760	27 310	0,48%
Maintenance of Water Infrastructure	6 280 830	249 009	3,96%
Roads Maintenance	11 018 775	-	0,00%
Sport and Recreation Facilities	1 750 000	5 474	0,31%
Maintenance of Electrical Infrastructure	7 700 000	337 730	4,39%
Maintenance of Sanitation Infrastructure	3 925 256	53 524	1,36%
Hire Charges	2 335 000	948	0,04%
Total	**49 695 880**	**1 084 175**	**2,18%**

It is to be noted that actual repairs and maintenance expenditure constituted 2,18% of the 2022/23 Approved Budget.

Annexure "A2"

CAPITAL BUDGET PERFORMANCE

Summary Capital Expenditure and Funding

Vote Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Funded by:									
National Government	50 835	29 649	29 649	867	867	600	267	44%	29 649
Provincial Government	–	–	–	–	–	–	–		–
District Municipality	1 600	1 638	1 638	–	–	–	–		1 638
Other transfers and grants	–	–	–	–	–	–	–		–
Transfers recognised - capital	**52 435**	**31 287**	**31 287**	**867**	**867**	**600**	**267**	**44%**	**31 287**
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	29 880	8 398	8 398	103	103	615	(512)	-83%	8 398
Total Capital Funding	**82 315**	**39 685**	**39 685**	**970**	**970**	**1 215**	**(245)**	**-20%**	**39 685**

The capital expenditure as at 31 July 2022, constituted 2.44% of approved capital budget and the funding is broken down as follows:

- Grant funding is 2.77% of approved grant funding budget.
- Internally generated funds are 1.23% of approved internal funds budget.

Capital budget by municipal vote for 2022/23

Vote Description	Budget Year 2022/23				
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	%
R thousands					
Multi-Year expenditure appropriation					
Vote 1 - EXECUTIVE COUNCIL	750	750	(3)	(3)	-0,47%
Vote 2 - FINANCIAL SERVICES	1 730	1 730	108	108	6,24%
Vote 4 - COMMUNITY SERVICES	1 638	1 638	–	–	0,00%
Vote 5 - INFRASTRUCTURE AND ENGINEERING	35 567	35 567	867	867	2,44%
Total Capital Multi-year expenditure	**39 685**	**39 685**	**970**	**970**	**2,44%**

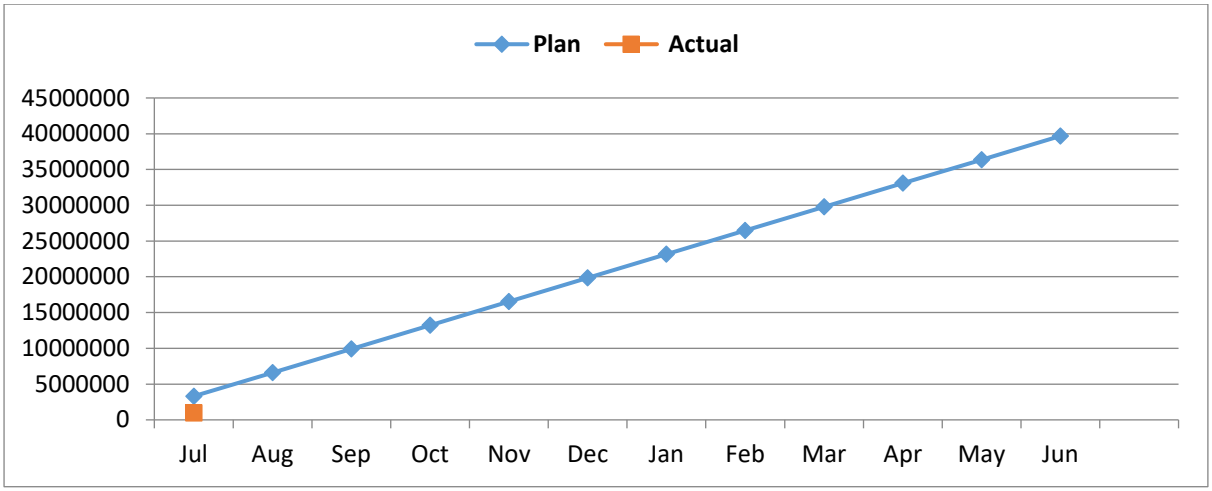
The capital expenditure as at 31 July 2022, constituted 2.44% of approved capital budget.

The capital expenditure is broken down per directorate as follows:

- Executive & Council is 0.47% of R 0,750 million budget.
- Financial Services is 6.24% of R1,730 million budget.
- Community Services is 0.00% of R 1,638 million budget.
- Infrastructure & Engineering is 2.44% of R 35,567 million budget.

Monthly capital expenditure

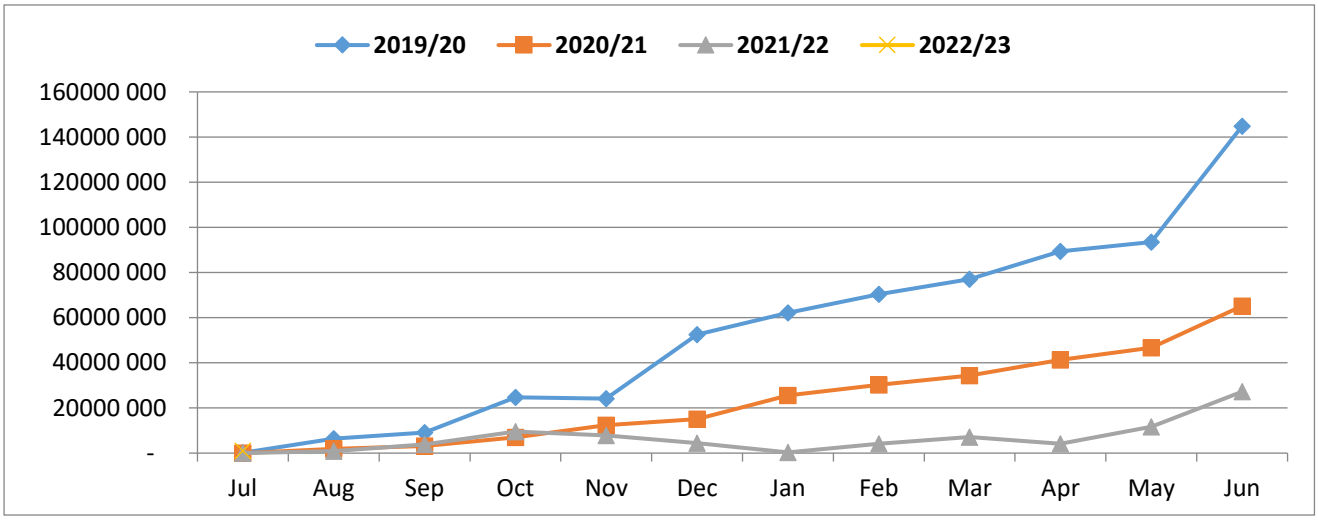
The graph below reflects the municipality's monthly capital expenditure to date measured against the 2022/23 current budget.



Capital expenditure trend over the current- and past two years

The graph below shows the municipality's capital expenditure trend for 2019/20, 2020/21,

2021/22 and 2022/23.



Status of capital programmes/projects in the Municipality as at 31 July 2022.

DIRECTORATES	DEPARTMENT	FUNDING	PROJECTS	PROJECT NR	Original Budget 2022/23	Actuals as at 31 July 2022
COMMUNITY SERVICES	FIRE SERVICES	DISTRICT	Fire Vehicle	FT911	1 638 000	-
					1 638 000	**-**
EXECUTIVE & COUNCIL	WARD COUNCILLORS	Internal	Ward councilors Capital project	PC_65	750 000	-
					750 000	**-**
FINANCE	EXPENDITURE	Internal	Furniture and equipment	PC048	30 000	-
FINANCE	ASSET MANAGEMENT	Internal	AIR CONDITIONERS-WHOLE OF MUNICIPALITY	PC22601	650 000	-
FINANCE	ASSET MANAGEMENT	Internal	Furniture and equipment	PC048	30 000	-
FINANCE	Finance: IT	Internal	Computer Equipment	CP_4	1 020 000	107 953
					1 730 000	**107 953**
INFRASTRUCTURE & ENGINEERING	Electricity	Internal	Saffery Substation	CP7_ELC	1 023 347	-
INFRASTRUCTURE & ENGINEERING	Water	Internal	Repair Leaking Concrete Water Tower Paradise Beach	CP_4WAT	501 966	-
INFRASTRUCTURE & ENGINEERING	Water	Internal	Replace 250mm Water Main Mimosa Street Jbay	CP6_WAT	405 488	-
INFRASTRUCTURE & ENGINEERING	Sewerage	Internal	New bypass Sewer Rising Main and Pump Stations Jba	CP5_SW	1 195 528	-
INFRASTRUCTURE & ENGINEERING	Sewerage	Internal	Upgrade Sewer Rising Mains Jbay (La Mer-4A-4B) Pre	CP4_SW	902 858	-
INFRASTRUCTURE & ENGINEERING	Sewerage	Internal	Piped Reticulation - St Francis Bay	CP7_SEW	355 829	-
INFRASTRUCTURE & ENGINEERING	METERING & REVENUE	Internal	Bulk 66kv Overhead lines	CP66KV	715 068	-
INFRASTRUCTURE & ENGINEERING	Sewerage	MIG	Upgrade Sanitation System Old Hankey	PC_012	18 440 235	357 035
INFRASTRUCTURE & ENGINEERING	SEWERAGE	Internal	Upgrade Loerie sewer pump station	CP_3SW	418 318	-
INFRASTRUCTURE & ENGINEERING	ROADS AND STORMWATER	MIG	Upgrading of Gravel Roads in Humansdorp	PC_075	6 687 112	509 835
INFRASTRUCTURE & ENGINEERING	PROJECT MANAGEMENT UNIT (PMU)	MIG	Upgrading of Sports Facilities	CP_74	4 521 739	-
INFRASTRUCTURE & ENGINEERING	PROJECT MANAGEMENT UNIT (PMU)	Internal	Mini Fresh Food and Craft Markets in Jbay & Hankey	CP_369	400 000	-
					35 567 488	**866 870**
				Total	**39 685 488**	**974 823**

Annexure "A3"

PROJECTED CASH FLOW STATEMENT FOR THE 2022/23 FINANCIAL YEAR

Projected Cash Flow Statement as at 31 July 2022

The purpose of the cash flow statement is to compare the cash inflows (receipts) with the cash outflows (payments), so as to ascertain the adequacy of the cash inflows to cover the cash outflows.

