KOUGA LOCAL MUNICIPALITY (EC108)

FINANCE PORTFOLIO COMMITTEE MEETING

FINANCE

DATE: **ITEM NO:**

……

MONTHLY BUDGET STATEMENTS FOR THE PERIOD OF JULY 2022 TO MAY 2023 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 31 MAY 2023 (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 May 2023, 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 R1022 ,996 million, whilst operating expenditure amounted to R 972,338 million, resulting in an operating surplus of R 50, 658 million
- Capital expenditure constituted 73.36% of the 2022/23 Approved Adjusted Capital Budget.
- Overdue consumer debts increased by R 73,976 million (28.56%) since June 2022.

- An amount of R 40,391 million is owing to creditors, 78.35% which is current creditors. Currently all outstanding creditors are not reflected on the creditors age analysis.

The municipality's investment portfolio has increased by R106,597,753 (382.75%) since June 2022, from R 27,850,138 to R 134,447,891.

Below is an analysis of the Investment Portfolio as at 31 May 2023.

	Balance as at 30 Jun 2022	INVESTED	INTEREST	WITHDRAWN	CHARGES	Balance as at 31 May 2023
Standard Bank	1,246,965	19,732,664	267,876	-		21,247,505
ABSA	1,223,022	38,069,513	183,380	18,226,834	1,324	21,247,757
Nedbank	1,225,308	19,750,418	285,400	-		21,261,126
RMB	4,883,568	208,662,974	2,408,152	194,413,261		21,541,433
INVESTEC	1,223,964	19,850,478	79,203	-		21,153,645
Total	**9,802,828**	**306,066,046**	**3,224,010**	**212,640,095**	**1,324**	**106,451,466**
INVESTMENT	**Balance as at 30 Jun 2022**	**INVESTED**	**INTEREST**	**WITHDRAWN**	**CHARGES**	**Balance as at 31 May 2023**
General Account	9,753,276	194,320,226	1,991,051	107,305,089	1,324	98,758,141
Conditional Grants	49,551	86,056,534	1,117,190	79,530,194	-	7,693,081
Housing Funds	0	25,689,286	115,769	25,804,812	-	244
Total	**9,802,828**	**306,066,046**	**3,224,010**	**212,640,095**	**1,324**	**106,451,466**
	Balance as at 30 Jun 2022	**INVESTED**	**INTEREST**	**WITHDRAWN**	**CHARGES**	**Balance as at 31 May 2023**
Cheque Accounts FNB 52540020791	4,850,118	18,639,578				23,489,696
Cheque Accounts FNB 52540033304	13,197,193			10,693,093		2,504,100
Cheque Accounts FNB 62682103591	-	50,563				50,563
Cheque Accounts FNB 63022194441		1,952,066				1,952,066
Total	**18,047,311**	**20,642,208**	**-**	**10,693,093**	**-**	**27,996,426**
Total	**27,850,138**	**326,708,254**	**3,224,010**	**223,333,188**	**1,324**	**134,447,891**

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

Cash backed Reserves.

Bank Balances and Cash	R 27,996,426
Short-term Investment Deposits	R 106,451,466
	R134,447,891

Application of Cash

Unspent Conditional Grants	R 52,645,791
Operational Commitments	R 13,548,361
Internally Generated Funds (Capital commitments)	R 7,528,341
Outstanding Creditors Liability	R 40,390,807
	R114,113,300

Cash Backed Reserves in excess of commitments : R 20,334,591

The cash backed reserves exceed commitments at this stage by an amount of R 20,334,591. It should be noted the excess of reserves over commitments as at 31 May 2023, is mainly due to an amount of R 45,723 million in respect of the equitable share allocation received on 15 March 2023, 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 2021	Actuals as at 30 June 2022	MFMA Circular 71 Norms	Actuals as at 31 May 2022	Approved Adjusted Budget 2022/23	Actuals as at 31 May 2023
Current Ratio	2.61:1	1.12:1	1.5:1 to 2:1	1.57:1	0.95:1	1.42:1
Liquidity Ratio	0.45:1	0.24:1		0.78:1	0.06:1	0.86:1
Cost Coverage (Excluding unspent conditional grants)	0.62 Months	0:37 Months	1 Month to 3 Months	0.96Months	0.10 Months	1.03 Months
Debtors Collection Rate	94.41%	94.32%	95%	94%	95%	86.80%
Capital Expenditure	76.92%	87.00%		58.82%	95%	73.36%

4. <u>Detailed Reports</u>

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 May 2023:

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. <u>Recommendation</u>

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…………14 June 2023…………………………

Annexure "A1"

OVERVIEW OF OPERATING REVENUE AND EXPENDITURE PERFORMANCE FOR THE PERIOD JULY TO MAY 2023.

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	1,056,623	130,929	1,022,996	988,776	34,220
Total Expenditure	1,163,909	1,178,339	146,067	972,338	1,087,482	(115,145)
Surplus/(Deficit)	(110,948)	(121,716)	(15,139)	50,658	(98,706)	149,365

The statement of financial performance reflects an operating surplus of R50,658 million.

Revenue

Main revenue sources for 2022/23

Description	2022/23 Financial Year		
	Adjusted Budget	YearTD actual	%
R thousands			
Revenue By Source			
Property rates	236,747	242,635	102.49%
Service charges - electricity revenue	350,201	275,460	78.66%
Service charges - water revenue	88,580	92,781	104.74%
Service charges - sanitation revenue	59,450	119,638	201.24%
Service charges - refuse revenue	62,269	56,942	91.45%
Rental of facilities and equipment	2,865	2,519	87.92%
Interest earned - external investments	3,057	5,969	195.22%
Interest earned - outstanding debtors	20,106	22,622	112.52%
Fines, penalties and forfeits	6,484	10,589	163.31%
Licences and permits	8,397	9,337	111.68%
Agency services	5,352	2,413	45.09%
Transfers and subsidies	178,236	173,524	97.36%
Other revenue	34,880	8,526	24.44%
Total Revenue (excluding capital transfers and contributions)	**1,056,623**	**1022,996**	**96.82%**

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

- **Property Rates**
  As at 31 May 2023, the municipality has recognised 102.49% of property rates revenue, compared to the budget. This is influenced by annual property rates raised in July 2022.

- **Service charges – electricity revenue**
  As at 31 May 2023, the municipality has recognised 78.66% of electricity revenue, compared to the budget. This is influenced by the low consumption of electricity as result of load-shedding.

- **Service charges – water revenue**
  As at 31 May 2023, the municipality has recognised 104.74% of water revenue, compared to the budget. This is influenced by high unanticipated water consumption.

- **Service charges – sanitation revenue**
  An incorrect journal amounting to R 63,200 million was captured against the sanitation revenue, which is distorting the budget versus actual percentage. The incorrect journal will be corrected during the June reporting period.

- **Interest earned – external investments.**
  the interest earned on external investments is largely influenced by the municipality's investment portfolio, currently amounts to R134,448 million.

- **Interest earned – outstanding debtors.**
  The interest earned on outstanding debtors is largely influenced by the municipality's overdue debtors, currently amounts to R 332,957 million.

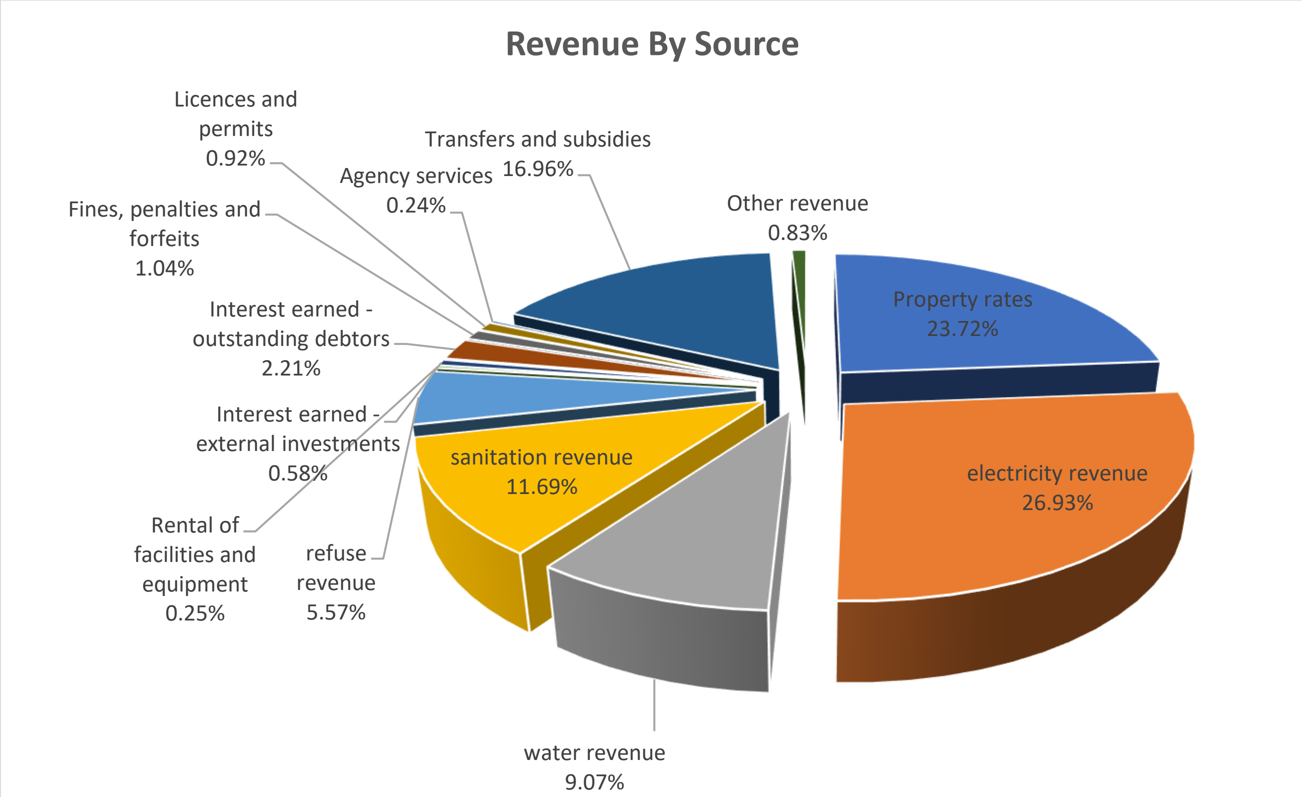
- **Fines, penalties, and forfeits**
  Fines, penalties, and forfeits are largely influenced by higher than anticipated revenue from traffic fines. The municipality has appointed a service provider for traffic infringements.

- **Licences and permits.**
  Licence and permits mostly relates to motor registrations and is influenced by the extent of vehicle registrations.

- **Agency Services**
  Agency services relate to the Department of Transport, commission received by the municipality as an acting agency for the collection of motor registration licences and other drivers' licences and permits.

- **Transfers and subsidies**
  Transfers and subsidies are largely influenced by the equitable share allocation received on 15 March 2023 amounting to R 45,723 million.

- **Other revenue**
  Other revenue is largely influenced by the R 23,085 million housing refund not yet received.



Expenditure

Main expenditure types for 2022/23

	2022/23 Financial Year		
Expenditure By Type	**Adjusted Budget**	**YearTD actual**	**%**
Employee related costs	409,379	383,519	93.68%
Remuneration of councillors	14,364	13,008	90.56%
Debt impairment	40,868	7,115	17.41%
Depreciation & asset impairment	103,850	95,196	91.67%
Finance charges	2,875	2,207	76.75%
Bulk purchases	325,900	261,264	80.17%
Other materials	90,680	77,784	85.78%
Contracted services	101,064	66,538	65.84%
Transfers and subsidies	725	709	97.76%
Other expenditure	88,633	64,997	73.33%
Total Expenditure	**1,178,339**	**972,338**	**82.52%**

Reasons for major over-/under expenditure per type

- **Employee related costs**
  As at 31 May 2023, the municipality has recognised 93.68% of employee related costs, compared to the budget.

- **Debt impairment**
  Bad debts are written off upon Council approval.

- **Finance charges**
  finance charges relate to the new finance lease for vehicles and is based on the finance lease amortisation schedule.

- **Bulk purchases (Electricity)**

Description	Budget Year 2022/23		
	Approved Adjusted Budget	YearTD actual	%
R thousands			
Bulk purchases – Electricity	325,900,000	261,264,190	80.17%
	325,900,000	**261,264,190**	**80.17%**

- **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.