Table C7 Monthly Budget Statement – Cash Flow – M01 July 2022

Description	Ref	2021/22	Budget Year 2022/23							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		490 993	230 449	230 449	18 120	18 120	19 204	(1 084)	-6%	230 449
Service charges		238 396	652 478	652 478	37 644	37 644	54 373	(16 729)	-31%	652 478
Other revenue		22 231	57 445	57 445	7 938	7 938	4 787	3 151	66%	57 445
Transfers and Subsidies - Operational		147 988	177 920	177 920	63 683	63 683	14 827	48 856	330%	177 920
Transfers and Subsidies - Capital		–	35 734	35 734	11 237	11 237	2 978	8 259	277%	35 734
Interest		838 200	2 811	2 811	1 632	1 632	234	1 397	597%	2 811
Dividends		–	–	–	–	–		–		
Payments										
Suppliers and employees		148 863	(1 115 817)	(1 115 817)	(83 994)	(83 994)	(92 985)	(8 990)	10%	(1 115 817)
Finance charges		–	–	–				–		–
Transfers and Grants		–	–	–				–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**1 886 671**	**41 019**	**41 019**	**56 259**	**56 259**	**3 418**	**(52 841)**	**-1546%**	**41 019**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(3 722)	(39 685)	(39 685)	(1 121)	(1 121)	(3 307)	(2 186)	66%	
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(3 722)**	**(39 685)**	**(39 685)**	**(1 121)**	**(1 121)**	**(3 307)**	**(2 186)**	**66%**	**–**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		23 673						–		
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**23 673**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**1 906 621**	**1 334**	**1 334**	**55 138**	**55 138**	**111**			**41 019**
Cash/cash equivalents at beginning:		53 394	4 105	4 105		27 850	4 105			27 850
Cash/cash equivalents at month/year end:		1 960 016	5 439	5 439		82 988	4 216			68 869

MUNICIPAL MONTHLY BUDGET TABLES

1. MONTHLY BUDGET TABLES

The seven main budget tables, as required in terms of the Municipal Budget and Reporting Regulations, are included in this section of the report. These tables set out the Municipality's 2022/23 budget performance for the period of July 2022 and are to be noted. Each table is accompanied by explanatory notes.

Table C1 Monthly Budget Statement Summary – M01 July 2022

Description	2021/22	Budget Year 2022/23							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	224 326	240 849	240 849	82 819	82 819	86 207	(3 388)	-4%	240 849
Service charges	499 083	586 820	586 820	53 152	53 152	48 902	4 251	9%	586 820
Investment revenue	3 224	2 811	2 811	168	168	244	(76)	-31%	2 811
Transfers and subsidies	153 880	177 920	177 920	63 780	63 780	70 099	(6 320)	-9%	177 920
Other own revenue	51 656	44 562	44 562	4 488	4 488	3 799	689	18%	44 562
Total Revenue (excluding capital transfers and contributions)	**932 170**	**1 052 961**	**1 052 961**	**204 407**	**204 407**	**209 251**	**(4 845)**	**-2%**	**1 052 961**
Employee costs	328 419	391 318	391 318	27 062	27 062	31 154	(4 092)	-13%	391 318
Remuneration of Councillors	13 457	14 364	14 364	1 570	1 570	1 197	373	31%	14 364
Depreciation & asset impairment	81 004	103 850	103 850	–	–	103 553	(103 553)	-100%	103 850
Finance charges	330	–	–	–	–	–	–		–
Materials and bulk purchases	383 767	400 548	400 548	36 082	36 082	33 741	2 340	7%	400 548
Transfers and subsidies	458	400	400	–	–	–	–		400
Other expenditure	190 298	253 428	253 428	7 257	7 257	18 822	(11 566)	-61%	253 428
Total Expenditure	**997 732**	**1 163 909**	**1 163 909**	**71 971**	**71 971**	**188 468**	**(116 498)**	**-62%**	**1 163 909**
Surplus/(Deficit)	**(65 562)**	**(110 948)**	**(110 948)**	**132 436**	**132 436**	**20 783**	**111 653**	**537%**	**(110 948)**
Transfers and subsidies - capital (monetary allocations)	59 620	35 734	35 734	997	997	9 284	(8 288)	-89%	35 734
Contributions & Contributed assets	20	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(5 922)**	**(75 214)**	**(75 214)**	**133 433**	**133 433**	**30 067**	**103 366**	**344%**	**(75 214)**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(5 922)**	**(75 214)**	**(75 214)**	**133 433**	**133 433**	**30 067**	**103 366**	**344%**	**(75 214)**
Capital expenditure & funds sources									
Capital expenditure	**82 345**	**39 685**	**39 685**	**970**	**970**	**1 215**	**(245)**	**-20%**	**39 685**
Capital transfers recognised	52 435	31 287	31 287	867	867	600	267	44%	31 287
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**29 880**	**8 398**	**8 398**	**103**	**103**	**615**	**(512)**	**-83%**	**8 398**
Total sources of capital funds	**82 315**	**39 685**	**39 685**	**970**	**970**	**1 215**	**(245)**	**-20%**	**39 685**
Financial position									
Total current assets	338 913	132 996	132 996		197 878				132 996
Total non current assets	2 297 580	2 253 988	2 253 988		2 316 760				2 253 988
Total current liabilities	274 590	154 904	154 904		118 330				154 904
Total non current liabilities	176 382	191 375	191 375		176 381				191 375
Community wealth/Equity	**2 191 570**	**2 040 704**	**2 040 704**		**2 219 927**				**2 040 704**
Cash flows									
Net cash from (used) operating	1 886 671	41 019	41 019	56 259	56 259	3 418	(52 841)	-1546%	41 019
Net cash from (used) investing	(3 722)	(39 685)	(39 685)	(1 121)	(1 121)	(3 307)	(2 186)	66%	–
Net cash from (used) financing	23 673	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**1 960 016**	**5 439**	**5 439**	**–**	**82 988**	**4 216**	**(78 772)**	**-1868%**	**68 869**
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	–	–	–	–	–	–	–	–	–
Creditors Age Analysis									
Total Creditors	43 536	6 341	278	15	16	19	84	(481)	49 810

Explanatory notes to Table C 1 – Monthly Budget Summary

The aim of the Budget Summary is to provide a concise overview of the actual budget performance from all of the major financial perspective (operating expenditure, capital expenditure, financial position, cash flow, and MFMA funding compliance).

The table provides an overview of the actual amounts spent compared to the monthly budget projections within the context of operating performance, resources utilised for capital expenditure, financial position, cash and funding compliance.

Table C2 Monthly Budget Statement – Financial Performance (standard classification) – M01 July 2022

Description	Ref	2021/22	Budget Year 2022/23							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		**337 716**	**361 880**	**361 880**	**147 376**	**147 376**	**98 331**	49 045	50%	**361 880**
Executive and council		464	342	342	43	43	30	13	43%	342
Finance and administration		337 252	361 539	361 539	147 334	147 334	98 302	49 032	50%	361 539
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**14 184**	**16 365**	**16 365**	**1 535**	**1 535**	**1 573**	(38)	-2%	**16 365**
Community and social services		2 469	2 508	2 508	42	42	40	2	5%	2 508
Sport and recreation		7 082	9 017	9 017	1 485	1 485	784	701	89%	9 017
Public safety		1 654	1 652	1 652	1	1	1	(0)	-21%	1 652
Housing		–	–	–	–	–	–	–		–
Health		2 979	3 187	3 187	7	7	748	(741)	-99%	3 187
Economic and environmental services		**16 402**	**38 750**	**38 750**	**1 097**	**1 097**	**6 255**	(5 158)	-82%	**38 750**
Planning and development		7 660	6 754	6 754	447	447	920	(473)	-51%	6 754
Road transport		7 341	6 527	6 527	481	481	446	35	8%	6 527
Environmental protection		1 402	25 469	25 469	170	170	4 889	(4 720)	-97%	25 469
Trading services		**623 508**	**671 701**	**671 701**	**55 395**	**55 395**	**112 376**	(56 981)	-51%	**671 701**
Energy sources		329 371	379 734	379 734	30 830	30 830	37 855	(7 025)	-19%	379 734
Water management		109 774	114 284	114 284	10 491	10 491	27 883	(17 392)	-62%	114 284
Waste water management		106 034	109 397	109 397	7 174	7 174	25 001	(17 827)	-71%	109 397
Waste management		78 329	68 285	68 285	6 900	6 900	21 637	(14 737)	-68%	68 285
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Revenue - Functional	2	**991 810**	**1 088 696**	**1 088 696**	**205 404**	**205 404**	**218 536**	**(13 132)**	**-6%**	**1 088 696**
Expenditure - Functional										
Governance and administration		**220 115**	**252 416**	**252 416**	**15 101**	**15 101**	**25 954**	(10 853)	-42%	**252 416**
Executive and council		49 529	54 099	54 099	3 681	3 681	4 538	(857)	-19%	54 099
Finance and administration		170 566	198 047	198 047	11 419	11 419	21 398	(9 979)	-47%	198 047
Internal audit		20	270	270	1	1	18	(17)	-96%	270
Community and public safety		**96 417**	**111 512**	**111 512**	**6 167**	**6 167**	**10 428**	(4 261)	-41%	**111 512**
Community and social services		9 661	12 180	12 180	604	604	1 382	(778)	-56%	12 180
Sport and recreation		50 548	56 704	56 704	2 756	2 756	4 804	(2 048)	-43%	56 704
Public safety		25 178	28 610	28 610	1 963	1 963	2 833	(870)	-31%	28 610
Housing		5 149	6 627	6 627	351	351	850	(499)	-59%	6 627
Health		5 881	7 391	7 391	493	493	558	(66)	-12%	7 391
Economic and environmental services		**116 562**	**163 774**	**163 774**	**5 074**	**5 074**	**52 056**	(46 982)	-90%	**163 774**
Planning and development		32 296	29 222	29 222	1 601	1 601	2 331	(730)	-31%	29 222
Road transport		81 698	111 957	111 957	2 616	2 616	48 198	(45 582)	-95%	111 957
Environmental protection		2 568	22 594	22 594	857	857	1 527	(669)	-44%	22 594
Trading services		**561 041**	**629 886**	**629 886**	**45 601**	**45 601**	**99 838**	(54 236)	-54%	**629 886**
Energy sources		334 453	408 286	408 286	35 720	35 720	40 099	(4 379)	-11%	408 286
Water management		99 456	99 688	99 688	3 691	3 691	22 859	(19 168)	-84%	99 688
Waste water management		66 862	71 306	71 306	2 865	2 865	30 379	(27 514)	-91%	71 306
Waste management		60 271	50 606	50 606	3 325	3 325	6 501	(3 176)	-49%	50 606
Other		**3 725**	**6 322**	**6 322**	**27**	**27**	**192**	**(165)**	**-86%**	**6 322**
Total Expenditure - Functional	3	**997 860**	**1 163 909**	**1 163 909**	**71 971**	**71 971**	**188 468**	**(116 498)**	**-62%**	**1 163 909**
Surplus/ (Deficit) for the year		**(6 049)**	**(75 214)**	**(75 214)**	**133 433**	**133 433**	**30 067**	**103 366**	**344%**	**(75 214)**

Explanatory notes to Table C2 – Budgeted Financial Performance (revenue and expenditure by standard classification)

The standard classification refers to a modified Government Finance Statistics (GFS) reporting structure. The aim of the standard classification approach is to ensure that all municipalities report their operations in one common format, to facilitate comparison across all municipalities.

Table C3 Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote – M01 July 2022

Vote Description	Ref	2021/22	Budget Year 2022/23							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - EXECUTIVE COUNCIL		354	–	0	–	–	–	–		0
Vote 2 - FINANCIAL SERVICES		335 211	358 424	358 424	147 057	147 057	98 037	49 020	50,0%	358 424
Vote 3 - CORPORATE SERVICES		763	975	975	43	43	85	(42)	-49,7%	975
Vote 4 - COMMUNITY SERVICES		101 015	117 205	117 205	9 354	9 354	28 690	(19 336)	-67,4%	117 205
Vote 5 - INFRASTRUCTURE AND ENGINEERING		549 311	607 132	607 132	48 602	48 602	91 293	(42 691)	-46,8%	607 132
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		5 156	4 960	4 960	348	348	431	(83)	-19,3%	4 960
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**991 810**	**1 088 696**	**1 088 696**	**205 404**	**205 404**	**218 536**	**(13 132)**	**-6,0%**	**1 088 696**
Expenditure by Vote	1									
Vote 1 - EXECUTIVE COUNCIL		53 400	58 894	58 894	4 093	4 093	4 919	(826)	-16,8%	58 894
Vote 2 - FINANCIAL SERVICES		90 947	98 012	98 012	5 439	5 439	9 459	(4 020)	-42,5%	98 012
Vote 3 - CORPORATE SERVICES		41 226	43 178	43 178	2 687	2 687	4 252	(1 565)	-36,8%	43 178
Vote 4 - COMMUNITY SERVICES		198 011	230 145	230 145	13 171	13 171	22 566	(9 395)	-41,6%	230 145
Vote 5 - INFRASTRUCTURE AND ENGINEERING		589 574	695 979	695 979	44 820	44 820	144 287	(99 467)	-68,9%	695 979
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		24 701	37 702	37 702	1 761	1 761	2 979	(1 218)	-40,9%	37 702
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**997 860**	**1 163 909**	**1 163 909**	**71 971**	**71 971**	**188 462**	**(116 492)**	**-61,8%**	**1 163 909**
Surplus/ (Deficit) for the year	2	**(6 049)**	**(75 214)**	**(75 214)**	**133 433**	**133 433**	**30 073**	**103 360**	**343,7%**	**(75 214)**

Explanatory notes to Table C3 – Budgeted Financial Performance (revenue and expenditure by municipal vote)

The purpose of the format in which the monthly budget reporting table is represented, is to enable the Council to enforce a vote in accordance with the municipality's organisational structure, so as to assign responsibility for the revenue and expenditure recorded against these votes to the Municipal Manager and Directors concerned.

Operating revenue and expenditure is thus presented by "vote". A "vote" is defined as one of the main segments into which a budget of a municipality is divided into, for the appropriation of funds.

Table C4 Monthly Budget Statement – Financial Performance (revenue and expenditure) – M01 July 2022

Description	Ref	2021/22	Budget Year 2022/23							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source										
Property rates		224 326	240 849	240 849	82 819	82 819	86 207	(3 388)	-4%	240 849
Service charges - electricity revenue		314 147	371 804	371 804	30 719	30 719	30 984	(265)	-1%	371 804
Service charges - water revenue		73 645	89 362	89 362	9 985	9 985	7 447	2 538	34%	89 362
Service charges - sanitation revenue		56 405	62 796	62 796	5 939	5 939	5 233	706	13%	62 796
Service charges - refuse revenue		54 886	62 858	62 858	6 509	6 509	5 238	1 271	24%	62 858
Rental of facilities and equipment		3 094	2 968	2 968	147	147	258	(111)	-43%	2 968
Interest earned - external investments		3 224	2 811	2 811	168	168	244	(76)	-31%	2 811
Interest earned - outstanding debtors		13 878	13 706	13 706	1 464	1 464	1 148	315	27%	13 706
Dividends received		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		1 388	1 842	1 842	284	284	154	130	85%	1 842
Licences and permits		9 593	8 397	8 397	1 831	1 831	730	1 101	151%	8 397
Agency services		2 560	5 352	5 352	211	211	446	(235)	-53%	5 352
Transfers and subsidies		153 880	177 920	177 920	63 780	63 780	70 099	(6 320)	-9%	177 920
Other revenue		21 136	12 298	12 298	551	551	1 063	(512)	-48%	12 298
Gains		7	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**932 170**	**1 052 961**	**1 052 961**	**204 407**	**204 407**	**209 251**	**(4 845)**	**-2%**	**1 052 961**
Expenditure By Type										
Employee related costs		328 419	391 318	391 318	27 062	27 062	31 154	(4 092)	-13%	391 318
Remuneration of councillors		13 457	14 364	14 364	1 570	1 570	1 197	373	31%	14 364
Debt impairment		5 024	42 069	42 069	2 171	2 171	3 506	(1 335)	-38%	42 069
Depreciation & asset impairment		81 004	103 850	103 850	–	–	103 553	(103 553)	-100%	103 850
Finance charges		330	–	–	–	–	–	–		–
Bulk purchases - electricity		295 222	325 900	325 900	32 927	32 927	27 158	5 769	21%	325 900
Inventory consumed		88 545	74 648	74 648	3 154	3 154	6 583	(3 429)	-52%	74 648
Contracted services		75 708	93 375	93 377	1 264	1 264	6 504	(5 240)	-81%	93 377
Transfers and subsidies		458	400	400	–	–	–	–		400
Other expenditure		89 613	117 984	117 982	3 822	3 822	8 813	(4 991)	-57%	117 982
Losses		19 953	–	–	–	–	–	–		–
Total Expenditure		**997 732**	**1 163 909**	**1 163 909**	**71 971**	**71 971**	**188 468**	**(116 498)**	**-62%**	**1 163 909**
Surplus/(Deficit)		**(65 562)**	**(110 948)**	**(110 948)**	**132 436**	**132 436**	**20 783**	**111 653**	**0**	**(110 948)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		59 620	35 734	35 734	997	997	9 284	(8 288)	**(0)**	35 734
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		20	–	–	–	–	–	–		–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(5 922)**	**(75 214)**	**(75 214)**	**133 433**	**133 433**	**30 067**			**(75 214)**
Taxation		–	–	–	–	–	–	–		–
Surplus/(Deficit) after taxation		**(5 922)**	**(75 214)**	**(75 214)**	**133 433**	**133 433**	**30 067**			**(75 214)**
Attributable to minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**(5 922)**	**(75 214)**	**(75 214)**	**133 433**	**133 433**	**30 067**			**(75 214)**
Share of surplus/ (deficit) of associate		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**(5 922)**	**(75 214)**	**(75 214)**	**133 433**	**133 433**	**30 067**			**(75 214)**

Explanatory notes to Table C4 – Budgeted Financial Performance (revenue and expenditure)

The Financial Performance Budget is required to be approved concurrently by revenue source and expenditure type, so as to ensure consistency with annual reporting format requirements. A key aim is to facilitate comparison between the monthly results, the monthly budget-to-date projections and the original budget, so as to assess performance.

Table C5 Monthly Budget Statement – Capital Expenditure (municipal vote, standard classification and funding) – M01 July 2022

Vote Description	Ref	2021/22	Budget Year 2022/23							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 1 - EXECUTIVE COUNCIL		2 077	–	–	(2)	(2)	–	(2)	#DIV/0!	–
Vote 2 - FINANCIAL SERVICES		2 380	1 670	1 670	108	108	54	54	99%	1 670
Vote 3 - CORPORATE SERVICES		1 800	–	–	–	–	–	–		–
Vote 4 - COMMUNITY SERVICES		5 550	1 638	1 638	–	–	–	–		1 638
Vote 5 - INFRASTRUCTURE AND ENGINEERING		66 842	35 167	35 167	867	867	1 060	(193)	-18%	35 167
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		264	–	–	(1)	(1)	–	(1)	#DIV/0!	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	**78 913**	**38 475**	**38 475**	**972**	**972**	**1 114**	**(142)**	**-13%**	**38 475**
Single Year expenditure appropriation	2									
Vote 1 - EXECUTIVE COUNCIL		209	750	750	(2)	(2)	63	(64)	-103%	750
Vote 2 - FINANCIAL SERVICES		1 402	60	60	–	–	5	(5)	-100%	60
Vote 3 - CORPORATE SERVICES		–	–	–	–	–	–	–		–
Vote 4 - COMMUNITY SERVICES		501	–	–	–	–	–	–		–
Vote 5 - INFRASTRUCTURE AND ENGINEERING		729	400	400	–	–	33	(33)	-100%	400
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		592	–	–	–	–	–	–		–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	3 432	1 210	1 210	(2)	(2)	101	**(102)**	**-102%**	1 210
Total Capital Expenditure	**3**	**82 345**	**39 685**	**39 685**	**970**	**970**	**1 215**	**(245)**	**-20%**	**39 685**
Capital Expenditure - Functional Classification										
Governance and administration		**8 462**	**2 480**	**2 480**	**104**	**104**	**122**	(17)	-14%	**2 480**
Executive and council		2 284	750	750	(2)	(2)	63	(64)	-103%	750
Finance and administration		6 177	1 730	1 730	108	108	59	49	82%	1 730
Internal audit		2	–	–	(2)	(2)	–	(2)	#DIV/0!	–
Community and public safety		**7 829**	**1 638**	**1 638**	**–**	**–**	**–**	**–**		**1 638**
Community and social services		30	–	–	–	–	–	–		–
Sport and recreation		5 057	–	–	–	–	–	–		–
Public safety		2 743	1 638	1 638	–	–	–	–		1 638
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**16 203**	**11 609**	**11 609**	**509**	**509**	**633**	(125)	-20%	**11 609**
Planning and development		1 585	4 922	4 922	(1)	(1)	633	(634)	-100%	4 922
Road transport		14 618	6 687	6 687	510	510	–	510	#DIV/0!	6 687
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**49 851**	**23 959**	**23 959**	**357**	**357**	**460**	(103)	-22%	**23 959**
Energy sources		10 030	1 738	1 738	–	–	145	(145)	-100%	1 738
Water management		24 065	907	907	–	–	76	(76)	-100%	907
Waste water management		15 343	21 313	21 313	357	357	239	118	49%	21 313
Waste management		412	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**82 345**	**39 685**	**39 685**	**970**	**970**	**1 215**	**(245)**	**-20%**	**39 685**
Funded by:										
National Government		50 835	29 649	29 649	867	867	600	267	44%	29 649
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		1 600	1 638	1 638	–	–	–	–		1 638
Other transfers and grants		–	–	–	–	–	–	–		–
Transfers recognised - capital		**52 435**	**31 287**	**31 287**	**867**	**867**	**600**	**267**	**44%**	**31 287**
Public contributions & donations	5	–	–	–	–	–	–	–		–
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		29 880	8 398	8 398	103	103	615	(512)	-83%	8 398
Total Capital Funding		**82 315**	**39 685**	**39 685**	**970**	**970**	**1 215**	**(245)**	**-20%**	**39 685**

Explanatory notes to Table C5 – Budgeted Capital Expenditure by vote, standard classification and funding

Table C5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and the funding necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

Table C6 Monthly Budget Statement – Financial Position – M01 July 2022

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		14 771	2 601	2 601	41 897	2 601
Call investment deposits		9 803	2 838	2 838	41 092	2 838
Consumer debtors		149 369	67 955	67 955	62 706	67 955
Other debtors		144 078	47 032	47 032	50 774	47 032
Current portion of long-term receivables		–	–	–	–	–
Inventory		20 891	12 570	12 570	1 410	12 570
Total current assets		**338 913**	**132 996**	**132 996**	**197 878**	**132 996**
Non current assets						
Long-term receivables		–	–	–	–	–
Investments		–	–	–	–	–
Investment property		262 645	262 645	262 645	262 645	262 645
Investments in Associate		–	–	–	–	–
Property, plant and equipment		2 033 525	1 989 453	1 989 453	2 052 671	1 989 453
Agricultural		–	–	–	–	–
Biological assets		–	–	–	–	–
Intangible assets		1 409	1 890	1 890	1 443	1 890
Other non-current assets		–	–	–	–	–
Total non current assets		**2 297 580**	**2 253 988**	**2 253 988**	**2 316 760**	**2 253 988**
TOTAL ASSETS		**2 636 492**	**2 386 984**	**2 386 984**	**2 514 638**	**2 386 984**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		(0)	–	–	–	–
Consumer deposits		23 673	20 774	20 774	23 614	20 774
Trade and other payables		216 377	95 855	95 855	60 020	95 855
Provisions		34 541	38 275	38 275	34 696	38 275
Total current liabilities		**274 590**	**154 904**	**154 904**	**118 330**	**154 904**
Non current liabilities						
Borrowing		0	–	–	–	–
Provisions		176 381	191 375	191 375	176 381	191 375
Total non current liabilities		**176 382**	**191 375**	**191 375**	**176 381**	**191 375**
TOTAL LIABILITIES		**450 972**	**346 280**	**346 280**	**294 711**	**346 280**
NET ASSETS	2	**2 185 521**	**2 040 704**	**2 040 704**	**2 219 927**	**2 040 704**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		2 191 570	2 040 704	2 040 704	2 219 927	2 040 704
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**2 191 570**	**2 040 704**	**2 040 704**	**2 219 927**	**2 040 704**

Explanatory notes to Table C6 – Budgeted Financial Position

i. The table represents Assets less Liabilities as Community Wealth. The order of items within each group is also aligned to the convention of showing items in order of liquidity, i.e. assets readily converted to cash or liabilities immediately required to be met from cash appear first.

ii. Any movement on the Budgeted Financial Performance or the Capital Budget will invariably impact on the Budgeted Financial Position.