- **Inventory consumed.**
  Other materials relate to the inventory items, such as bulk water purchases, materials and supplies, printing and stationery, fuel and oil etc.

  the bulk water purchases is as follows:

Description	Budget Year 2022/23		
	Approved Adjusted Budget	YearTD actual	%
R thousands			
Bulk purchases – Water	42,556,000	34,152,535	80.25%
	42,556,000	**34,152,535**	**80.25%**

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

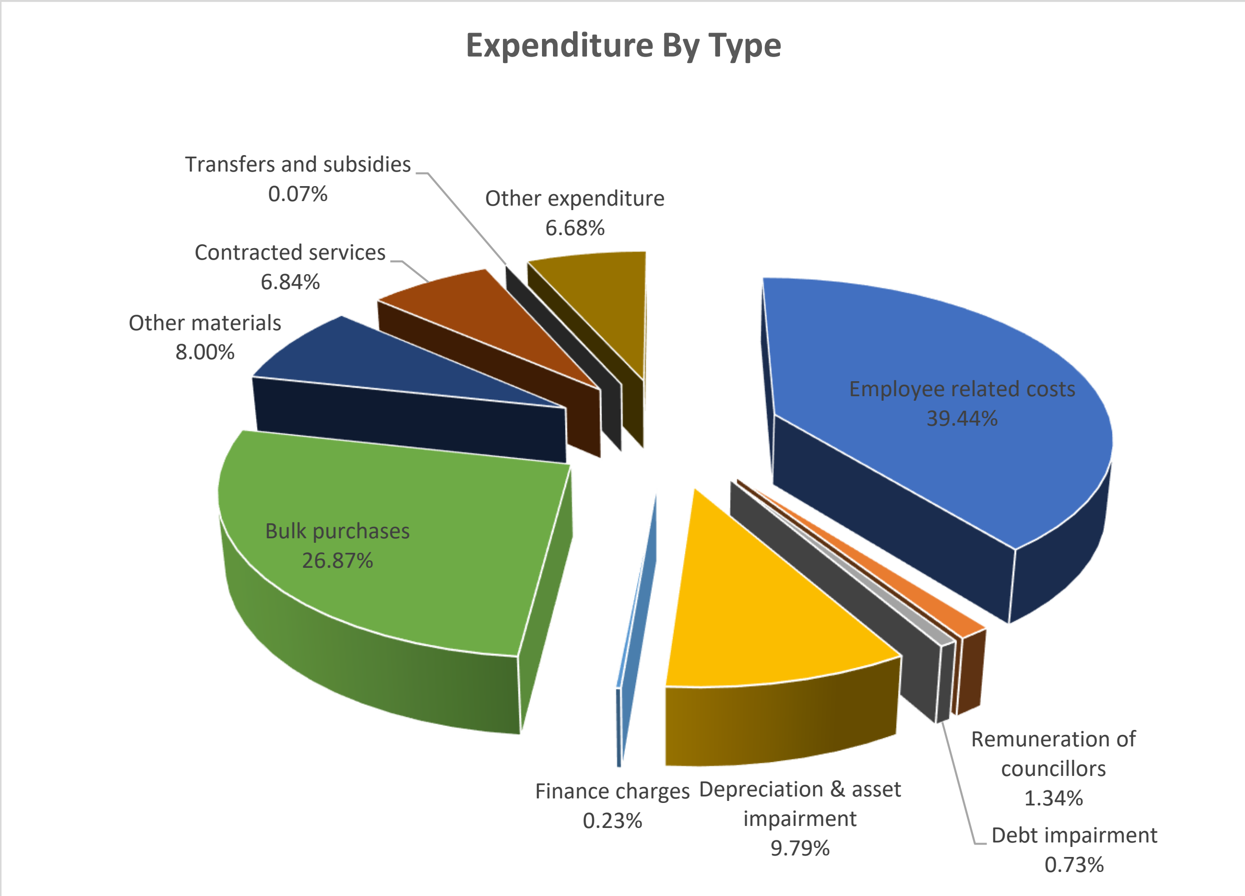
Contracted services are broken down as follows:

Item Description	Adjusted Budget 2022/23	Actuals as at 31 May 2023	%
Amanzi Challenge National Tournament	300,000	300,000	100.00%
Animal Care	485,000	428,022	88.25%
Audit of Municipal Land & Properties	300,000	-	0.00%
Boreholes Investigation - Thornhill	50,420	-	0.00%
Burial Services	30,000	11,950	39.83%
Calamari Festival	200,000	200,000	100.00%
Catering Services	882,323	620,842	70.36%
Clearing and Grass Cutting Services	1,830,000	1,754,468	95.87%
Concours Sur Mesure	250,000	250,000	100.00%
Consultants and Professional Services	6,200,715	3,277,850	52.86%
Destination Marketing and Promotion	291,000	20,629	7.09%
Drivers Licence Cards	500,000	497,429	99.49%
Dune Stabilisation	1,000,000	627,276	62.73%
Electricity Generation Project	819,800	345,500	42.14%
Employee Wellness	321,000	206,750	64.41%
ERF554 SUB DIVISION AND REZONING	200,000	15,101	7.55%
Event Promoters	100,000	72,348	72.35%
FMG-Data cleasing	525,315	448,248	85.33%
Hankey Precinct Plan Development	985,000	592,570	60.16%
Housing Panel of Professional Team	330,000	313,586	95.03%
Internal Auditors	255,000	29,095	11.41%
Ironman Tournament	165,000	-	0.00%
KLTO	300,000	300,000	100.00%
Kouga Tourism Indaba	364,280	101,909	27.98%
Laboratory Services:Water	2,683,500	1,293,585	48.21%
Land Availability and Readiness for Strategic Projects	200,000	-	0.00%
Land Valuations, Surveyor & Planning Services	150,000	22,058	14.71%
Legal Advice and Litigation	5,400,000	3,294,485	61.01%
Legal Cost:Collection	1,299,059	576,317	44.36%
Litter Picking and Street Cleaning	408,000	375,670	92.08%
Maintenance of Buildings and Facilities	5,922,000	4,745,788	80.14%
Maintenance of Electrical Infrastructure	3,140,517	2,571,837	81.89%
Maintenance of Equipment	658,780	329,997	50.09%
Maintenance of Sanitation Infrastructure	3,909,073	1,907,946	48.81%
Maintenance of Vehicles	7,654,189	6,112,865	79.86%
Maintenance of Water Infrastructure	2,045,790	756,028	36.96%
Occupational Health and Safety	1,192,850	835,925	70.08%
Other Contracted Services	1,591,550	2,355,153	147.98%
Payroll data cleansing	1,000,000	701,936	70.19%
Personnel and Labour	13,644,869	7,603,351	55.72%
PM: Special Projects	50,000	-	0.00%
Qualification Verification	1,120,000	881,760	78.73%
Roads Maintenance	11,440,673	7,307,732	63.88%
Security Services	4,658,920	4,239,973	91.01%
Special Rating Area	9,270,034	6,626,556	71.48%
Summer Festival	630,000	630,000	100.00%
Township Events	150,000	150,000	100.00%
Transport Services	459,340	170,682	37.16%
Valuer	3,600,000	2,634,728	73.19%
Winterfest	1,600,000	-	0.00%
Yellow Wood Annual Jazz Festival	500,000	-	0.00%
Total	**101,063,997**	**66,537,943**	**65.84%**

- **Other Expenditure**

The other expenditure is broken down as follows:

Item Description	Adjusted Budget 2022/23	Actuals as at 31 May 2023	%
Achievements and Awards	3,994,775	3,182,441	79.67%
Advertising, Publicity and Marketing	3,412,224	2,760,749	80.91%
Bank Charges	900,000	1,000,772	111.20%
Bargaining Council	3,913,185	-	0.00%
Cellular Contract (Subscription and Calls)	2,896,864	2,246,792	77.56%
Claims paid to Third Parties	300,000	108,873	36.29%
External Audit Fees	4,500,000	3,927,617	87.28%
External Computer Service:Internet Charge	6,942,977	4,237,076	61.03%
Hire Charges	10,865,558	5,463,399	50.28%
Insurance Claims	1,200,000	807,907	67.33%
Insurance Underwriting:Premiums	3,945,026	3,639,896	92.27%
Leases:Furniture and Office Equipment	2,971,216	2,712,357	91.29%
Leases:Other Assets	3,963,740	3,780,782	95.38%
Motor Vehicle Licence and Registrations	1,605,030	702,353	43.76%
Other	897,837	302,581	33.70%
Postage/Stamps/Franking Machines	2,311,500	1,968,510	85.16%
Printing, Publications and Books	1,209,325	867,666	71.75%
Registration Fees:Professional and Regulatory Bodies	347,725	152,710	43.92%
Registration Fees:Seminars, Conferences, Workshops	2,100,617	1,225,983	58.36%
Remuneration to Ward Committees	2,241,923	2,788,848	124.40%
Riparian Levies	6,280,241	6,171,688	98.27%
Signage	525,518	364,233	69.31%
Skills Development Fund Levy	3,398,919	3,197,545	94.08%
Software Licences	3,170,800	2,867,479	90.43%
Storage of Files (Archiving)	100,000	43,509	43.51%
Supplier Development Programme	24,301	24,300	100.00%
Third Party Vendors	5,500,000	3,123,396	56.79%
Travel and Subsistence	2,663,697	1,740,276	65.33%
Uniform and Protective Clothing	3,921,459	2,955,248	75.36%
Vehicle Tracking	754,565	819,285	108.58%
Workmen''s Compensation Fund	1,774,003	1,812,889	102.19%
Total	**88,633,025**	**64,997,161**	**73.33%**



Repairs and Maintenance

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

Item Description	Financial Year 2022/23		
	Adjusted Budget	**Actuals as at 31 May2023**	**%**
Maintenance of Equipment	1,098,780	707,925	64.43%
Maintenance of Vehicles	9,305,963	7,688,276	82.62%
Maintenance of Buildings and Facilities	4,820,960	4,071,238	84.45%
Maintenance of Water Infrastructure	5,906,006	4,142,606	70.14%
Roads Maintenance	14,175,360	8,381,638	59.13%
Sport and Recreation Facilities	1,490,000	1,412,610	94.81%
Maintenance of Electrical Infrastructure	8,080,200	7,095,439	87.81%
Maintenance of Sanitation Infrastructure	5,074,073	2,921,090	57.57%
Hire Charges	3,675,275	514,102	13.99%
Total	**53,626,617**	**36,934,923**	**68.87%**

It is to be noted that actual repairs and maintenance expenditure constituted 68.87% of the 2022/23 Approved Adjusted Budget.

Annexure "A2"

CAPITAL BUDGET PERFORMANCE

Vote Description	Budget Year 2022/23							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							%	
Funded by:								
National Government	29,649	86,606	10,283	66,442	79,388	(12,946)	-16%	86,606
Provincial Government	–	–	–	–	–	–		–
District Municipality	1,638	1,638	–	–	1,638	(1,638)	-100%	1,638
Other transfers and grants	–	–	–	–	–	–		–
Transfers recognised - capital	**31,287**	**88,244**	**10,283**	**66,442**	**81,026**	**(14,584)**	**-18%**	**88,244**
Public contributions & donations	–	–	–	–	–	–		–
Borrowing	–	10,104	–	8,786	9,262	(476)	**-5%**	10,104
Internally generated funds	8,398	16,679	433	9,150	15,289	(6,138)	**-40%**	16,679
Total Capital Funding	**39,685**	**115,027**	**10,716**	**84,379**	**105,577**	**(20,722)**	**-20%**	**115,027**

Summary Capital Expenditure and Funding

The capital expenditure as at 31 May 2023, constituted 73.36% of approved adjusted capital budget and the funding is broken down as follows:

- Grant funding is 75.29%of approved adjusted grant funding budget.
- Internally generated funds are 54.86%of approved adjusted 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	1,223	72	288	23.59%
Vote 2 - FINANCIAL SERVICES	1,730	980	15	196	19.97%
Vote 3 - CORPORATE SERVICES	–	1,740	–	1,636	94.00%
Vote 4 - COMMUNITY SERVICES	1,638	12,444	289	9,250	74.33%
Vote 5 - INFRASTRUCTURE AND ENGINEERING	35,567	96,223	10,308	72,596	75.45%
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	–	2,417	31	414	17.15%
Total Capital Multi-year expenditure	**39,685**	**115,027**	**10,716**	**84,379**	**73.36%**

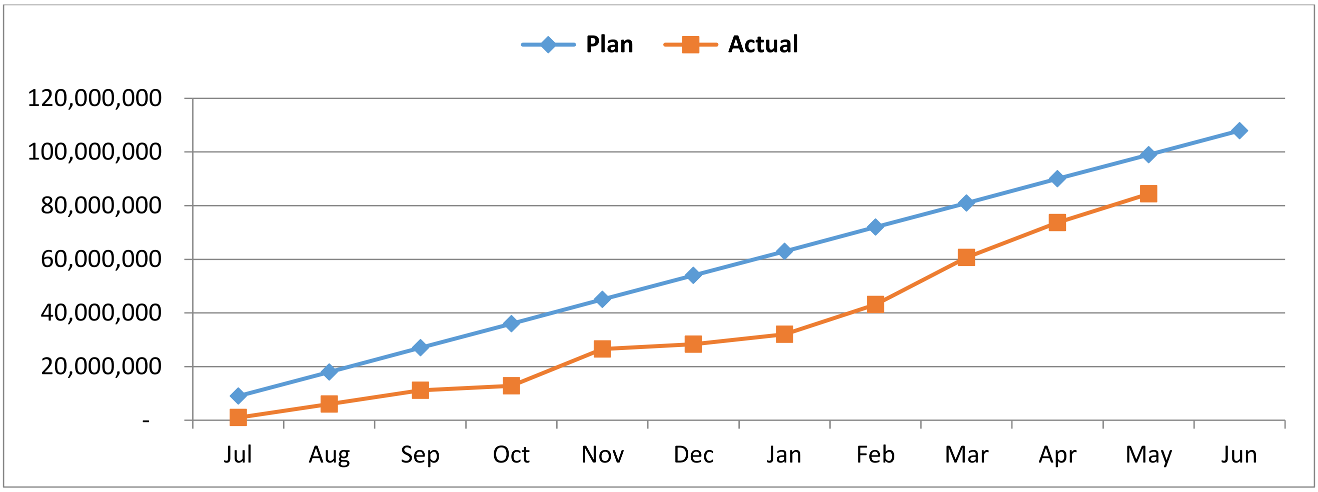
The capital expenditure as at 31 May 2023, constituted 73.36% of approved adjusted capital budget.