For example, the collection rate assumption will impact on the cash position of the municipality and consequently inform the level of cash and cash equivalents at year end.
Similarly, the collection rate assumption informs the budget provision for bad debts. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as compliance assessment is directly informed by forecasting the statement of financial position.

Table C7 Monthly Budget Statement – Cash Flow – M01 July 2022

Description	Ref	2021/22	Budget Year 2022/23							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		490 993	230 449	230 449	18 120	18 120	19 204	(1 084)	-6%	230 449
Service charges		238 396	652 478	652 478	37 644	37 644	54 373	(16 729)	-31%	652 478
Other revenue		22 231	57 445	57 445	7 938	7 938	4 787	3 151	66%	57 445
Transfers and Subsidies - Operational		147 988	177 920	177 920	63 683	63 683	14 827	48 856	330%	177 920
Transfers and Subsidies - Capital		–	35 734	35 734	11 237	11 237	2 978	8 259	277%	35 734
Interest		838 200	2 811	2 811	1 632	1 632	234	1 397	597%	2 811
Dividends		–	–	–	–	–		–		
Payments										
Suppliers and employees		148 863	(1 115 817)	(1 115 817)	(83 994)	(83 994)	(92 985)	(8 990)	10%	(1 115 817)
Finance charges		–	–	–				–		–
Transfers and Grants		–	–	–				–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**1 886 671**	**41 019**	**41 019**	**56 259**	**56 259**	**3 418**	**(52 841)**	**-1546%**	**41 019**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(3 722)	(39 685)	(39 685)	(1 121)	(1 121)	(3 307)	(2 186)	66%	
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(3 722)**	**(39 685)**	**(39 685)**	**(1 121)**	**(1 121)**	**(3 307)**	**(2 186)**	**66%**	**–**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		23 673						–		
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**23 673**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**1 906 621**	**1 334**	**1 334**	**55 138**	**55 138**	**111**			**41 019**
Cash/cash equivalents at beginning:		53 394	4 105	4 105		27 850	4 105			27 850
Cash/cash equivalents at month/year end:		1 960 016	5 439	5 439		82 988	4 216			68 869

Explanatory notes to Table C7 – Budgeted Cash Flow Statement

i. The budgeted cash flow statement represents the first measurement in determining whether the budget is funded.

ii. It reflects the expected cash inflows versus outflows that are likely to result from the implementation of the budget.

Annexure "A5"

ANALYSIS OF THE MUNICIPALITY'S STATEMENT OF FINANCIAL POSITION

In this section the Municipality's Debtors, Creditors and Investments will be analysed. These components have a significant impact on the Municipality's financial position.

1. Overview of outstanding Consumer Debtors (Inclusive of VAT)

Below is an analysis of the outstanding consumer debtors as at 31 July 2022, compared to the position as at 30 June 2022.

Debtors' Age Analysis (Inclusive of VAT) as at 31 July 2022

Description	Budget Year 2022/23								
R thousands	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 By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	15 556	2 766	2 067	2 356	2 056	2 256	10 268	53 561	90 886
Trade and Other Receivables from Exchange Transactions - Electricity	28 210	1 468	987	883	958	624	3 415	9 539	46 084
Receivables from Non-exchange Transactions - Property Rates	72 411	1 084	817	718	741	628	7 980	21 726	106 105
Receivables from Exchange Transactions - Waste Water Management	7 887	1 283	1 114	1 042	994	1 020	5 201	24 393	42 935
Receivables from Exchange Transactions - Waste Management	5 617	1 299	1 194	1 135	1 107	1 089	6 195	33 015	50 652
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	199	105	118	158	193	215	2 085	32 594	35 665
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(14 534)	376	355	340	292	336	2 239	15 194	4 598
Total By Income Source	**115 346**	**8 381**	**6 652**	**6 633**	**6 341**	**6 169**	**37 382**	**190 022**	**376 924**
									–
Debtors Age Analysis By Customer Group									
Organs of State	4 796	444	505	391	421	239	2 769	4 570	14 135
Commercial	12 119	426	349	300	262	266	1 045	4 925	19 692
Households	98 431	7 511	5 798	5 942	5 658	5 663	33 568	180 527	343 098
Other	–	–	–	–	–	–	–	–	–
Total By Customer Group	**115 346**	**8 381**	**6 652**	**6 633**	**6 341**	**6 169**	**37 382**	**190 022**	**376 924**

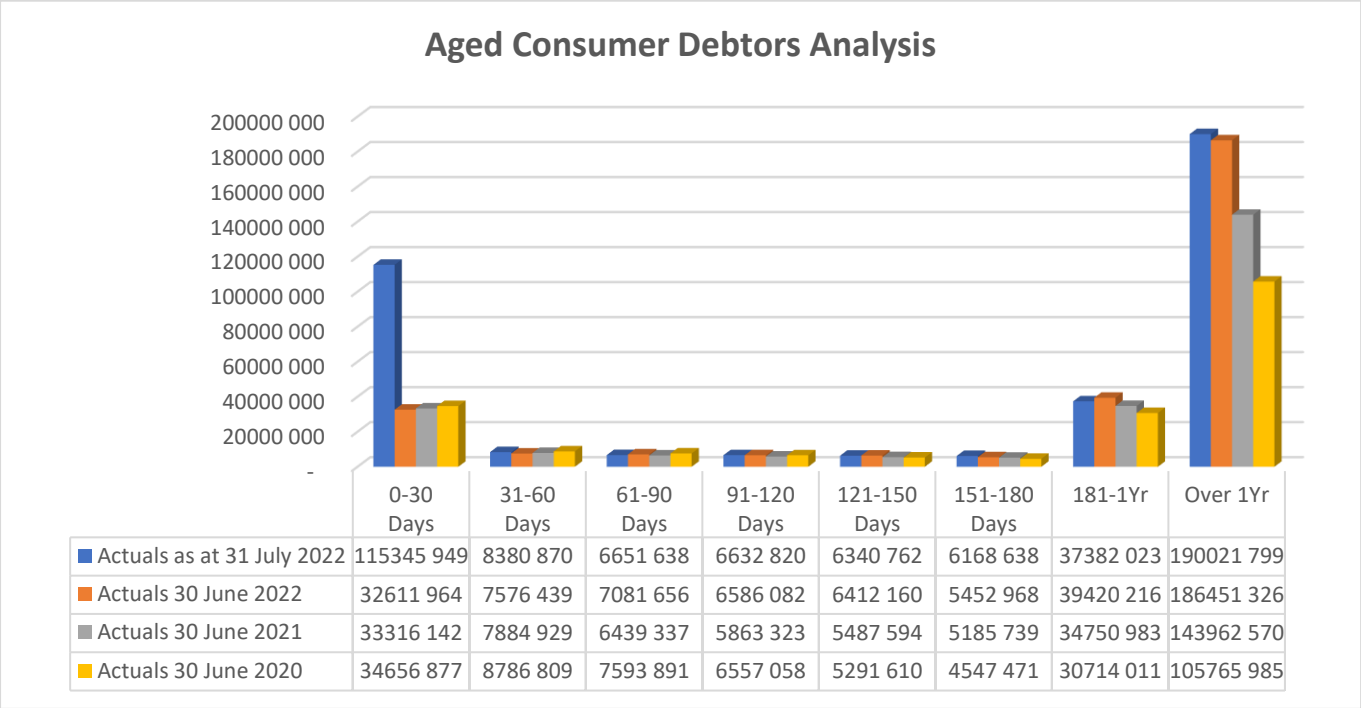
Debtors' Age Analysis (Inclusive of VAT) as at 30 June 2022.

Description	Budget Year 2021/22								
R thousands	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 By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	10,891	2,264	2,465	2,115	2,334	1,841	10,051	52,869	84,829
Trade and Other Receivables from Exchange Transactions - Electricity	19,651	1,380	1,057	1,059	708	622	3,335	9,910	37,721
Receivables from Non-exchange Transactions - Property Rates	11,960	1,015	825	805	692	520	8,224	22,205	46,245
Receivables from Exchange Transactions - Waste Water Management	6,010	1,195	1,085	1,019	1,045	908	5,155	23,856	40,273
Receivables from Exchange Transactions - Waste Management	5,083	1,248	1,165	1,124	1,106	1,093	6,084	32,208	49,111
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	189	90	126	161	186	189	2,133	31,885	34,957
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(21,171)	386	359	303	343	281	4,438	13,519	(1,542)
Total By Income Source	**32,612**	**7,576**	**7,082**	**6,586**	**6,412**	**5,453**	**39,420**	**186,451**	**291,593**
2020/21 - totals only									–
Debtors Age Analysis By Customer Group									
Organs of State	1,090	511	399	436	253	269	2,704	4,396	10,058
Commercial	6,597	374	309	266	303	211	1,103	4,916	14,079
Households	24,925	6,691	6,374	5,885	5,857	4,974	35,612	177,139	267,456
Other	–	–	–	–	–	–	–	–	–
Total By Customer Group	**32,612**	**7,576**	**7,082**	**6,586**	**6,412**	**5,453**	**39,420**	**186,451**	**291,593**

The aforementioned analysis indicates that from 30 June 2022 to 31 July 2022, the overdue debts have increased by R 2,598 million from R 258,981 million to R 261,579 million, as follows:

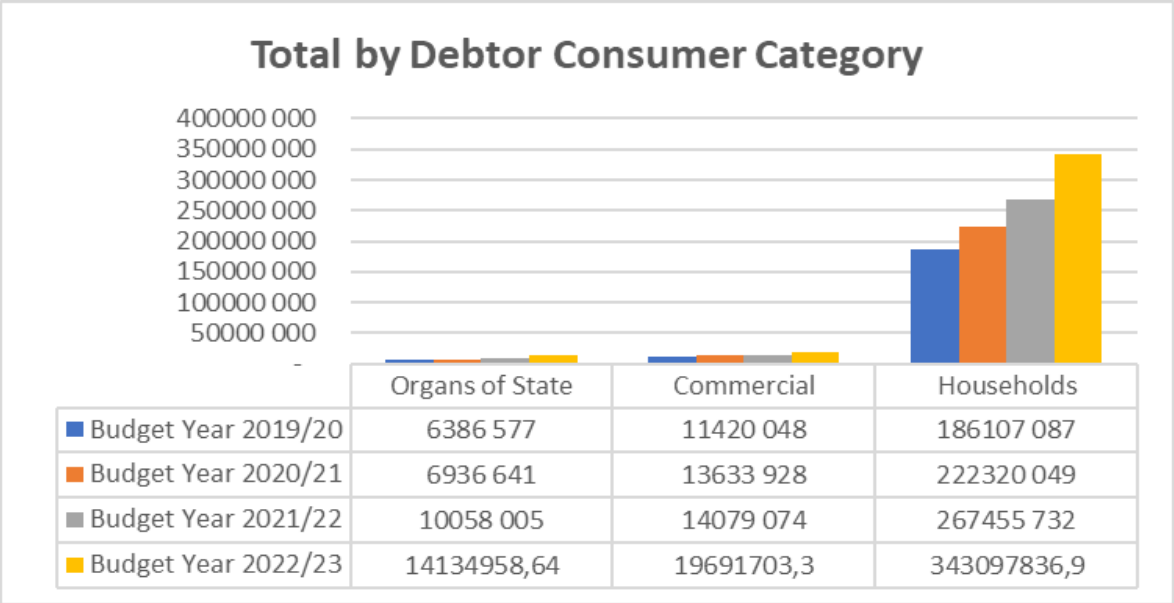
R thousands	OVERDUE AMOUNTS AS AT		
Debtors Age Analysis By Income Source	**30-Jun-22**	**31-Jul-22**	**DIFFERENCE**
Trade and Other Receivables from Exchange Transactions - Water	73 938	75 330	1 391
Trade and Other Receivables from Exchange Transactions - Electricity	18 070	17 875	(195)
Receivables from Non-exchange Transactions - Property Rates	34 285	33 694	(591)
Receivables from Exchange Transactions - Waste Water Management	34 263	35 048	785
Receivables from Exchange Transactions - Waste Management	44 028	45 034	1 007
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–
Interest on Arrear Debtor Accounts	34 768	35 466	697
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–
Other	19 629	19 133	(496)
Total By Income Source	**258 981**	**261 579**	**2 598**
		–	
Debtors Age Analysis By Customer Group	–	–	
Organs of State	8 968	9 339	371
Commercial	7 482	7 572	90
Households	242 531	244 667	2 136
Other	–	–	–
Total By Customer Group	**258 981**	**261 579**	**2 598**

Graphical Analysis of consumer debtors



	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181-1Yr	Over 1Yr
Actuals as at 31 July 2022	115345 949	8380 870	6651 638	6632 820	6340 762	6168 638	37382 023	190021 799
Actuals 30 June 2022	32611 964	7576 439	7081 656	6586 082	6412 160	5452 968	39420 216	186451 326
Actuals 30 June 2021	33316 142	7884 929	6439 337	5863 323	5487 594	5185 739	34750 983	143962 570
Actuals 30 June 2020	34656 877	8786 809	7593 891	6557 058	5291 610	4547 471	30714 011	105765 985

Graphical Analysis of consumer debtors (total by Debtor Consumer Category)



	Organs of State	Commercial	Households
Budget Year 2019/20	6386 577	11420 048	186107 087
Budget Year 2020/21	6936 641	13633 928	222320 049
Budget Year 2021/22	10058 005	14079 074	267455 732
Budget Year 2022/23	14134958,64	19691703,3	343097836,9

2. Overview of Creditors position

Below is an analysis of the status of the major creditors.

Description	Budget Year 2022/23								
R thousands	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	Total
Creditors Age Analysis By Customer Type									
Bulk Electricity	37 741	(31)	–	–	–	–	–	–	**37 710**
Bulk Water	1 969	11	13	15	16	18	84	(1 749)	**377**
PAYE deductions	–	–	–	–	–	–	–	–	**–**
VAT (output less input)	–	–	–	–	–	–	–	–	**–**
Pensions / Retirement deductions	–	–	–	–	–	–	–	–	**–**
Loan repayments	–	–	–	–	–	–	–	–	**–**
Trade Creditors	3 826	6 361	266	–	–	1	–	1 268	**11 723**
Auditor General	–	–	–	–	–	–	–	–	**–**
Other	–	–	–	–	–	–	–	–	**–**
Total By Customer Type	**43 536**	**6 341**	**278**	**15**	**16**	**19**	**84**	**(481)**	**49 810**

The above amounts represent invoices still to be paid. The major creditors as at 31 July are as follows:

Eskom	R 37,710 million
NMBM	R 0,377 million
Other Creditors	R 11,723 million
Total	**R 49,810 million**

It is to be noted that the Eskom amount of R 37,710 million, represents the current account for July 2022, which will be fully paid on 23 August 2022.

3. Allocation and Grants receipts and expenditure for the 2022/23 financial year

Supporting Table SC6 Monthly Budget Statement – transfers and grant receipts – M01 July 2022.

Description	Budget Year 2022/23						
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	Full Year Forecast
R thousands							
RECEIPTS:							
Operating Transfers and Grants							
National Government:	167 982	167 982	64 245	64 245	63 683	562	167 982
Operational Revenue:General Revenue:Equitable Share	163 292	163 292	63 683	63 683	63 683	-	163 292
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 175	1 175	-	-	-	-	1 175
Local Government Financial Management Grant [Schedule 5B]	1 720	1 720	-	-	-	-	1 720
Municipal Infrastructure Grant [Schedule 5B]	1 795	1 795	562	562	-	562	1 795
Provincial Government:	7 050	7 050	-	-	-	-	7 050
Library grant	2 050	2 050	-	-	-	-	2 050
Economic Development, Envirnmental Affairs and Tourism (DEDEAT) grant	5 000	5 000	-	-	-	-	5 000
District Municipality:	2 888	2 888	-	-	-	-	2 888
Environmental health subsidy	2 888	2 888	-	-	-	-	2 888
Total Operating Transfers and Grants	177 920	177 920	64 245	64 245	63 683	562	177 920
Capital Transfers and Grants							
National Government:	34 096	34 096	10 675	10 675	-	10 675	34 096
Municipal Infrastructure Grant [Schedule 5B]	34 096	34 096	10 675	10 675	-	10 675	34 096
District Municipality:	1 638	1 638	-	-	-	-	1 638
Fire Services Subsidy	1 638	1 638	-	-	-	-	1 638
Total Capital Transfers and Grants	35 734	35 734	10 675	10 675	-	10 675	35 734
TOTAL RECEIPTS OF TRANSFERS & GRANTS	213 654	213 654	74 920	74 920	63 683	11 237	213 654

Below is an analysis of the spending associated with the grants as at 31 July 2022:

Supporting Table SC7 Monthly Budget Statement – transfers and grants expenditure – M01 July 2022.

Description	Budget Year 2022/23						
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	Full Year Forecast
R thousands							
EXPENDITURE							
Operating expenditure of Transfers and Grants							
Municipal Disaster Recovery Grant [Schedule 4B]	**167 982**	**167 982**	**63 736**	**63 736**	**63 780**	**(44)**	**167 982**
Operational Revenue:General Revenue:Equitable Share	163 292	163 292	63 683	63 683	63 683	–	163 292
Local Government Financial Management Grant [Schedule 5B]	1 720	1 720	44	44	44	(44)	1 720
Expanded Public Works Programme Integrated Grant for Municipalities [Sch	1 175	1 175	–	–	–	–	1 175
Municipal Infrastructure Grant [Schedule 5B]	1 795	1 795	53	53	53	–	1 795
Specify (Add grant description)	**7 050**	**7 050**	**–**	**–**	**–**	**–**	**7 050**
Library grant	2 050	2 050	–	–	–	–	2 050
Economic Development, Environmental Affairs and Tourism (DEDEAT) grar	5 000	5 000	–	–	–	–	5 000
Public Corporations	**2 888**	**2 888**	**–**	**–**	**–**	**–**	**2 888**
Environmental health subsidy	2 888	2 888	–	–	–	–	2 888
Total operating expenditure of Transfers and Grants:	**177 920**	**177 920**	**63 736**	**63 736**	**63 780**	**(44)**	**177 920**
Capital expenditure of Transfers and Grants	**34 096**	**34 096**	**997**	**997**	**997**	**(997)**	**34 096**
Municipal Infrastructure Grant [Schedule 5B]	34 096	34 096	997	997	997	(997)	34 096
District Municipality:	**1 638**	**1 638**	**–**	**–**	**–**	**–**	**1 638**
Fire Services Subsidy	1 638	1 638	–	–	–	–	1 638
Total capital expenditure of Transfers and Grants	**35 734**	**35 734**	**–**	**–**	**997**	**(997)**	**35 734**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	**213 654**	**213 654**	**63 736**	**63 736**	**64 777**	**(1 041)**	**213 654**

Note: The equitable share allocation is utilised to fund indigent household's subsidies granted to qualifying households, with the remainder being used to support the Municipality's operations.

Grants received from National Government.

DORA Operating Grants

Financial Management Grant (FMG)
The purpose of this grant is to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA).

DORA Allocation:	R 1,720,000
Amount of Grant Received:	R 0.00
Expenditure to date:	R 44,133
Overspent as at 31 July 2022:	R 44,133

Expanded Public Works Programme (EPWP)
The purpose of this grant is to provide Expanded Public Works Programme (EPWP) incentive funding to expand job creation efforts in specific focus areas, where labour intensive methods can be maximised.

DORA Allocation:	R 1,175,000
Amount of Grant Received:	R 0.00
Expenditure to date:	R 0.00
Unspent as at 31 July 2022:	R 0.00

DORA Capital Grants

Municipal Infrastructure Grant (MIG)
The purpose of this grant is to provide specific capital finance for eradicating basic municipal infrastructure backlogs.

DORA Allocation:	R 35,891,000
Amount of Grant Received:	R 11,237,000
Expenditure to date:	R 1,049,615
Unspent as at 31 July 2022:	R 10,187,385

The spending of the grant amounted to 9.34% as at 31 July 2022, compared to the amount of the grant received.

4. Councillor and employee benefits

Below is an analysis of Councillor and employee benefits:

Table SC8 Monthly Budget Statement – Councillor and staff benefits – M01 July 2022.

Summary of Employee and Councillor remuneration	Budget Year 2022/23						
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	Full Year Forecast
R thousands							
Councillors (Political Office Bearers plus Other)							
Basic Salaries and Wages	9 584	9 584	1 050	1 050	799	251	9 584
Medical Aid Contributions	–	–	59	59	–	59	–
Motor Vehicle Allowance	3 232	3 232	350	350	269	80	3 232
Cellphone Allowance	1 548	1 548	111	111	129	(18)	1 548
Sub Total - Councillors	**14 364**	**14 364**	**1 570**	**1 570**	**1 197**	**373**	**14 364**
Senior Managers of the Municipality							
Basic Salaries and Wages	7 282	7 282	438	438	607	(169)	7 282
Pension and UIF Contributions	111	111	5	5	9	(4)	111
Medical Aid Contributions	50	50	2	2	4	(2)	50
Performance Bonus	23	23	–	–	–	–	23
Motor Vehicle Allowance	1 965	1 965	48	48	164	(116)	1 965
Cellphone Allowance	10	10	1	1	1	–	10
Other benefits and allowances	4	4	0	0	0	(0)	4
Payments in lieu of leave	4 500	4 500	270	270	375	(105)	4 500
Sub Total - Senior Managers of Municipality	**13 945**	**13 945**	**764**	**764**	**1 160**	**(396)**	**13 945**
Other Municipal Staff							
Basic Salaries and Wages	252 252	252 252	17 426	17 426	21 011	(3 585)	252 252
Pension and UIF Contributions	34 906	34 906	2 753	2 753	2 909	(156)	34 906
Medical Aid Contributions	17 471	17 471	1 375	1 375	1 456	(81)	17 471
Overtime	28 219	28 219	1 964	1 964	2 352	(387)	28 219
Performance Bonus	23	23	–	–	–	–	23
Motor Vehicle Allowance	10 774	10 774	901	901	898	4	10 774
Cellphone Allowance	53	53	2	2	4	(2)	53
Housing Allowances	1 031	1 031	61	61	86	(25)	1 031
Other benefits and allowances	29 770	29 770	1 534	1 534	1 040	494	29 770
Payments in lieu of leave	1 600	1 600	161	161	133	28	1 600
Long service awards	1 275	1 275	121	121	106	15	1 275
Sub Total - Other Municipal Staff	**377 374**	**377 374**	**26 298**	**26 298**	**29 994**	**(3 696)**	**377 374**
Total Parent Municipality	**405 683**	**405 683**	**28 632**	**28 632**	**32 351**	**(3 719)**	**405 683**
TOTAL SALARY, ALLOWANCES & BENEFITS	**405 683**	**405 683**	**28 632**	**28 632**	**32 351**	**(3 719)**	**405 683**
TOTAL MANAGERS AND STAFF	**391 318**	**391 318**	**27 062**	**27 062**	**31 154**	**(4 092)**	**391 318**

6. Key performance indicators

The table below reflects the key performance indicators as per the 2022/23 Budget and the associated performance to date.