The capital expenditure is broken down per directorate as follows:

- Executive & Council is 23.659% of R 1,223 million budget.
- Financial Services is 19.97% of R 0,980 million budget.
- Corporate Services is 94.00% of R 1,740 million budget.
- Community Services is 74.33% of R 12,444 million budget.
- Infrastructure & Engineering is 75.45% of R 96,223 million budget.
- Planning Development and Tourism is 17.15% of R2,417 million budget.

Monthly capital expenditure

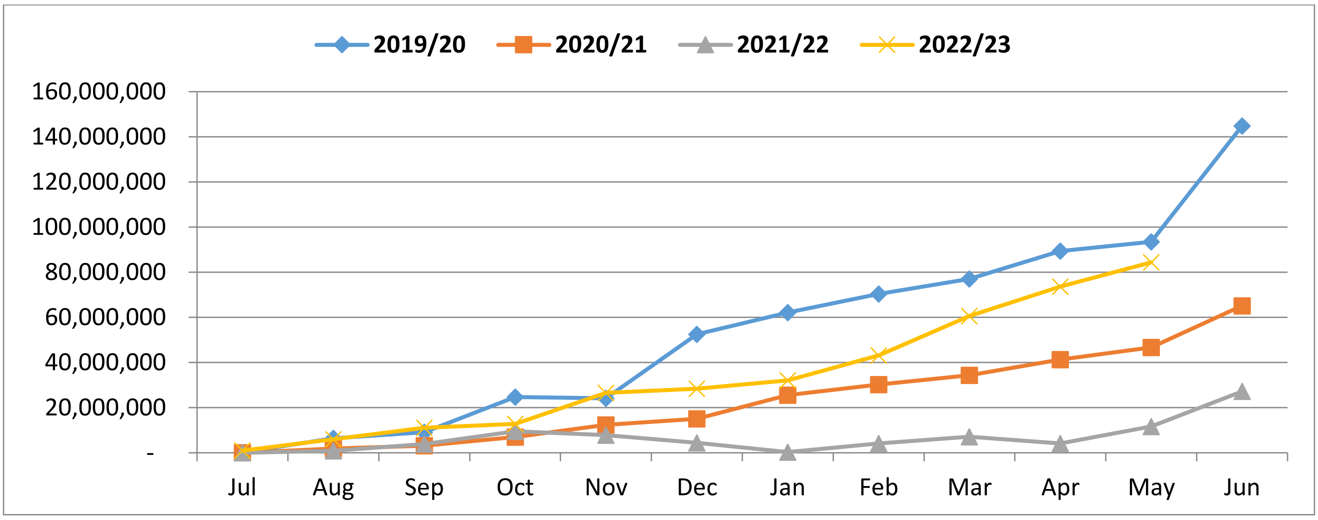
The graph below reflects the municipality's monthly capital expenditure to date measured against the 2022/23 current budget.



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 May 2023.

DIRECTORATES	DEPARTMENT	FUNDING	PROJECT	Adjusted Budget 2022/23	Actuals as at 31 May 2023	%
COMMUNITY SERVICES	CARAVAN PARKS & CAMPING SITES	Internal	Furniture and Equipment	160,000	141,511	88.44%
COMMUNITY SERVICES	FIRE SERVICES	DISTRICT	Fire Services - Vehicle (DISTRICT)	1,638,000	-	0.00%
COMMUNITY SERVICES	LAW ENFORCEMENT	Internal	Machinery and Equipment (Radio communication) -	58,270	19,621	33.67%
COMMUNITY SERVICES	LAW ENFORCEMENT	Internal	Quadbike	95,598	82,698	86.51%
COMMUNITY SERVICES	LAW ENFORCEMENT	Internal	Computer Equipment	387,811	219,497	56.60%
COMMUNITY SERVICES	WASTE SERVICES	Finance lease	Vehicle	6,110,930	5,313,852	86.96%
COMMUNITY SERVICES	WASTE SERVICES	Finance lease	Vehicle	3,993,476	3,472,588	86.96%
				12,444,085	**9,249,766**	**74.33%**
CORPORATE SERVICES	Corporate Services	Internal	Furniture and Equipment	-	10,000	0.00%
CORPORATE SERVICES	Finance: IT	Internal	Computer Equipment	1,520,000	1,569,843	103.28%
CORPORATE SERVICES	INFORMATION COMMUNICATION TECHNOLOGY (ICT)	Internal	LOCAL SERVER STORAGE SPACE	20,000	14,079	70.40%
CORPORATE SERVICES	INFORMATION COMMUNICATION TECHNOLOGY (ICT)	Internal	IT INVERTERS	200,000	41,600	20.80%
				1,740,000	**1,635,522**	**94.00%**
EXECUTIVE&COUNCIL	MAYOR	Internal	Furniture and Equipment - Municipal Court	250,000	-	0.00%
EXECUTIVE&COUNCIL	MAYORAL COMMITTEE	Internal	Furniture and Equipment - Ward Councillors Offices	-	(1,892)	0.00%
EXECUTIVE&COUNCIL	MUNICIPAL MANAGER	Internal	FURNITURE&EQUIPMENT -MUNCIPAL MANAGER	50,000	-	0.00%
EXECUTIVE&COUNCIL	Risk and Internal Audit Unit	Internal	Furniture and equipment	22,819	21,430	93.91%
EXECUTIVE&COUNCIL	WARD COUNCILLORS	Internal	Ward councilors Capital project	750,000	249,891	33.32%
EXECUTIVE&COUNCIL	WARD COUNCILLORS	Internal	FURNITURE&EQUIPMENT-WARD COUNCILLORS	150,000	19,006	12.67%
				1,222,819	**288,435**	**23.59%**
FINANCE	ASSET MANAGEMENT	Internal	AIR CONDITIONERS-WHOLE OF MUNICIPALITY	500,000	137,477	27.50%
FINANCE	ASSET MANAGEMENT	Internal	Furniture and equipment	30,000	13,790	45.97%
FINANCE	BUDGET AND FINANCIAL REPORTING	Internal	Furniture and Equipment	-	-	0.00%
FINANCE	EXPENDITURE	Internal	Furniture and equipment	30,000	29,372	97.91%
FINANCE	EXPENDITURE	Internal	Computer Equipment	150,000	-	0.00%
FINANCE	REVENUE	Internal	FURNITURE &EQUIPMENT REV STAFF	20,000	-	0.00%
FINANCE	SCM STORES: LOGISTICS AND DISPOSAL MANAGEMENT	Internal	REFURBISHMENT OF STORES	250,000	15,070	6.03%
				980,000	**195,710**	**19.97%**

DIRECTORATES	DEPARTMENT	FUNDING	PROJECT	Adjusted Budget 2022/23	Actuals as at 31 May 2023	%
INFRASTRUCTURE & ENGINEERING	Electricity	Internal	Saffery Substation	1,573,347	1,077,183	68.46%
INFRASTRUCTURE & ENGINEERING	Electricity	Internal	Machinery & Equipment	125,000	-	0.00%
INFRASTRUCTURE & ENGINEERING	METERING & REVENUE	Internal	Bulk 66kv Overhead lines	165,068	170,091	103.04%
INFRASTRUCTURE & ENGINEERING	METERING & REVENUE	INEP	Ocean View Electrification	3,217,391	201,163	6.25%
INFRASTRUCTURE & ENGINEERING	METERING & REVENUE	INEP	Bulk 66kv Overhead lines	3,826,087	607,633	15.88%
INFRASTRUCTURE & ENGINEERING	PROJECT MANAGEMENT UNIT (PMU)	Internal	Upgrading/Improvement of Sport Facilities within K	1,080,555	180,312	16.69%
INFRASTRUCTURE & ENGINEERING	PROJECT MANAGEMENT UNIT (PMU)	MIG	Upgrading of Sports Facilities	4,521,739	2,300,678	50.88%
INFRASTRUCTURE & ENGINEERING	PROJECT MANAGEMENT UNIT (PMU)	Internal	Mini Fresh Food and Craft Markets in Jbay & Hankey	400,000	-	0.00%
INFRASTRUCTURE & ENGINEERING	ROADS AND STORMWATER	MIG	Upgrading of Gravel Roads in Humansdorp	11,552,470	11,460,122	99.20%
INFRASTRUCTURE & ENGINEERING	ROADS AND STORMWATER	Internal	Machinery and Equipment	125,000	-	0.00%
INFRASTRUCTURE & ENGINEERING	Sewerage	Internal	New bypass Sewer Rising Main and Pump Stations Jba	450,000	-	0.00%
INFRASTRUCTURE & ENGINEERING	Sewerage	Internal	Upgrade Sewer Rising Mains Jbay (La Mer-4A-4B) Pre	160,000	32,000	20.00%
INFRASTRUCTURE & ENGINEERING	Sewerage	Internal	Piped Reticulation - St Francis Bay	110,000	37,500	34.09%
INFRASTRUCTURE & ENGINEERING	Sewerage	Internal	Machinery & Equipment	125,000	8,339	6.67%
INFRASTRUCTURE & ENGINEERING	Sewerage	MIG	Upgrade Sanitation System Old Hankey	13,574,877	13,305,934	98.02%
INFRASTRUCTURE & ENGINEERING	SEWERAGE	Internal	Construct emergency overflow pond Koraal Sewer pu	300,000	-	0.00%
INFRASTRUCTURE & ENGINEERING	SEWERAGE	Internal	Upgrade Loerie sewer pump station	80,000	23,438	29.30%
INFRASTRUCTURE & ENGINEERING	Water	Internal	Replace 250mm Water Main Canal Road St Francis Ba	65,000	54,283	83.51%
INFRASTRUCTURE & ENGINEERING	Water	Internal	Repair Leaking Concrete Water Tower Paradise Beach	100,000	17,394	17.39%
INFRASTRUCTURE & ENGINEERING	Water	Internal	Replace Main Waterline Sout Rivier Bridge Crossing	110,000	27,500	25.00%
INFRASTRUCTURE & ENGINEERING	Water	Internal	Replace 250mm Water Main Mimosa Street Jbay	60,000	49,500	82.50%
INFRASTRUCTURE & ENGINEERING	WATER	Internal	Connect 4 x drilled boreholes to treatment works	819,941	819,941	100.00%
INFRASTRUCTURE & ENGINEERING	WATER	Internal	WATER TANKS JEFFREYS BAY - DROUGHT PROJECT	388,060	385,834	99.43%
INFRASTRUCTURE & ENGINEERING	WATER	Internal	Connecting Kruisfontein Boreholes to Humansdorp Wa	3,255,369	3,255,360	100.00%
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	HUMANSDORP BOREHOLE 7	3,043,478	-	0.00%
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	ST FRANCIS BAY: BOREHOLES	3,565,217	2,675,392	75.04%
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	THORNHILL: GROUNDWATER DEVELOPMENT	2,869,565	1,242,293	43.29%
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	HANKEY: BOREHOLES	3,304,348	651,672	19.72%
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	LOERIE: GROUNDWATER DEVELOPMENT	2,956,522	1,513,606	51.20%
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	HUMANSDORP: KRUISFONTEIN: BOREHOLES	12,260,870	10,877,834	88.72%
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	ST FRANCIS BAY: WATER TREATMENT WORKS	5,130,435	4,628,819	90.22%
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	HUMANSDORP :WATER TREATMENT WORKS	7,130,435	5,987,630	83.97%
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	HANKEY: WATER TREATMENT WORKS	3,217,391	4,865,839	151.24%
INFRASTRUCTURE & ENGINEERING	WATER	WSIG	JEFFREYS BAY: NEW OXIDATION WATER TREATMENT PLANT	6,434,783	6,123,867	95.17%
INFRASTRUCTURE & ENGINEERING	WATER	Internal	Machinery and Equipment	125,000	14,407	11.53%
				96,222,948	**72,595,564**	**75.45%**
PLANNING, DEVELOPMENT & TOURISM	LOCAL ECONOMIC DEVELOPMENT	Internal	Kouga Business Support Centre	364,985	364,985	100.00%
PLANNING, DEVELOPMENT & TOURISM	Planning & Development	Internal	Computer Software and Applications	32,000	1,098	3.43%
PLANNING, DEVELOPMENT & TOURISM	TOWN AND REGIONAL PLANNING	Internal	Computer Equipment	20,000	19,065	95.33%
PLANNING, DEVELOPMENT & TOURISM	TOWN AND REGIONAL PLANNING	Internal	IMPLEMENTATION OF JEFFREYS BAY PRECINCT PLAN	2,000,000	29,260	1.46%
				2,416,985	**414,408**	**17.15%**
			Total	**115,026,837**	**84,379,405**	**73.36%**

Annexure "A3"

PROJECTED CASH FLOW STATEMENT FOR THE 2022/23 FINANCIAL YEAR

Projected Cash Flow Statement as at 31 May 2023

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 – M11 May 2023

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	227,440	17,729	228,919	208,487	20,432	10%	227,440
Service charges		238,396	652,478	628,917	41,575	455,175	576,507	(121,332)	-21%	628,917
Other revenue		22,231	57,445	101,036	11,734	136,990	92,616	44,373	48%	101,036
Transfers and Subsidies - Operational		147,988	177,920	177,920	(0)	177,268	163,093	14,175	9%	177,920
Transfers and Subsidies - Capital		–	35,734	93,134	1,525	98,960	85,373	13,587	16%	93,134
Interest		841,486	2,811	3,057	3,428	28,550	2,803	25,748	919%	3,057
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		145,625	(1,115,817)	(1,140,765)	(91,324)	(915,926)	(1,045,701)	(129,775)	12%	(1,140,765)
Finance charges		–	–	–	–	–	–	–		–
Transfers and Grants		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**1,886,718**	**41,019**	**90,740**	**(15,334)**	**209,935**	**83,178**	**(126,757)**	**-152%**	**90,740**
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		(35,341)	(39,685)	(115,027)	(10,716)	(91,566)	(105,441)	(13,876)	13%	(115,027)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(35,341)**	**(39,685)**	**(115,027)**	**(10,716)**	**(91,566)**	**(105,441)**	**(13,876)**	**13%**	**(115,027)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		2,899	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		250	–	(12,169)	(1,229)	(11,772)	(11,155)	617	-6%	(12,169)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**3,149**	**–**	**(12,169)**	**(1,229)**	**(11,772)**	**(11,155)**	**617**	**-6%**	**(12,169)**
NET INCREASE/ (DECREASE) IN CASH HELD		**1,854,526**	**1,334**	**(36,456)**	**(27,278)**	**106,597**	**(33,418)**			**(36,456)**
Cash/cash equivalents at beginning:		53,394	4,105	27,851		27,851	27,851			27,851
Cash/cash equivalents at month/year end:		1,907,921	5,439	(8,606)		134,448	(5,568)			(8,606)

Annexure "A4"

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 May 2023 and are to be noted. Each table is accompanied by explanatory notes.

Table C1 Monthly Budget Statement Summary – M11 May 2023

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	236,747	16,121	242,635	222,995	19,640	9%	236,747
Service charges	521,775	586,820	560,501	108,243	544,822	513,792	31,030	6%	560,501
Investment revenue	3,225	2,811	3,057	966	5,969	2,803	3,166	113%	3,057
Transfers and subsidies	153,880	177,920	178,236	28	173,524	177,793	(4,269)	-2%	178,236
Other own revenue	57,634	44,562	78,082	5,571	56,047	71,393	(15,347)	-21%	78,082
Total Revenue (excluding capital transfers and contributions)	**960,840**	**1,052,961**	**1,056,623**	**130,929**	**1,022,996**	**988,776**	**34,220**	**3%**	**1,056,623**
Employee costs	339,392	391,318	409,379	91,417	383,519	376,567	6,952	2%	409,379
Remuneration of Councillors	13,395	14,364	14,364	1,137	13,008	13,167	(159)	-1%	14,364
Depreciation & asset impairment	100,082	103,850	103,850	8,654	95,196	103,823	(8,627)	-8%	103,850
Finance charges	4,662	–	2,875	227	2,207	2,636	(429)	-16%	2,875
Materials and bulk purchases	388,268	400,548	416,580	27,187	339,048	381,526	(42,478)	-11%	416,580
Transfers and subsidies	458	400	725	–	709	698	11	2%	725
Other expenditure	239,115	253,428	230,565	17,445	138,650	209,065	(70,415)	-34%	230,565
Total Expenditure	**1,085,372**	**1,163,909**	**1,178,339**	**146,067**	**972,338**	**1,087,482**	**(115,145)**	**-11%**	**1,178,339**
Surplus/(Deficit)	**(124,532)**	**(110,948)**	**(121,716)**	**(15,139)**	**50,658**	**(98,706)**	**149,365**	**-151%**	**(121,716)**
Transfers and subsidies - capital (monetary allocations	60,630	35,734	101,234	12,432	73,094	95,776	(22,682)	-24%	101,234
Contributions & Contributed assets	20	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(63,881)**	**(75,214)**	**(20,481)**	**(2,707)**	**123,753**	**(2,930)**	**126,683**	**-4323%**	**(20,481)**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(63,881)**	**(75,214)**	**(20,481)**	**(2,707)**	**123,753**	**(2,930)**	**126,683**	**-4323%**	**(20,481)**
Capital expenditure & funds sources									
Capital expenditure	**113,963**	**39,685**	**115,027**	**10,716**	**84,379**	**105,577**	**(21,198)**	**-20%**	**115,027**
Capital transfers recognised	50,769	31,287	88,244	10,283	66,442	81,026	(14,584)	-18%	88,244
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	10,104	–	8,786	9,262	(476)	-5%	10,104
Internally generated funds	**63,123**	**8,398**	**16,679**	**433**	**9,150**	**15,289**	**(6,138)**	**-40%**	**16,679**
Total sources of capital funds	**113,892**	**39,685**	**115,027**	**10,716**	**84,379**	**105,577**	**(21,198)**	**-20%**	**115,027**
Financial position									
Total current assets	236,368	132,996	147,079		221,237				147,006
Total non current assets	2,328,611	2,253,988	2,332,762		2,317,272				2,332,762
Total current liabilities	250,795	154,904	154,913		155,573				154,092
Total non current liabilities	237,656	191,375	243,359		241,133				243,359
Community wealth/Equity	**2,076,528**	**2,040,704**	**2,081,569**		**2,141,803**				**2,082,317**
Cash flows									
Net cash from (used) operating	1,886,718	41,019	90,740	(15,334)	209,935	83,178	(126,757)	-152%	90,740
Net cash from (used) investing	(35,341)	(39,685)	(115,027)	(10,716)	(91,566)	(105,441)	(13,876)	13%	(115,027)
Net cash from (used) financing	3,149	–	(12,169)	(1,229)	(11,772)	(11,155)	617	-6%	(12,169)
Cash/cash equivalents at the month/year end	**1,907,921**	**5,439**	**(8,606)**	**–**	**134,448**	**(5,568)**	**(140,015)**	**2515%**	**(8,606)**
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	113,890	107	8,187	(19)	32	16	288	2,731	125,232

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) – M11 May 2023

Description	Ref	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
R thousands	1									
Revenue - Functional										
Governance and administration		**343,844**	**361,880**	**362,095**	**18,570**	**419,261**	**346,856**	72,406	21%	**362,095**
Executive and council		509	342	425	95	2,414	390	2,025	520%	425
Finance and administration		343,335	361,539	361,670	18,474	416,847	346,466	70,381	20%	361,670
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**15,171**	**16,365**	**39,035**	**1,187**	**13,719**	**36,185**	(22,466)	-62%	**39,035**
Community and social services		2,469	2,508	2,476	28	2,388	2,440	(52)	-2%	2,476
Sport and recreation		7,082	9,017	8,639	347	7,098	7,780	(683)	-9%	8,639
Public safety		1,654	1,652	1,648	1,526	2,532	1,647	885	54%	1,648
Housing		987	–	23,085	–	–	21,161	(21,161)	-100%	23,085
Health		2,979	3,187	3,187	(714)	1,701	3,156	(1,455)	-46%	3,187
Economic and environmental services		**16,268**	**38,750**	**40,282**	**16,791**	**28,632**	**37,392**	(8,760)	-23%	**40,282**
Planning and development		7,525	6,754	8,367	1,140	5,505	7,819	(2,314)	-30%	8,367
Road transport		7,341	6,527	6,544	779	6,374	6,097	277	5%	6,544
Environmental protection		1,402	25,469	25,371	14,872	16,753	23,477	(6,724)	-29%	25,371
Trading services		**646,208**	**671,701**	**716,445**	**106,813**	**634,478**	**664,118**	(29,640)	-4%	**716,445**
Energy sources		342,583	379,734	366,664	26,107	277,994	336,673	(58,679)	-17%	366,664
Water management		119,239	114,284	173,181	11,410	154,035	160,418	(6,382)	-4%	173,181
Waste water management		106,057	109,397	107,155	78,149	154,349	101,925	52,424	51%	107,155
Waste management		78,329	68,285	69,446	(8,852)	48,099	65,102	(17,003)	-26%	69,446
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1,021,491**	**1,088,696**	**1,157,857**	**143,361**	**1,096,090**	**1,084,552**	**11,539**	**1%**	**1,157,857**
Expenditure - Functional										
Governance and administration		**102,810**	**252,416**	**287,234**	**19,046**	**207,621**	**263,177**	(55,556)	-21%	**287,234**
Executive and council		49,469	54,099	59,509	3,909	46,455	54,518	(8,063)	-15%	59,509
Finance and administration		53,322	198,047	227,332	15,129	161,105	208,299	(47,194)	-23%	227,332
Internal audit		20	270	393	9	60	359	(299)	-83%	393
Community and public safety		**96,429**	**111,512**	**114,898**	**7,830**	**90,787**	**105,277**	(14,490)	-14%	**114,898**
Community and social services		9,661	12,180	12,012	624	7,587	11,050	(3,463)	-31%	12,012
Sport and recreation		50,545	56,704	60,244	3,760	47,369	55,117	(7,748)	-14%	60,244
Public safety		25,178	28,610	28,425	2,474	24,395	26,181	(1,786)	-7%	28,425
Housing		5,149	6,627	6,794	403	4,884	6,148	(1,264)	-21%	6,794
Health		5,896	7,391	7,422	569	6,551	6,780	(229)	-3%	7,422
Economic and environmental services		**121,395**	**163,774**	**152,627**	**14,627**	**111,260**	**143,105**	(31,845)	-22%	**152,627**
Planning and development		36,880	29,222	27,349	2,609	21,614	25,043	(3,429)	-14%	27,349
Road transport		81,947	111,957	110,674	10,974	81,142	104,955	(23,813)	-23%	110,674
Environmental protection		2,568	22,594	14,603	1,044	8,503	13,107	(4,604)	-35%	14,603
Trading services		**761,141**	**629,886**	**617,316**	**104,497**	**559,117**	**570,211**	(11,094)	-2%	**617,316**
Energy sources		351,548	408,286	382,969	23,453	295,706	351,628	(55,922)	-16%	382,969
Water management		182,571	99,688	105,544	6,967	81,891	98,097	(16,207)	-17%	105,544
Waste water management		103,908	71,306	73,260	69,514	129,694	69,469	60,225	87%	73,260
Waste management		123,115	50,606	55,544	4,564	51,827	51,017	810	2%	55,544
Other		**3,725**	**6,322**	**6,264**	**67**	**3,553**	**5,712**	**(2,159)**	**-38%**	**6,264**
Total Expenditure - Functional	3	**1,085,500**	**1,163,909**	**1,178,339**	**146,067**	**972,338**	**1,087,482**	**(115,145)**	**-11%**	**1,178,339**
Surplus/ (Deficit) for the year		**(64,009)**	**(75,214)**	**(20,481)**	**(2,707)**	**123,753**	**(2,930)**	**126,683**	**-4323%**	**(20,481)**

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 – M11 May 2023

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	–	316	–	2,318	290	2,028	699.8%	316
Vote 2 - FINANCIAL SERVICES		336,800	358,424	353,977	16,924	404,072	339,414	64,658	19.0%	353,977
Vote 3 - CORPORATE SERVICES		808	975	947	95	783	868	(85)	-9.8%	947
Vote 4 - COMMUNITY SERVICES		105,509	117,205	122,144	9,625	94,016	114,032	(20,015)	-17.6%	122,144
Vote 5 - INFRASTRUCTURE AND ENGINEERING		572,011	607,132	650,816	115,961	589,507	602,762	(13,255)	-2.2%	650,816
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		6,009	4,960	29,657	755	5,394	27,186	(21,792)	-80.2%	29,657
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	**1,021,491**	**1,088,696**	**1,157,857**	**143,361**	**1,096,090**	**1,084,552**	**11,539**	**1.1%**	**1,157,857**
Expenditure by Vote	1									
Vote 1 - EXECUTIVE COUNCIL		53,373	58,894	65,197	4,310	51,367	59,749	(8,382)	-14.0%	65,197
Vote 2 - FINANCIAL SERVICES		(33,762)	98,012	106,750	6,925	74,480	97,789	(23,309)	-23.8%	106,750
Vote 3 - CORPORATE SERVICES		52,164	43,088	60,740	3,749	33,886	55,340	(21,454)	-38.8%	60,740
Vote 4 - COMMUNITY SERVICES		257,361	230,145	231,928	16,953	191,762	212,543	(20,781)	-9.8%	231,928
Vote 5 - INFRASTRUCTURE AND ENGINEERING		731,601	695,979	676,920	112,024	595,957	628,507	(32,550)	-5.2%	676,920
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		24,762	37,702	36,618	2,108	24,872	33,391	(8,519)	-25.5%	36,618
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	**1,085,500**	**1,163,819**	**1,178,153**	**146,067**	**972,324**	**1,087,319**	**(114,995)**	**-10.6%**	**1,178,153**
Surplus/ (Deficit) for the year	2	**(64,009)**	**(75,124)**	**(20,296)**	**(2,707)**	**123,766**	**(2,767)**	**126,534**	**-4572.2%**	**(20,296)**