Borrowing Management		**Actuals as at 30 June 2019**	**Actuals as at 30 June 2020**	**Actuals as at 30 June 2021**	**Actuals as at 30 June 2022**	**Approved Budget 2022/23**	**Actuals as at 31 July 2022**
Capital Charges to Operating Expenditure	Interest & principal paid/Total Operating Expenditure	1.29%	1.22%	1.13%	0.67%	0%	0%
Borrowed funding of "own" capital expenditure	Borrowings/Capital expenditure excl. transfers & grants	0%	0%	0%	0%	0%	0%
Debt Servicing Costs to Operating Revenue	Debt Servicing Costs / Total Operating Revenue - Conditional Grants	0.01	0.01	0.01	0.01	0%	0%
Liquidity							
Current Ratio	Current assets / current liabilities	1.31	1.26	2.61	1.12	0.86:1	1.67:1
Liquidity Ratio	Monetary assets / current liabilities	0.84	0.61	0.45	0.24	0.04:1	0.70:1
Revenue Management							
Annual Debtors Collection Rate	Billed Revenue / Receipted Revenue	97,62%	95.42%	94.41%	94.32%	95%	114.37%

Other indicators		Actuals as at 30 June 2019	Actuals as at 30 June 2020	Actuals as at 30 June 2021	Actuals as at 30 June 2022	Approved Budget 2022/23	Actuals as at 31 July 2022
Cost coverage	(Cash and cash equivalents - Unspent Conditional Grants - Overdraft) + Short term investment)/monthly fixed operational expenditure excluding (depreciation, amortisation, provision for bad debts, impairment and loss on disposal of assets)	1.97	1.79	0.62	0.37	0.06 Months	0.86 Months
Employee Costs	Employee Costs / Total Operating Expenditure	33.39%	32.53%	34.26%	33.86%	33.62%	37.60%
Capital Expenditure	Capital Expenditure / Capital Budget	44.59%	75.33%	76.92%	87%	95%	2.44%
Repairs and Maintenance as % of Total Operating Expenditure	Repairs and Maintenance / Total Operating Expenditure	5.63%	6.68%	7.00%	5.32%	2.50%	1.76%
Repairs and Maintenance as % of PPE (Book Value)	Repairs and Maintenance / Net PPE	2.29%	2.90%	3.33%	2.52%	2.50%	1.76%
Own Revenue Sources / Total Operating Revenue (Including operating grants)	Own Revenue Sources / Total Operating Revenue (Including Conditional Grants)	75.36%	71.88%	77.11%	83.67%	83.10%	68.80%

The above table is discussed in detail below.

4.1. Borrowing Management

4.1.1. Capital charges to Operating Expenditure.

The Ratio indicates the cost required to service the borrowing. It assesses the Borrowing or Payment obligation expressed as percentage of Total Operating Expenditure.

Capital charges/Total Operating Expenditure to date

The ratio is 0% as no capital charges was funded from borrowings, which is in line with the budgeted target as per the 2022/23 Operating Budget.

4.1.2. Borrowed funding of capital expenditure.

This ratio indicates the proportion of borrowed funding to actual capital expenditure to date (excluding transfers and grants). The ratio also indicates the extent of capital expenditure being financed from borrowed funding compared to own and other funding sources, excluding transfers and grant funded expenditure.

The ratio is determined as follows:

Capital expenditure funded from Borrowings/Total Capital Expenditure to date (excluding transfers and grants)

The ratio is 0% as no capital expenditure was funded from borrowings, which is in line with the budgeted target as per the 2022/23 Operating Budget.

4.1.3. Debt Servicing Costs to Operating Revenue Ratio

This ratio indicates the proportion of debt servicing costs (interest and principal paid on borrowing) to actual operating revenue to date.

The ratio is determined as follows:

Debt Servicing Costs/Operating Revenue

As at 31 July 2022, the ratio indicates there were no debt servicing cost, which is in line with the budget target as per the 2022/23 Approved budget.

4.2. Liquidity

4.2.1. Current ratio

The Ratio assesses the Municipality's ability to meet its Short-term Liabilities (Debt and Payables) with its Short-term Assets (Cash, Inventory, Receivables etc.).

The ratio is determined as follows:

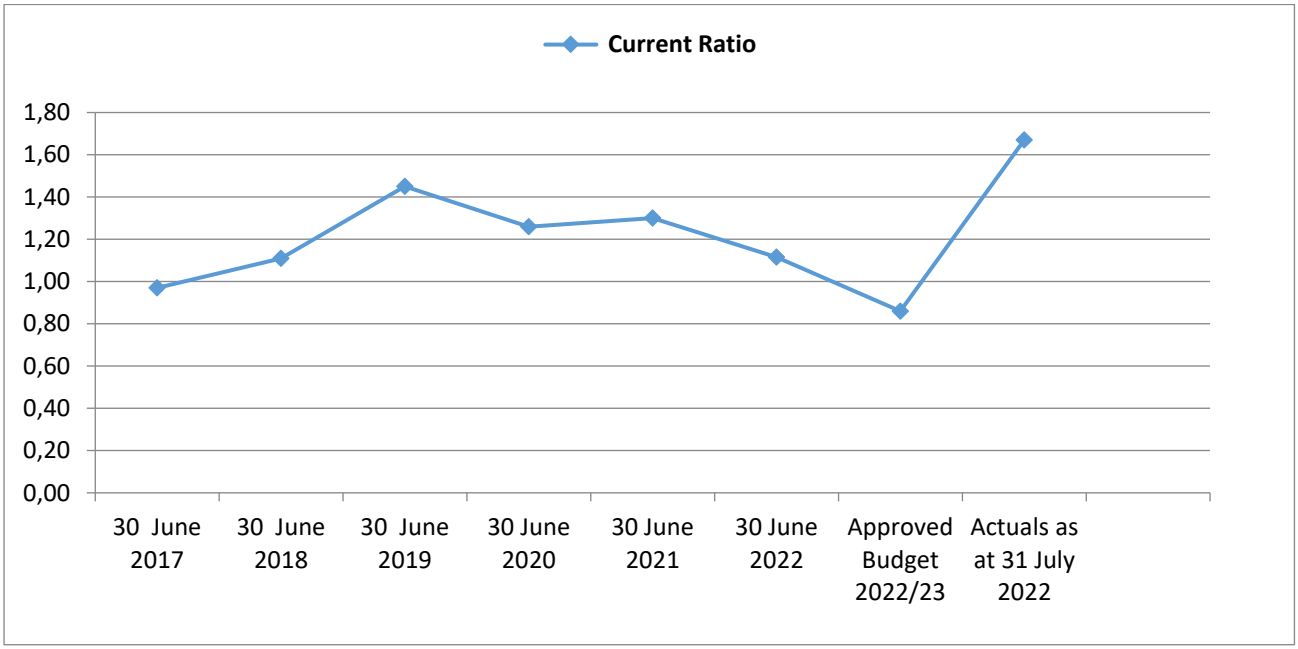
Current assets/Current liabilities

The ratio as at 31 July 2022 was 1.67:1, compared to the approved budget ratio of 0.86:1

In terms of the MFMA Circular No. 71, the norm is 1.5:1 to 2:1

The higher the current Ratio, the stronger the Municipality's financial capacity to meet its current obligations.

A ratio of below 1:1 would suggest that the Municipality would be unable to meet all of its current obligations as and when they fall due.



4.2.2. Liquidity Ratio

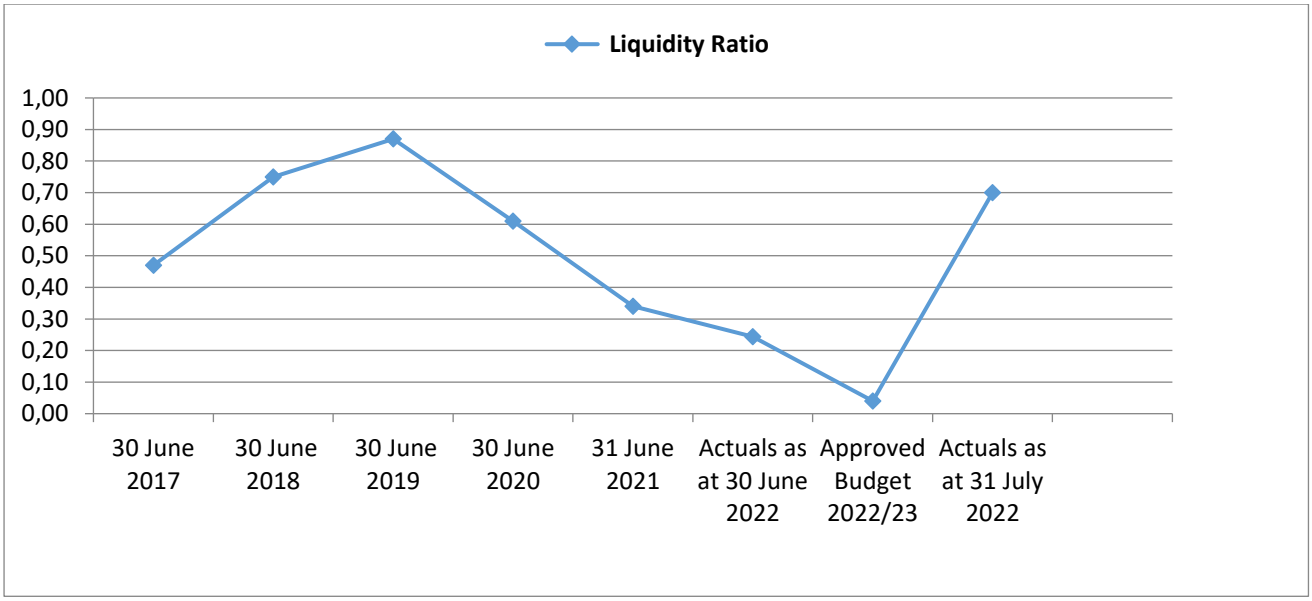
The liquidity ratio assesses a Municipality's ability to meet its short-term commitments from Monetary Assets.

The ratio is determined as follows:

Monetary assets/Current liabilities

A favourable ratio would ensure that the Municipality is able to settle its short-term commitments from monetary assets. The liquidity ratio as at 31 July 2022 was 0.70:1, compared to the approved budget ratio of 0.04:1.

The liquidity ratio is of the utmost importance to measure the financial liquidity and sustainability of the municipality.