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) – M11 May 2023

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	236,747	16,121	242,635	222,995	19,640	9%	236,747
Service charges - electricity revenue		327,359	371,804	350,201	25,009	275,460	321,018	(45,558)	-14%	350,201
Service charges - water revenue		83,125	89,362	88,580	10,192	92,781	81,198	11,583	14%	88,580
Service charges - sanitation revenue		56,405	62,796	59,450	68,017	119,638	54,496	65,142	120%	59,450
Service charges - refuse revenue		54,886	62,858	62,269	5,025	56,942	57,080	(138)	0%	62,269
Rental of facilities and equipment		3,094	2,968	2,865	189	2,519	2,626	(107)	-4%	2,865
Interest earned - external investments		3,225	2,811	3,057	966	5,969	2,803	3,166	113%	3,057
Interest earned - outstanding debtors		13,878	13,706	20,106	2,466	22,622	18,430	4,192	23%	20,106
Dividends received		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		5,881	1,842	6,484	1,665	10,589	5,943	4,646	78%	6,484
Licences and permits		9,593	8,397	8,397	544	9,377	7,521	1,857	25%	8,397
Agency services		2,560	5,352	5,352	441	2,413	4,906	(2,493)	-51%	5,352
Transfers and subsidies		153,880	177,920	178,236	28	173,524	177,793	(4,269)	-2%	178,236
Other revenue		12,393	12,298	34,880	265	8,526	31,967	(23,441)	-73%	34,880
Gains		10,234	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**960,840**	**1,052,961**	**1,056,623**	**130,929**	**1,022,996**	**988,776**	**34,220**	**3%**	**1,056,623**
Expenditure By Type										
Employee related costs		339,392	391,318	409,379	91,417	383,519	376,567	6,952	2%	409,379
Remuneration of councillors		13,395	14,364	14,364	1,137	13,008	13,167	(159)	-1%	14,364
Debt impairment		64,124	42,069	40,868	–	7,115	37,462	(30,347)	-81%	40,868
Depreciation & asset impairment		100,082	103,850	103,850	8,654	95,196	103,823	(8,627)	-8%	103,850
Finance charges		4,662	–	2,875	227	2,207	2,636	(429)	-16%	2,875
Bulk purchases - electricity		295,222	325,900	325,900	19,789	261,264	298,742	(37,477)	-13%	325,900
Inventory consumed		93,046	74,648	90,680	7,398	77,784	82,784	(5,000)	-6%	90,680
Contracted services		75,039	93,375	101,064	10,588	66,538	91,536	(24,998)	-27%	101,064
Transfers and subsidies		458	400	725	–	709	698	11	2%	725
Other expenditure		89,311	117,984	88,633	6,857	64,997	80,067	(15,070)	-19%	88,633
Losses		10,641	–	–	–	–	–	–		–
Total Expenditure		**1,085,372**	**1,163,909**	**1,178,339**	**146,067**	**972,338**	**1,087,482**	**(115,145)**	**-11%**	**1,178,339**
Surplus/(Deficit)		**(124,532)**	**(110,948)**	**(121,716)**	**(15,139)**	**50,658**	**(98,706)**	**149,365**	**(0)**	**(121,716)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		60,630	35,734	101,234	12,432	73,094	95,776	(22,682)	(0)	101,234
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		**(63,881)**	**(75,214)**	**(20,481)**	**(2,707)**	**123,753**	**(2,930)**			**(20,481)**
Taxation		–	–	–	–	–	–	–		–
Surplus/(Deficit) after taxation		**(63,881)**	**(75,214)**	**(20,481)**	**(2,707)**	**123,753**	**(2,930)**			**(20,481)**
Attributable to minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**(63,881)**	**(75,214)**	**(20,481)**	**(2,707)**	**123,753**	**(2,930)**			**(20,481)**
Share of surplus/ (deficit) of associate		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**(63,881)**	**(75,214)**	**(20,481)**	**(2,707)**	**123,753**	**(2,930)**			**(20,481)**

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) – M11 May 2023

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	–	450	–	17	412	(395)	-96%	450
Vote 2 - FINANCIAL SERVICES		2,393	1,670	2,660	15	1,778	2,438	(660)	-27%	2,660
Vote 3 - CORPORATE SERVICES		1,914	–	–	–	10	–	10	#DIV/0!	–
Vote 4 - COMMUNITY SERVICES		3,644	1,638	12,444	289	9,250	11,544	(2,294)	-20%	12,444
Vote 5 - INFRASTRUCTURE AND ENGINEERING		69,881	35,167	95,573	10,308	72,581	87,608	(15,027)	-17%	95,573
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		263	–	2,417	31	414	2,216	(1,801)	-81%	2,417
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	**80,171**	**38,475**	**113,544**	**10,644**	**84,051**	**104,218**	**(20,168)**	**-19%**	**113,544**
Single Year expenditure appropriation	2									
Vote 1 - EXECUTIVE COUNCIL		207	750	773	72	271	708	(437)	-62%	773
Vote 2 - FINANCIAL SERVICES		1,402	60	60	–	43	55	(12)	-22%	60
Vote 3 - CORPORATE SERVICES		–	–	–	–	–	–	–		–
Vote 4 - COMMUNITY SERVICES		22,346	–	–	–	–	–	–		–
Vote 5 - INFRASTRUCTURE AND ENGINEERING		9,246	400	650	–	14	596	(581)	-98%	650
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	33,792	1,210	1,483	72	329	1,359	**(1,030)**	**-76%**	1,483
Total Capital Expenditure	3	**113,963**	**39,685**	**115,027**	**10,716**	**84,379**	**105,577**	**(21,198)**	**-20%**	**115,027**
Capital Expenditure - Functional Classification										
Governance and administration		**8,587**	**2,480**	**4,484**	**294**	**2,441**	**4,111**	(1,669)	-41%	**4,484**
Executive and council		2,284	750	1,200	72	267	1,100	(833)	-76%	1,200
Finance and administration		6,303	1,730	3,262	222	2,153	2,990	(837)	-28%	3,262
Internal audit		–	–	23	–	21	21	1	2%	23
Community and public safety		**8,172**	**1,638**	**2,879**	**83**	**322**	**2,775**	(2,453)	-88%	**2,879**
Community and social services		71	–	–	–	–	–	–		–
Sport and recreation		5,936	–	1,241	83	322	1,137	(815)	-72%	1,241
Public safety		2,165	1,638	1,638	–	–	1,638	(1,638)	-100%	1,638
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**21,126**	**11,609**	**18,576**	**1,144**	**14,175**	**17,028**	(2,853)	-17%	**18,576**
Planning and development		2,055	4,922	6,899	1,115	2,715	6,324	(3,609)	-57%	6,899
Road transport		19,070	6,687	11,677	28	11,460	10,704	756	7%	11,677
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**76,079**	**23,959**	**89,088**	**9,196**	**67,441**	**81,663**	(14,223)	-17%	**89,088**
Energy sources		9,709	1,738	8,907	809	2,056	8,165	(6,109)	-75%	8,907
Water management		28,835	907	54,836	1,082	43,191	50,267	(7,075)	-14%	54,836
Waste water management		17,527	21,313	15,240	7,305	13,407	13,970	(563)	-4%	15,240
Waste management		20,008	–	10,104	–	8,786	9,262	(476)	-5%	10,104
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**113,963**	**39,685**	**115,027**	**10,716**	**84,379**	**105,577**	**(21,198)**	**-20%**	**115,027**
Funded by:										
National Government		49,169	29,649	86,606	10,283	66,442	79,388	(12,946)	-16%	86,606
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		1,600	1,638	1,638	–	–	1,638	(1,638)	-100%	1,638
Other transfers and grants		–	–	–	–	–	–	–		–
Transfers recognised - capital		**50,769**	**31,287**	**88,244**	**10,283**	**66,442**	**81,026**	**(14,584)**	**-18%**	**88,244**
Public contributions & donations	5	–	–	–	–	–	–	–		–
Borrowing	6	–	–	10,104	–	8,786	9,262	(476)	-5%	10,104
Internally generated funds		63,123	8,398	16,679	433	9,150	15,289	(6,138)	-40%	16,679
Total Capital Funding		**113,892**	**39,685**	**115,027**	**10,716**	**84,379**	**105,577**	**(21,198)**	**-20%**	**115,027**

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 – M11 May 2023

Description	Ref	2021/22	Budget Year 2022/23			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash		18,048	2,601	3,693	27,996	5,065
Call investment deposits		9,803	2,838	4,850	106,451	4,850
Consumer debtors		46,705	67,955	60,236	51,034	60,236
Other debtors		144,763	47,032	61,041	18,495	59,596
Current portion of long-term receivables		–	–	–	–	–
Inventory		17,050	12,570	17,259	17,259	17,259
Total current assets		**236,368**	**132,996**	**147,079**	**221,237**	**147,006**
Non current assets						
Long-term receivables		–	–	–	–	–
Investments		–	–	–	–	–
Investment property		262,608	262,645	262,608	262,608	262,608
Investments in Associate		–	–	–	–	–
Property, plant and equipment		2,065,132	1,989,453	2,069,744	2,054,170	2,069,744
Agricultural		–	–	–	–	–
Biological assets		–	–	–	–	–
Intangible assets		870	1,890	410	494	410
Other non-current assets		–	–	–	–	–
Total non current assets		**2,328,611**	**2,253,988**	**2,332,762**	**2,317,272**	**2,332,762**
TOTAL ASSETS		**2,564,979**	**2,386,984**	**2,479,841**	**2,538,509**	**2,479,768**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		7,464	–	12,169	397	12,169
Consumer deposits		23,673	20,774	23,673	27,373	23,673
Trade and other payables		184,892	95,855	77,560	93,037	76,740
Provisions		34,767	38,275	41,511	34,767	41,511
Total current liabilities		**250,795**	**154,904**	**154,913**	**155,573**	**154,092**
Non current liabilities						
Borrowing		22,813	–	16,043	26,249	16,043
Provisions		214,842	191,375	227,316	214,884	227,316
Total non current liabilities		**237,656**	**191,375**	**243,359**	**241,133**	**243,359**
TOTAL LIABILITIES		**488,450**	**346,280**	**398,272**	**396,706**	**397,451**
NET ASSETS	2	**2,076,528**	**2,040,704**	**2,081,569**	**2,141,803**	**2,082,317**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		2,076,528	2,040,704	2,081,569	2,141,803	2,082,317
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**2,076,528**	**2,040,704**	**2,081,569**	**2,141,803**	**2,082,317**

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 – M11 May 2023

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	227,440	17,729	228,919	208,487	20,432	10%	227,440
Service charges		238,396	652,478	628,917	41,575	455,175	576,507	(121,332)	-21%	628,917
Other revenue		22,231	57,445	101,036	11,734	136,990	92,616	44,373	48%	101,036
Transfers and Subsidies - Operational		147,988	177,920	177,920	(0)	177,268	163,093	14,175	9%	177,920
Transfers and Subsidies - Capital		–	35,734	93,134	1,525	98,960	85,373	13,587	16%	93,134
Interest		841,486	2,811	3,057	3,428	28,550	2,803	25,748	919%	3,057
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		145,625	(1,115,817)	(1,140,765)	(91,324)	(915,926)	(1,045,701)	(129,775)	12%	(1,140,765)
Finance charges		–	–	–	–	–	–	–		–
Transfers and Grants		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**1,886,718**	**41,019**	**90,740**	**(15,334)**	**209,935**	**83,178**	**(126,757)**	**-152%**	**90,740**
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		(35,341)	(39,685)	(115,027)	(10,716)	(91,566)	(105,441)	(13,876)	13%	(115,027)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(35,341)**	**(39,685)**	**(115,027)**	**(10,716)**	**(91,566)**	**(105,441)**	**(13,876)**	**13%**	**(115,027)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		2,899	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		250	–	(12,169)	(1,229)	(11,772)	(11,155)	617	-6%	(12,169)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**3,149**	**–**	**(12,169)**	**(1,229)**	**(11,772)**	**(11,155)**	**617**	**-6%**	**(12,169)**
NET INCREASE/ (DECREASE) IN CASH HELD		**1,854,526**	**1,334**	**(36,456)**	**(27,278)**	**106,597**	**(33,418)**			**(36,456)**
Cash/cash equivalents at beginning:		53,394	4,105	27,851		27,851	27,851			27,851
Cash/cash equivalents at month/year end:		1,907,921	5,439	(8,606)		134,448	(5,568)			(8,606)

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 May 2023, compared to the position as at 30 June 2022.

Debtors' Age Analysis (Inclusive of VAT) as at 31 May 2023

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	20,907	6,377	3,088	6,285	4,057	3,074	17,464	64,328	125,580
Trade and Other Receivables from Exchange Transactions - Electricity	21,705	1,426	1,424	913	838	583	3,793	11,202	41,884
Receivables from Non-exchange Transactions - Property Rates	16,087	1,486	1,272	975	886	776	10,502	24,559	56,543
Receivables from Exchange Transactions - Waste Water Management	8,390	1,712	1,372	1,568	1,250	1,151	6,403	29,636	51,482
Receivables from Exchange Transactions - Waste Management	5,939	1,409	1,316	1,269	1,247	1,209	6,670	39,934	58,994
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	724	221	229	377	346	351	3,258	45,503	51,010
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(26,951)	405	603	415	335	362	2,421	16,675	(5,736)
Total By Income Source	**46,800**	**13,037**	**9,303**	**11,802**	**8,959**	**7,507**	**50,511**	**231,838**	**379,757**
									–
Debtors Age Analysis By Customer Group									
Organs of State	983	457	399	396	375	229	2,292	6,766	11,897
Commercial	7,442	494	365	395	253	260	1,490	5,468	16,167
Households	38,376	12,085	8,539	11,011	8,332	7,018	46,729	219,604	351,693
Other	(1)	–	–	–	–	–	–	–	(1)
Total By Customer Group	**46,800**	**13,037**	**9,303**	**11,802**	**8,959**	**7,507**	**50,511**	**231,838**	**379,757**

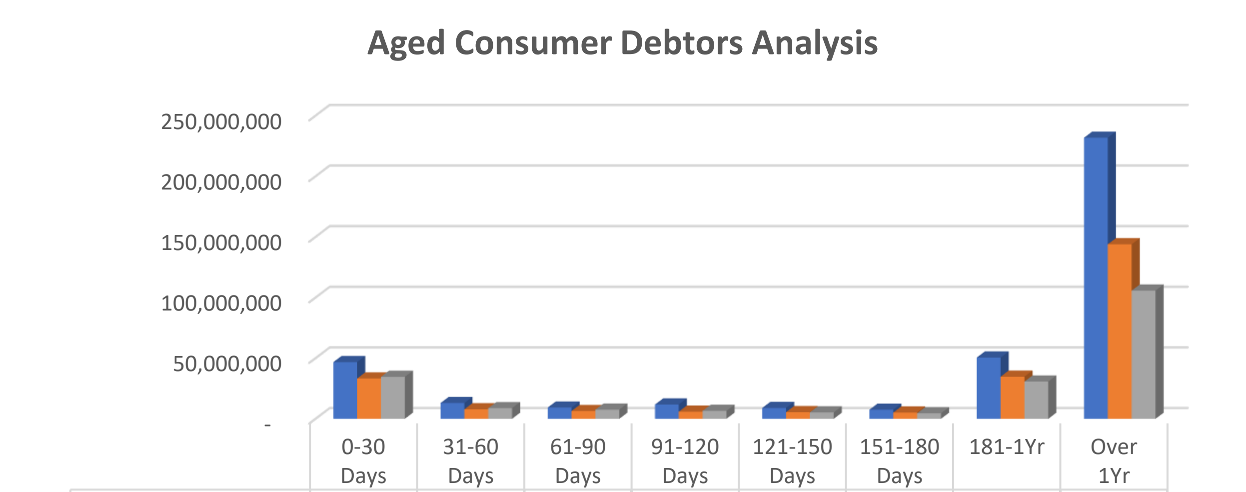
Debtors' Age Analysis (Inclusive of VAT) as at 30 June 2022.