4.3. Revenue Management

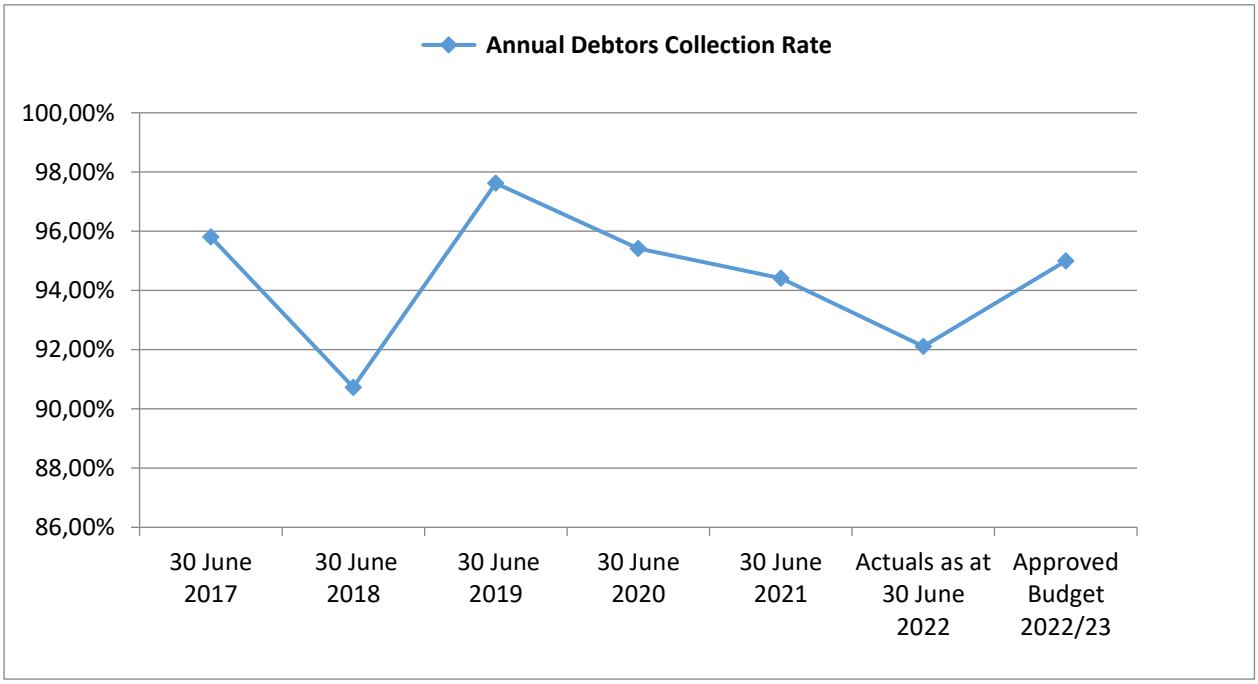
4.3.1. Annual Debtors Collection Rate

This ratio assesses the actual cash collected, compared to the monetary value of the municipal accounts rendered for municipal rates and services.

The ratio to determine the percentage collection rate is as follows:

Gross Debtors Opening Balance + Billed Revenue – Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100

The average collection rate as at 31 July 2022 was 114.37%, compared to the approved budget collection rate of 95%. The actual collection rate for June is 114.37%.



4.4. Other indicators

4.4.1. Cost coverage

The Ratio indicates the Municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investments, without collecting any additional revenue, during that particular month.

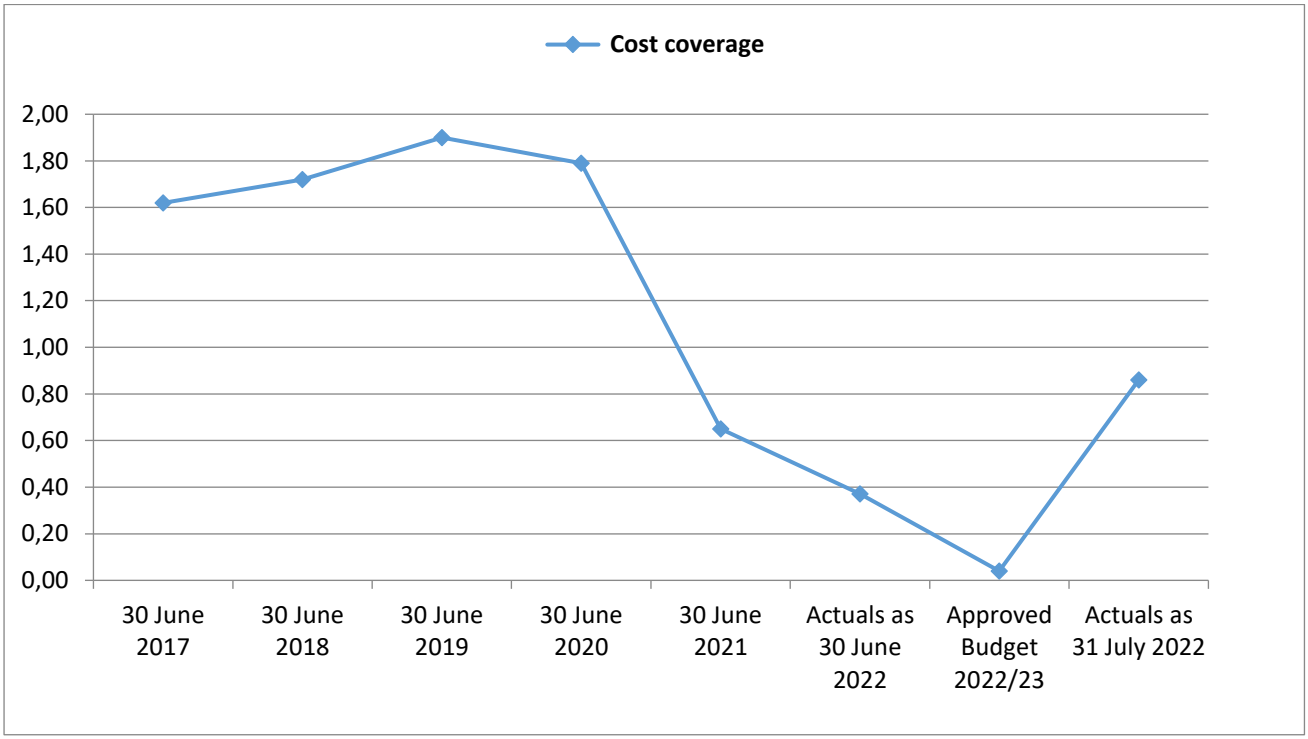
The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal day-to-day operational expenditure, but rather reserved for Grant related expenditure.

The ratio is determined as follows:

Cash and cash equivalents – unspent conditional grants – overdraft + short-term investments/ monthly fixed operational expenditure excluding (depreciation, amortisation, provisions for bad debts, impairment and loss on the disposal of assets)

As at 31 July 2022, the Ratio was 0.86 months, compared to the approved budget ratio of 0.06 months.

In terms of MFMA Circular No. 71, the norm is 1 month to 3 months.



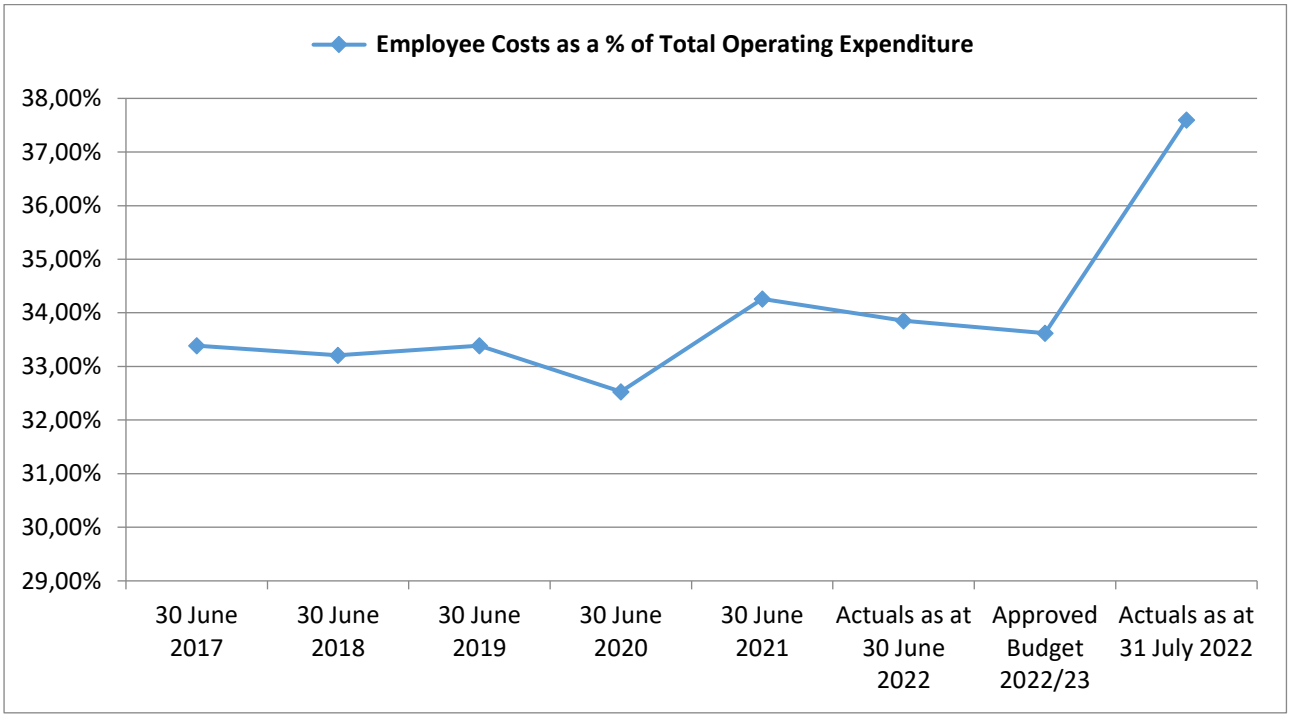
4.4.2. Employee costs as a % of Total Operating Expenditure

This ratio assesses the extent to which the Municipality's Total Operating Expenditure is consumed by costs associated with the employment of human resources.

The ratio is determined as follows:

Employee Costs to date/Total Operating Expenditure to Date

As at 31 July 2022, Employee Related Costs constituted 37.60% of the Total Operating Expenditure compared to the approved budget ratio 33.62%.



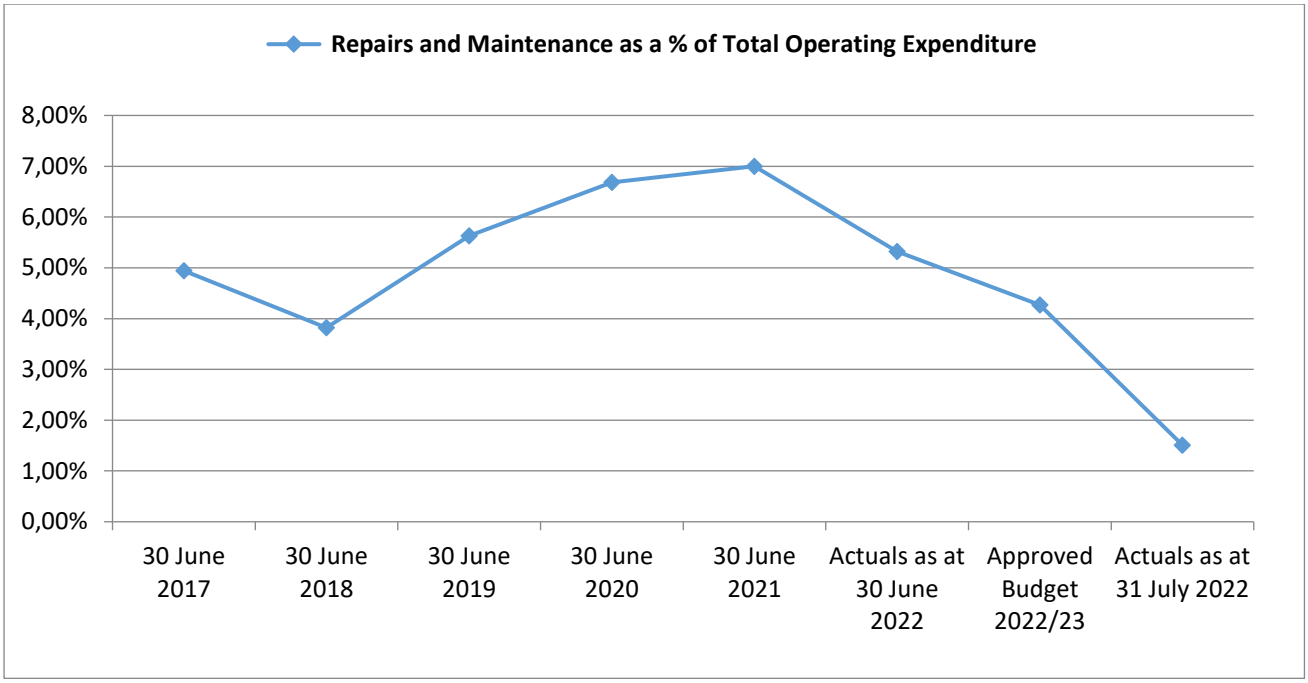
4.4.3. Repairs and Maintenance as a % of Total Operating Expenditure

This ratio assesses the extent to which the Municipality's Total Operating Expenditure is consumed by costs associated with the repairs and maintenance of its assets.

The ratio is determined as follows:

Repairs and maintenance expenditure to date / Total Operating Expenditure to date

As at 31 July 2022, the ratio was 1.51%, compared to the approved budget ratio of 4.27%.



4.4.4. Repairs and Maintenance as a % of the book value of Property, Plant and Equipment (PPE)

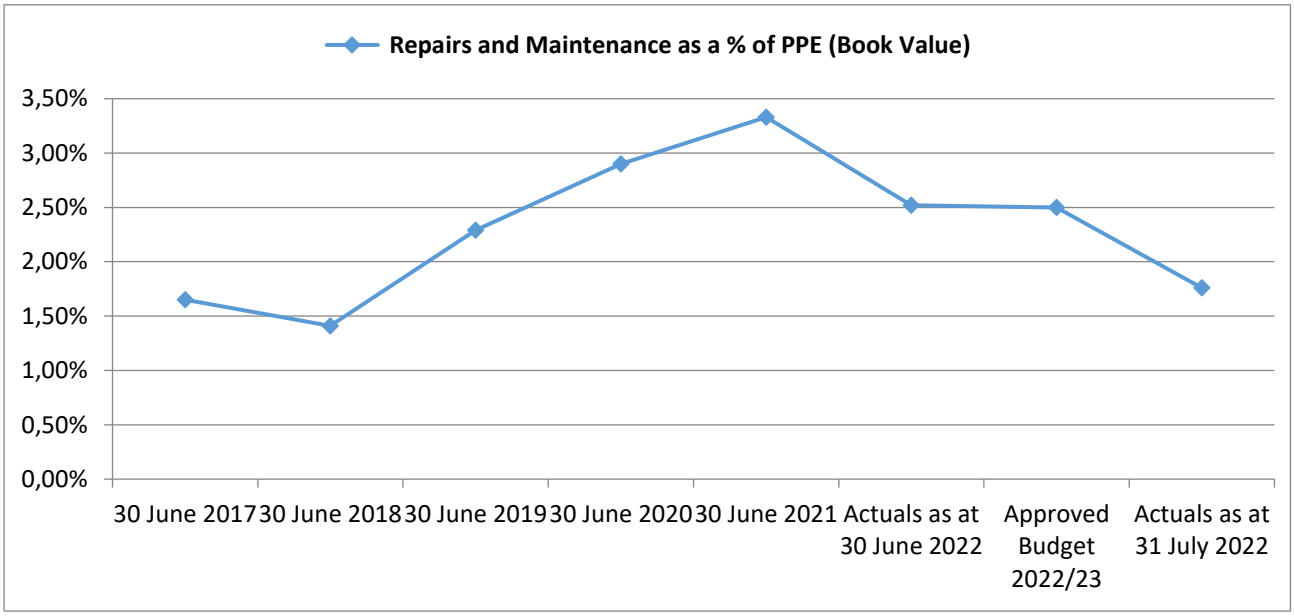
The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to minimise breakdowns and interruptions in service delivery.

The ratio is determined as follows:

Repairs and maintenance expenditure to date / Book value of PPE to date

As at 31 July 2022, repairs and maintenance expenditure constituted 1.76% of the book value of PPE, compared to the approved budget ratio of 2.50%.

In terms of the MFMA Circular No.71, the norm is 8%.



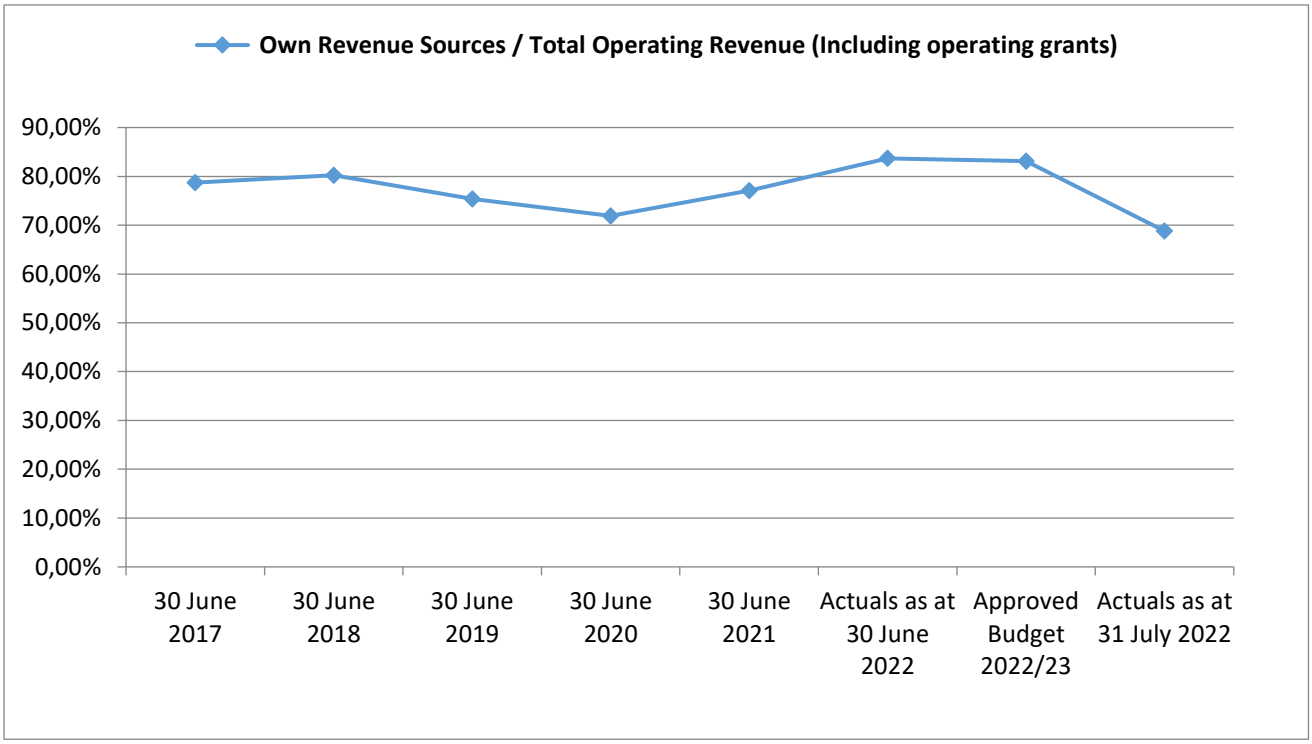
4.4.5. Own Revenue Generation

This ratio measures the extent to which the Municipality has control over its revenue sources, i.e. what percentage of its revenue is generated locally. The higher the ratio, the less reliant a Municipality is on Provincial and National Government to support its operations.

The ratio is determined as follows:

Own Revenue Sources / Total Operating Income (includes operating grants)

As at 31 July 2022, the Municipality's own revenue sources constituted 68.80% of its total Operating Income, compared to the approved budget ratio of 83.10%.



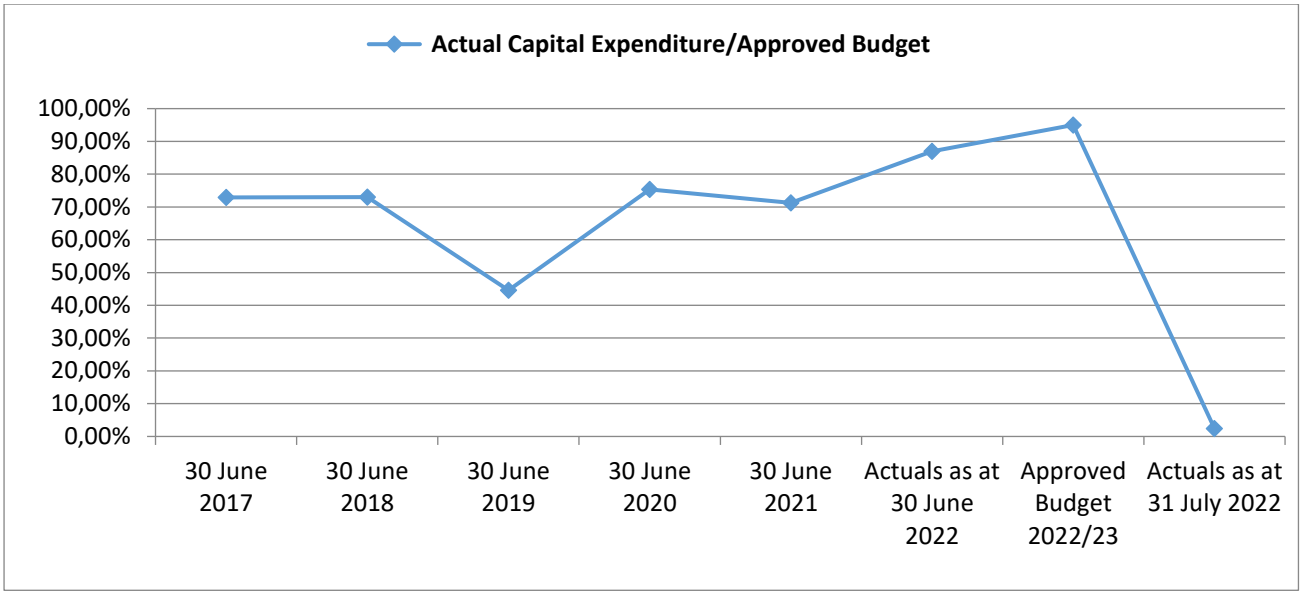
4.4.6. Capital Budget Spending

This ratio assesses the level of actual capital spending, compared to the budgeted capital expenditure.

The ratio is determined as follows:

Actual Capital spending / Approved Capital Budget

The actual spending as at 31 July 2022 amounted to 2.44% compared to the approved budget ratio of 95%.


Actual Capital Expenditure/Approved Budget
100,00%
90,00%
80,00%
70,00%
60,00%
50,00%
40,00%
30,00%
20,00%
10,00%
0,00%
30 June 2017
30 June 2018
30 June 2019
30 June 2020
30 June 2021
Actuals as at 30 June 2022
Approved Budget 2022/23
Actuals as at 31 July 2022