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 May 2023, the overdue debts have increased by R 66,106 million from R 258,981 million to R 332,957 million, as follows:

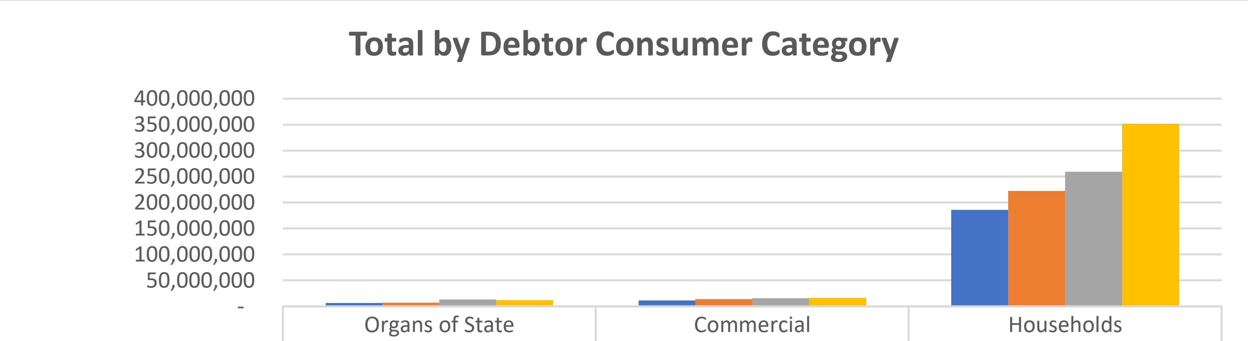
R thousands	OVERDUE AMOUNTS AS AT		
Debtors Age Analysis By Income Source	**30-Jun-22**	**31-May-23**	**DIFFERENCE**
Trade and Other Receivables from Exchange Transactions - Water	73,938	104,673	30,735
Trade and Other Receivables from Exchange Transactions - Electricity	18,070	20,179	2,109
Receivables from Non-exchange Transactions - Property Rates	34,285	40,456	6,171
Receivables from Exchange Transactions - Waste Water Management	34,263	43,093	8,830
Receivables from Exchange Transactions - Waste Management	44,028	53,055	9,027
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–
Interest on Arrear Debtor Accounts	34,768	50,285	15,517
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–
Other	19,629	21,215	1,587
Total By Income Source	**258,981**	**332,957**	**73,976**
Debtors Age Analysis By Customer Group			
Organs of State	8,968	10,914	1,946
Commercial	7,482	8,725	1,243
Households	242,531	313,318	70,787
Other	–	–	–
Total By Customer Group	**258,981**	**332,957**	**73,976**

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 31 May2023	46,800,00	13,036,62	9,302,976	11,801,71	8,959,264	7,506,579	50,511,11	231,838,3
Actuals 30 June 2021	33,316,14	7,884,929	6,439,337	5,863,323	5,487,594	5,185,739	34,750,98	143,962,5
Actuals 30 June 2020	34,656,87	8,786,809	7,593,891	6,557,058	5,291,610	4,547,471	30,714,01	105,765,9

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



	Organs of State	Commercial	Households
Budget Year 2019/20	6,386,577	11,420,048	186,107,087
Budget Year 2020/21	6,936,641	13,633,928	222,320,049
Budget Year 2021/22	13,144,109	16,059,257	259,231,799
Budget Year 2022/23	11896727.81	16167208.53	351693345.2

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	22,635	9	9	(21)	–	–	–	–	**22,633**
Bulk Water	28	0	14	(9)	19	16	6	(1,603)	**(1,529)**
PAYE deductions	4,636								**4,636**
VAT (output less input)									**-**
Pensions / Retirement deductions									**-**
Loan repayments									**-**
Trade Creditors	4,349	286	8,171	12	14	–	284	1,534	**14,651**
Auditor General									**-**
Other									**-**
Total By Customer Type	**31,648**	**296**	**8,195**	**(18)**	**33**	**16**	**290**	**(68)**	**40,391**

The above amounts represent invoices still to be paid. The major creditors as at 31 May 2023 are as follows:

Eskom	R 22,635 million
NMBM	R -1,529 million
PAYE	R 4,636 million
Other Creditors	R 14,651million
Total	**R 40,391 million**

It is to be noted that the Eskom amount of R 22,635 million, represents the current account for May 2023, which will be fully paid on 23 June 2023.

The PAYE deductions represent employee related costs for the month of May 2023, with the amount only due on 6 June 2022.

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

Supporting Table SC6 Monthly Budget Statement – transfers and grant receipts – M11 May 2023.

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:	172,982	172,982	–	172,982	172,982	-	172,982
Operational Revenue:General Revenue:Equitable Share	163,292	163,292	–	163,292	163,292	-	163,292
Department of Environmental Affairs	5,000	5,000	–	5,000	5,000	-	5,000
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1,175	1,175		1,175	1,175	-	1,175
Local Government Financial Management Grant [Schedule 5B]	1,720	1,720	–	1,720	1,720	-	1,720
Municipal Infrastructure Grant [Schedule 5B]	1,795	1,795	–	1,795	1,795	-	1,795
Provincial Government:	2,050	2,050	–	2,050	2,050	-	2,050
Library grant	2,050	2,050	–	2,050	2,050	-	2,050
District Municipality:	2,888	2,888	–	1,479	1,479	-	2,888
Environmental health subsidy	2,888	2,888	–	1,479	1,479	-	2,888
Total Operating Transfers and Grants	177,920	177,920	–	176,511	176,511	-	177,920
Capital Transfers and Grants							
National Government:	34,096	91,496	–	88,342	88,342	-	91,496
Municipal Infrastructure Grant [Schedule 5B]	34,096	34,096	–	34,096	34,096	-	34,096
Water Services Infrastructure Grant		57,400		54,246	54,246	-	57,400
District Municipality:	1,638	1,638	1,525	1,750	1,750	-	1,638
Fire Services Subsidy	1,638	1,638	1,525	3,275	1,750	-	1,638
Total Capital Transfers and Grants	35,734	93,134	1,525	90,092	90,092	-	93,134
TOTAL RECEIPTS OF TRANSFERS & GRANTS	213,654	271,054	1,525	266,603	266,603	-	271,054

Below is an analysis of the spending associated with the grants as at 31 May 2023:

Supporting Table SC7 Monthly Budget Statement – transfers and grants expenditure – M11 May 2023.

Description	Budget Year 2022/23							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance%	Full Year Forecast
R thousands								
EXPENDITURE								
Operating expenditure of Transfers and Grants								
National Government:	172,982	172,982	750	167,488	172,272	(4,824)	-3%	172,982
Operational Revenue:General Revenue:Equitable Share	163,292	163,292	–	163,292	163,292	–	0%	163,292
Department of Environmental Affairs	5,000	5,000	389	978	4,583	(3,606)	-79%	5,000
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1,175	1,175	–	1,175	1,175	–	0%	1,175
Local Government Financial Management Grant [Schedule 5B]	1,720	1,720	19	655	1,577	(922)	-58%	1,720
Municipal Infrastructure Grant [Schedule 5B]	1,795	1,795	342	1,389	1,645	(257)	-16%	1,795
Provincial Government:	2,050	2,050	–	2,050	2,050	–	0%	2,050
Library grant	2,050	2,050	–	2,050	2,050	–	0%	2,050
District Municipality:	2,888	2,888	–	1,479	1,479	–	0%	2,888
Environmental health subsidy	2,888	2,888	–	1,479	1,479	–	0%	2,888
Total operating expenditure of Transfers and Grants:	177,920	177,920	750	171,018	175,802	(4,824)	-3%	177,920
Capital expenditure of Transfers and Grants								
National Government:	34,096	91,496	9,977	69,646	83,871	(14,225)	-17%	91,496
Water Services Infrastructure Grant		57,400	239	38,476	52,617	(14,140)	-27%	57,400
Municipal Infrastructure Grant [Schedule 5B]	34,096	34,096	9,737	31,170	31,255	(85)	0%	34,096
District Municipality:	1,638	1,638		1,750	1,502	248	17%	1,638
Fire Services Subsidy	1,638	1,638		1,750	1,502	248	17%	1,638
Total capital expenditure of Transfers and Grants	35,734	93,134	9,977	71,396	85,373	(13,976)	-16%	93,134
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	213,654	271,054	10,727	242,414	261,175	(18,760)	-7%	271,054

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 1,720,000
Expenditure to date:	R 654 947
Unspent as at 31 May 2023:	R 1,065,053

The spending of the grant received amounted to 38.08% as at 31 May 2023, compared to the amount of the grant received.

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 1,175,000
Expenditure to date:	R 1,175,000
Unspent as at 31 May 2023:	R 0.00

The spending of the grant received amounted to 100 % as at 31 May 2023, compared to the amount of the grant received.

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 35,891,000
Expenditure to date:	R 32,558,957
Unspent as at 31 May 2023:	R 3,332,043

The spending of the grant amounted to 90.72% as at 31 May 2023, compared to the amount of the grant received.

Integrated National Electrification Programme (INEP)
The purpose of this grant is to implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to address the electrification backlog of occupied residential dwellings, and the installation of bulk infrastructure.

DORA Allocation: R 8,100,000
Amount of Grant Received: R 8,100,000
Expenditure to date: R 930,116
Unspent as at 31 May 2023: R 7,169,884

The spending of the grant amounted to 11.48 % as at 31 May 2023, compared to the amount of the grant received.

Water Services Infrastructure Grant

The purpose of this grant is to provide specific capital finance for projects to accelerate backlog reduction in municipal infrastructure and provide interim, intermediate water and sanitation supply that ensures provision of services to identified and prioritised communities, including through spring protection and groundwater development and support drought relief projects.

DORA Allocation: R 57,400,000
Amount of Grant Received: R 54,245,928
Expenditure to date: R 38,476,417
Unspent as at 31 May 2023: R 15,769,511

The spending of the grant amounted to 70.93% as at 31 May 2023, compared to the amount of the grant received.

Unspent conditional grants include the following:

Conditional Grant	Amount Received	Amount Spent	Unspent Amount
DEAT	5,000,000	977,599	4,022,401
Human Settlement	25,689,286	4,402,387	21,286,900
Total	**30,689,286**	**5,379,986**	**25,309,300**

4. Councillor and employee benefits

Below is an analysis of Councillor and employee benefits:

Table SC8 Monthly Budget Statement – Councillor and staff benefits – M11 May 2023.

Summary of Employee and Councillor remuneration	Budget Year 2022/23							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							%	
Councillors (Political Office Bearers plus Other)								
Basic Salaries and Wages	9,584	9,584	762	8,717	8,785	(69)	-1%	9,584
Pension and UIF Contributions	–	–	–	–	–	–		–
Medical Aid Contributions	–	–	10	165	–	165	#DIV/0!	–
Motor Vehicle Allowance	3,232	3,232	254	2,905	2,963	(57)	-2%	3,232
Cellphone Allowance	1,548	1,548	111	1,221	1,419	(198)	-14%	1,548
Housing Allowances	–	–	–	–	–	–		–
Other benefits and allowances	–	–	–	–	–	–		–
Sub Total - Councillors	**14,364**	**14,364**	**1,137**	**13,008**	**13,167**	**(159)**	**-1%**	**14,364**
Senior Managers of the Municipality								
Basic Salaries and Wages	7,282	6,742	363	4,538	6,180	(1,641)	-27%	6,742
Pension and UIF Contributions	111	111	5	56	102	(46)	-45%	111
Medical Aid Contributions	50	50	3	28	46	(17)	-38%	50
Overtime	–	–	–	–	–	–		–
Performance Bonus	23	1,436	–	–	1,317	(1,317)	-100%	1,436
Motor Vehicle Allowance	1,965	1,842	35	455	1,689	(1,234)	-73%	1,842
Cellphone Allowance	10	10	1	9	9	–		10
Housing Allowances	–	–	–	–	–	–		–
Other benefits and allowances	4	4	0	1	4	(4)	-87%	4
Payments in lieu of leave	4,500	4,500	326	4,001	4,125	(124)	-3%	4,500
Long service awards	–	–	–	–	–	–		–
Post-retirement benefit obligations	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality	**13,945**	**14,695**	**732**	**9,087**	**13,470**	**(4,383)**	**-33%**	**14,695**
Other Municipal Staff								
Basic Salaries and Wages	252,252	249,987	18,051	196,575	229,155	(32,580)	-14%	249,987
Pension and UIF Contributions	34,906	34,901	2,779	30,549	31,993	(1,444)	-5%	34,901
Medical Aid Contributions	17,471	17,471	1,470	16,049	16,015	34	0%	17,471
Overtime	28,219	27,706	2,545	25,391	25,397	(6)	0%	27,706
Performance Bonus	23	23	–	23	23	(0)	-2%	23
Motor Vehicle Allowance	10,774	10,554	910	9,535	9,675	(140)	-1%	10,554
Cellphone Allowance	53	53	1	19	49	(29)	-60%	53
Housing Allowances	1,031	1,051	60	662	963	(302)	-31%	1,051
Other benefits and allowances	29,770	32,938	64,615	93,959	31,494	62,464	198%	32,938
Payments in lieu of leave	1,600	1,600	48	514	1,467	(953)	-65%	1,600
Long service awards	1,275	1,276	206	1,157	1,170	(13)	-1%	1,276
Post-retirement benefit obligations	–	17,124	–	–	15,697	(15,697)	-100%	17,124
Sub Total - Other Municipal Staff	**377,374**	**394,684**	**90,685**	**374,432**	**363,097**	**11,335**	**3%**	**394,684**
Total Parent Municipality	**405,683**	**423,743**	**92,554**	**396,528**	**389,735**	**6,793**	**2%**	**423,743**
TOTAL SALARY, ALLOWANCES & BENEFITS	**405,683**	**423,743**	**92,554**	**396,528**	**389,735**	**6,793**	**2%**	**423,743**
TOTAL MANAGERS AND STAFF	**391,318**	**409,379**	**91,417**	**383,519**	**376,567**	**6,952**	**2%**	**409,379**

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 Adjusted Budget 2022/23**	**Actuals as at 31 May 2023**
Capital Charges to Operating Expenditure	Interest & principal paid/Total Operating Expenditure	1.29%	1.22%	1.13%	0.67%	1.28%	1.44%
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	0.01	0.01
Liquidity							
Current Ratio	Current assets / current liabilities	1.31	1.26	2.61	1.12	0.95:1	1.42:1
Liquidity Ratio	Monetary assets / current liabilities	0.84	0.61	0.45	0.24	0.06:1	0.86:1
Revenue Management							
Annual Debtors Collection Rate	Billed Revenue / Receipted Revenue	97,62%	95.42%	94.41%	94.32%	95%	86.80%

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 Adjusted Budget 2022/23**	**Actuals as at 31 May 2023**
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	0.10 Months	1.03 Months
Employee Costs	Employee Costs / Total Operating Expenditure	33.39%	32.53%	34.26%	33.86%	34.75%	39.44%
Capital Expenditure	Capital Expenditure / Capital Budget	44.59%	75.33%	76.92%	87%	95%	73.36%
Repairs and Maintenance as % of Total Operating Expenditure	Repairs and Maintenance / Total Operating Expenditure	5.63%	6.68%	7.00%	5.32%	4.38%	3.80%
Repairs and Maintenance as % of PPE (Book Value)	Repairs and Maintenance / Net PPE	2.29%	2.90%	3.33%	2.52%	2.49%	1.80%
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%	83.16%	79.57%

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 1.44% as at 31 May 2023, compared to the approved adjusted budget ratio of 1.28%.

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.

4.1.2. 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 31May 2023, the ratio indicates 0.01, compared to the approved adjusted budget of 0.01.

4.1.3. 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:

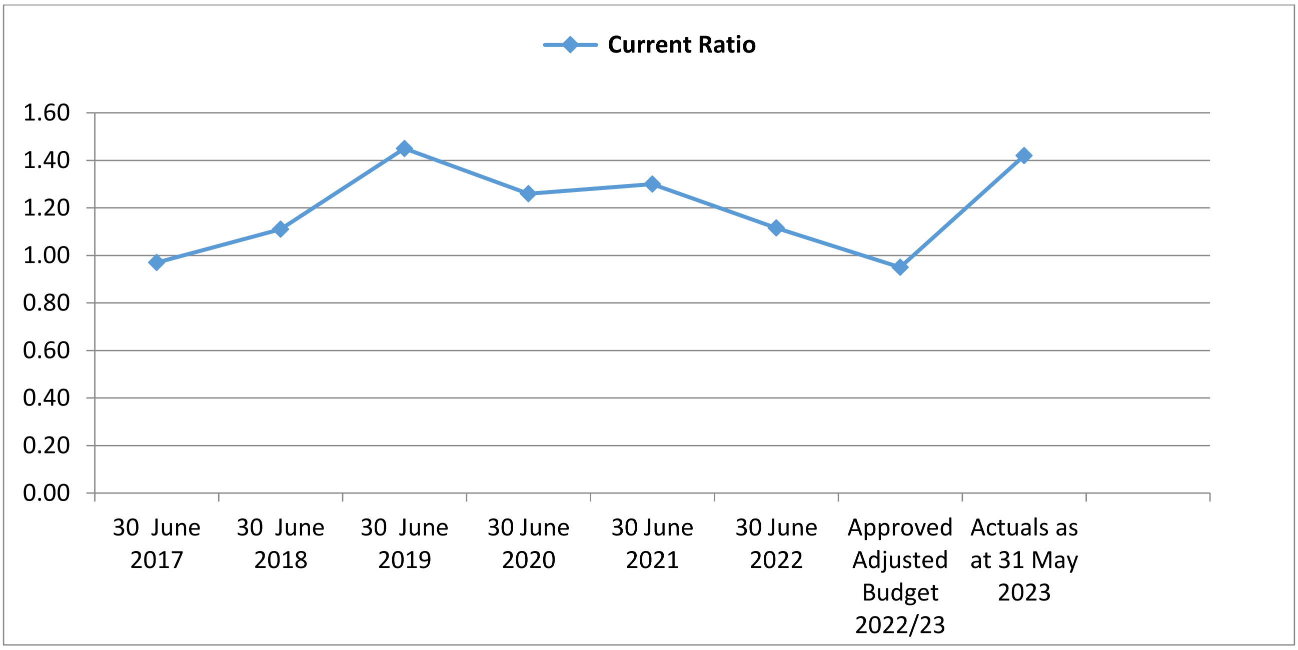
Current assets/Current liabilities

The ratio as at 31 May 2023 was 1.42:1, compared to the approved adjusted budget ratio of 0.95:1

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.



4.1.4. Liquidity Ratio

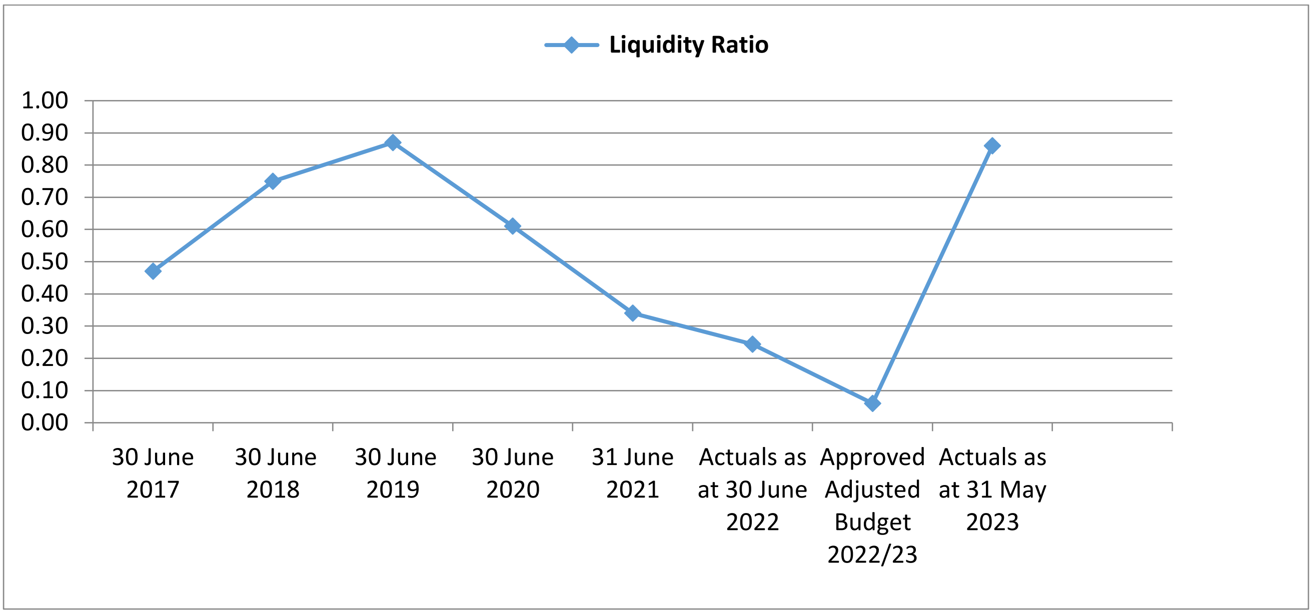
The liquidity ratio assesses a Municipality's ability to meet its short-term commitments from Monetary Assets.

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 May 2023 was 0.98:1, compared to the approved adjusted budget ratio of 0.06:1.

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



4.2. Revenue Management

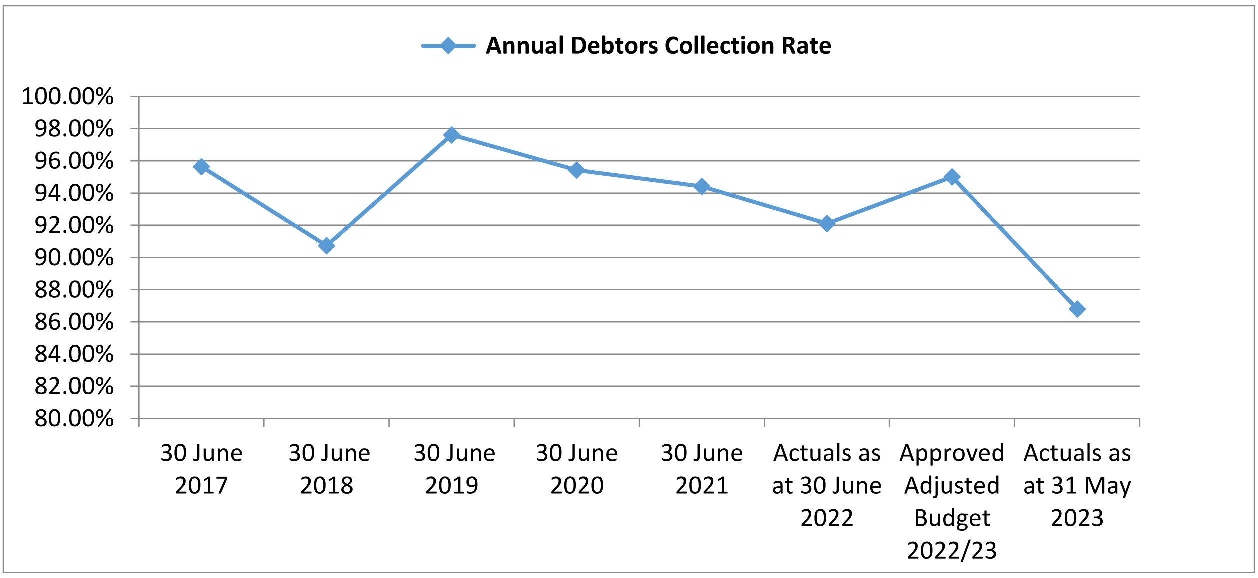
4.2.1. Annual Debtors Collection Rate

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 May 2023 was 86.80%, compared to the approved adjusted budget collection rate of 95%. The actual collection rate for May is 94.39%.



4.3. Other indicators

4.3.1. 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.

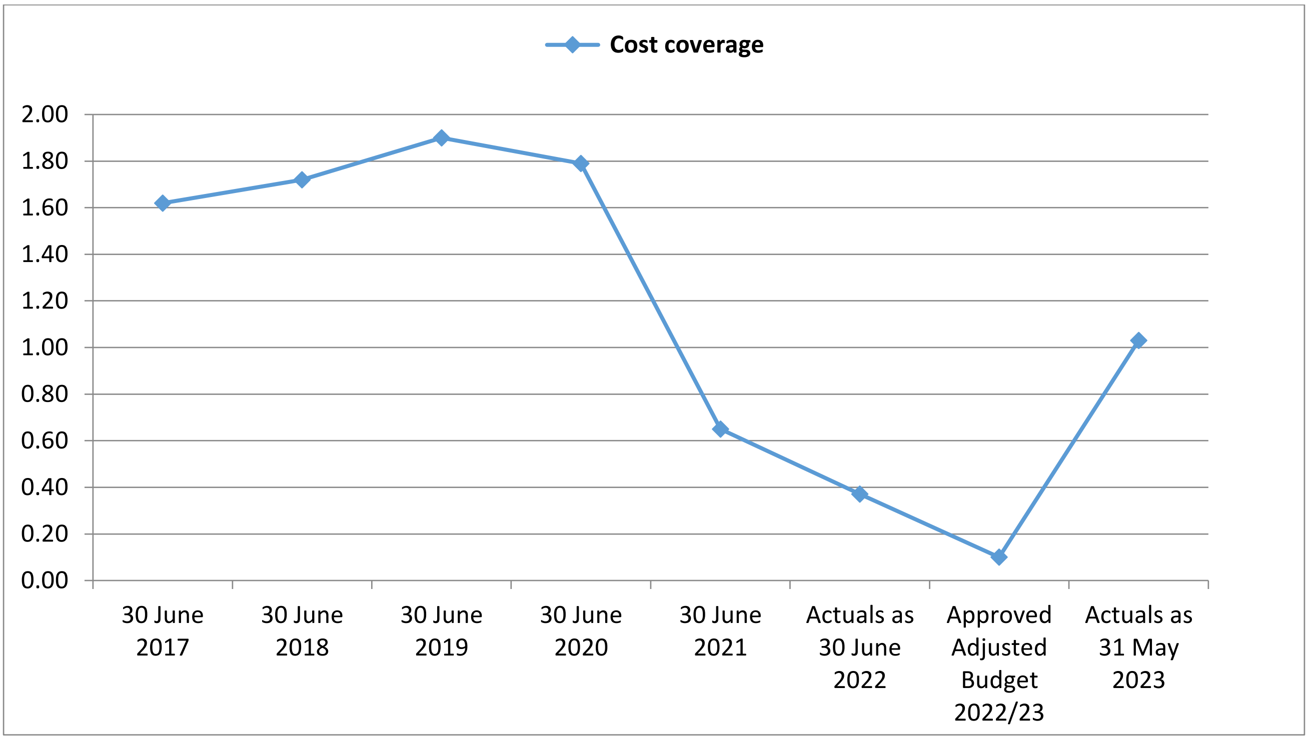
The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal day-to-day operational expenditure, but rather reserved for Grant related expenditure.

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 May 2023, the Ratio was 1.03 months, compared to the approved adjusted budget ratio of 0.10 months.

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



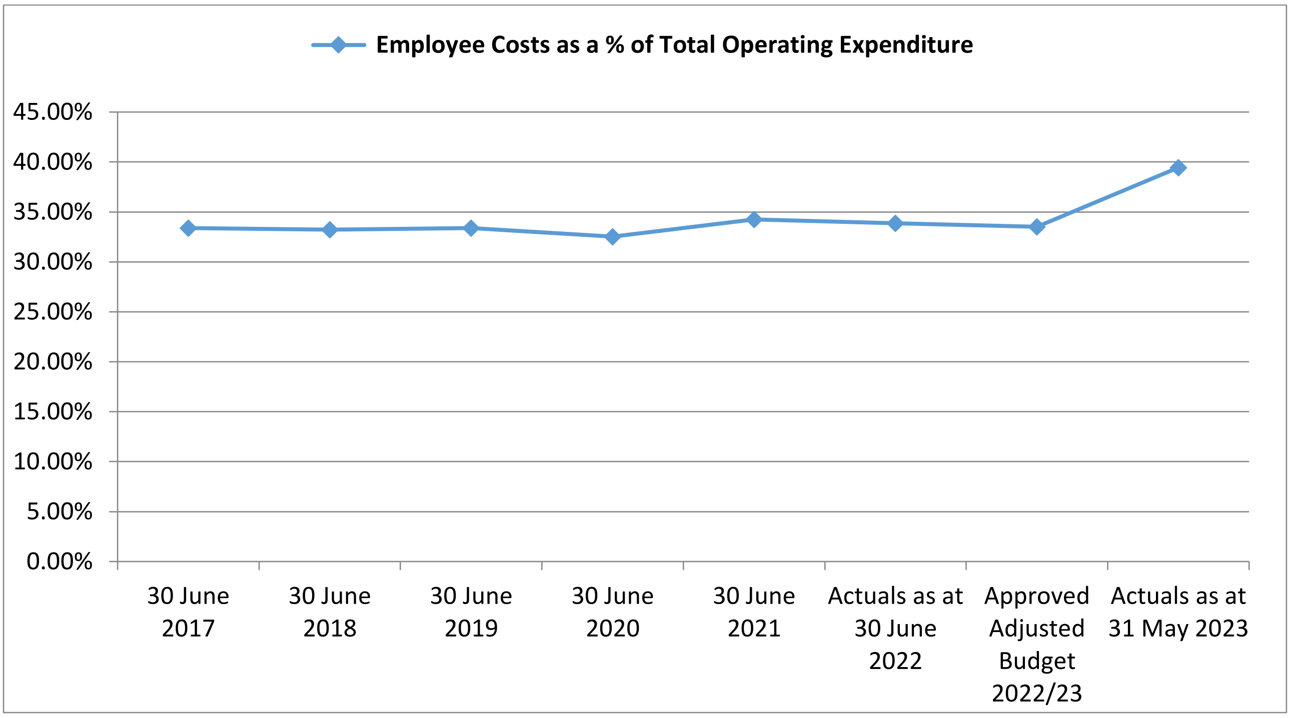
4.3.2. Employee costs as a % of Total Operating Expenditure

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 May 2023, Employee Related Costs constituted 39.44% of the Total Operating Expenditure, compared to the approved adjusted budget ratio 34.75%.



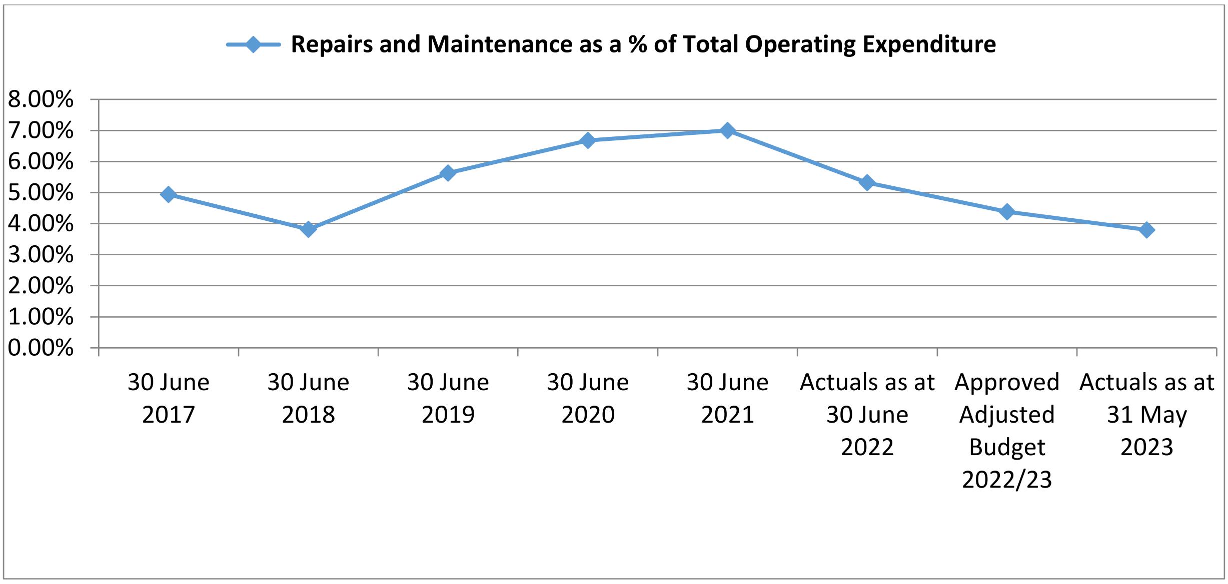
4.3.3. Repairs and Maintenance as a % of Total Operating Expenditure

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 May 2023, the ratio was 3.80%, compared to the approved adjusted budget ratio of 4.38%.



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

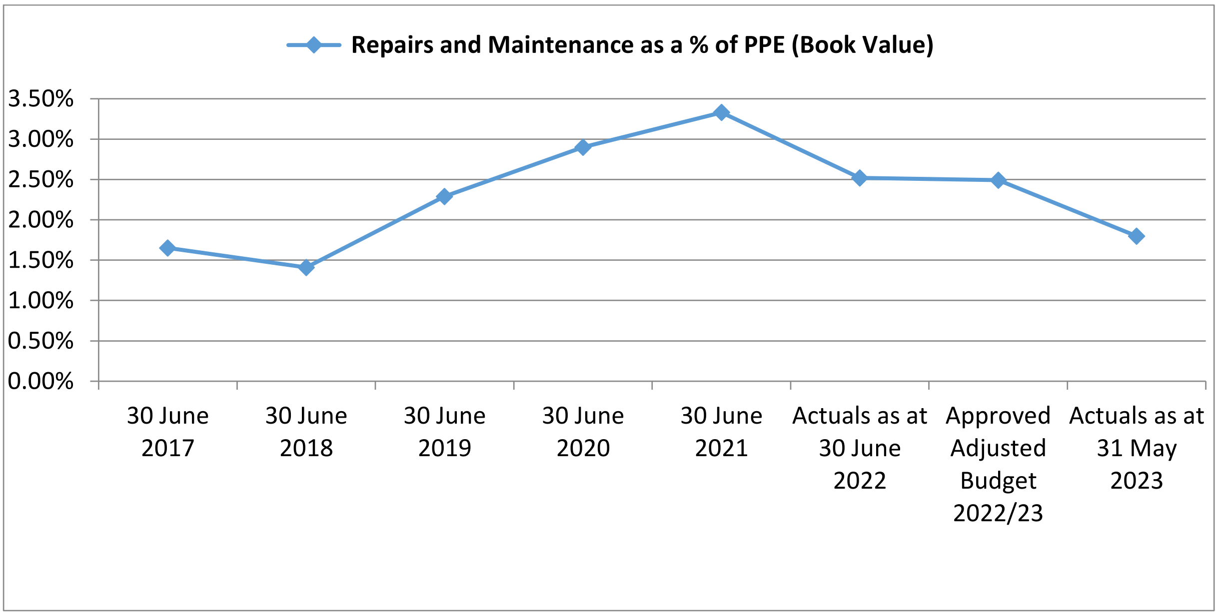
The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to minimise breakdowns and interruptions in service delivery.

The ratio is determined as follows:

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

As at 31 May 2023, repairs and maintenance expenditure constituted 1.80% of the book value of PPE, compared to the approved adjusted budget ratio of 2.49%.

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



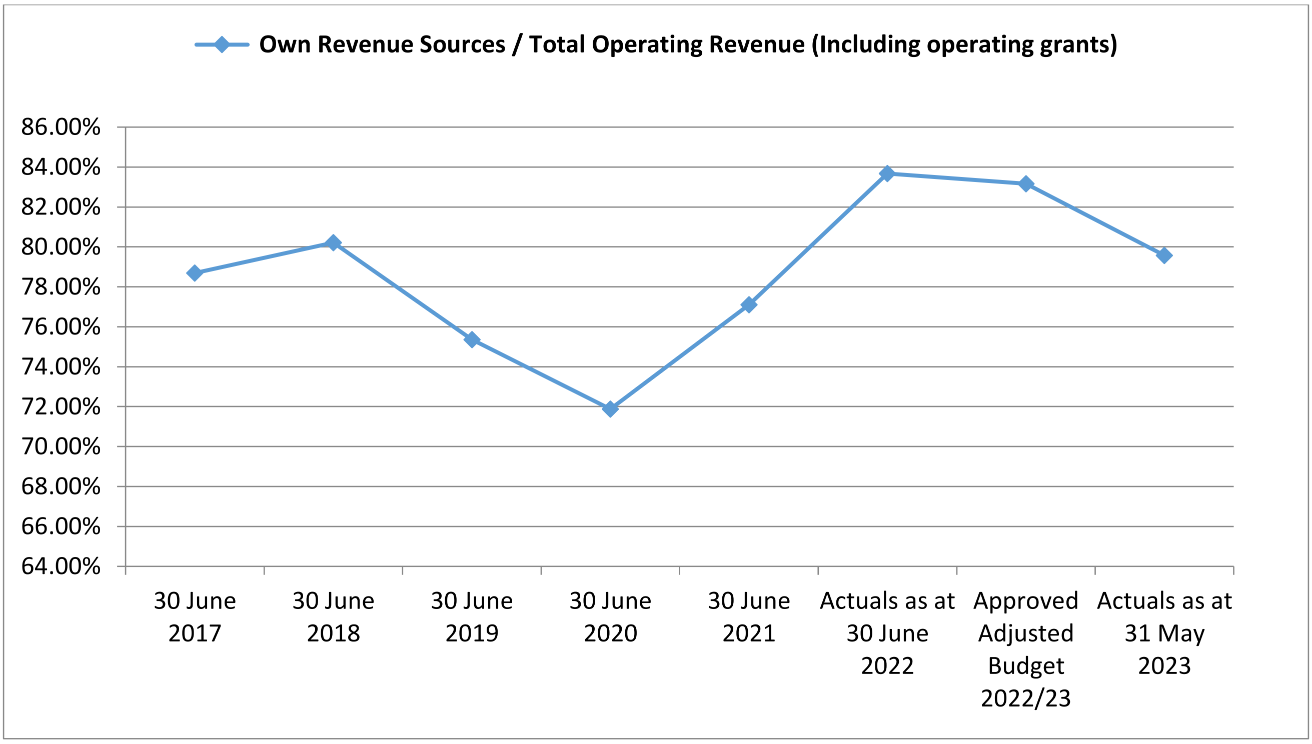
Own Revenue Generation

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 May 2023, the Municipality's own revenue sources constituted 79.57% of its total Operating Income, compared to the approved adjusted budget ratio of 83.16%.



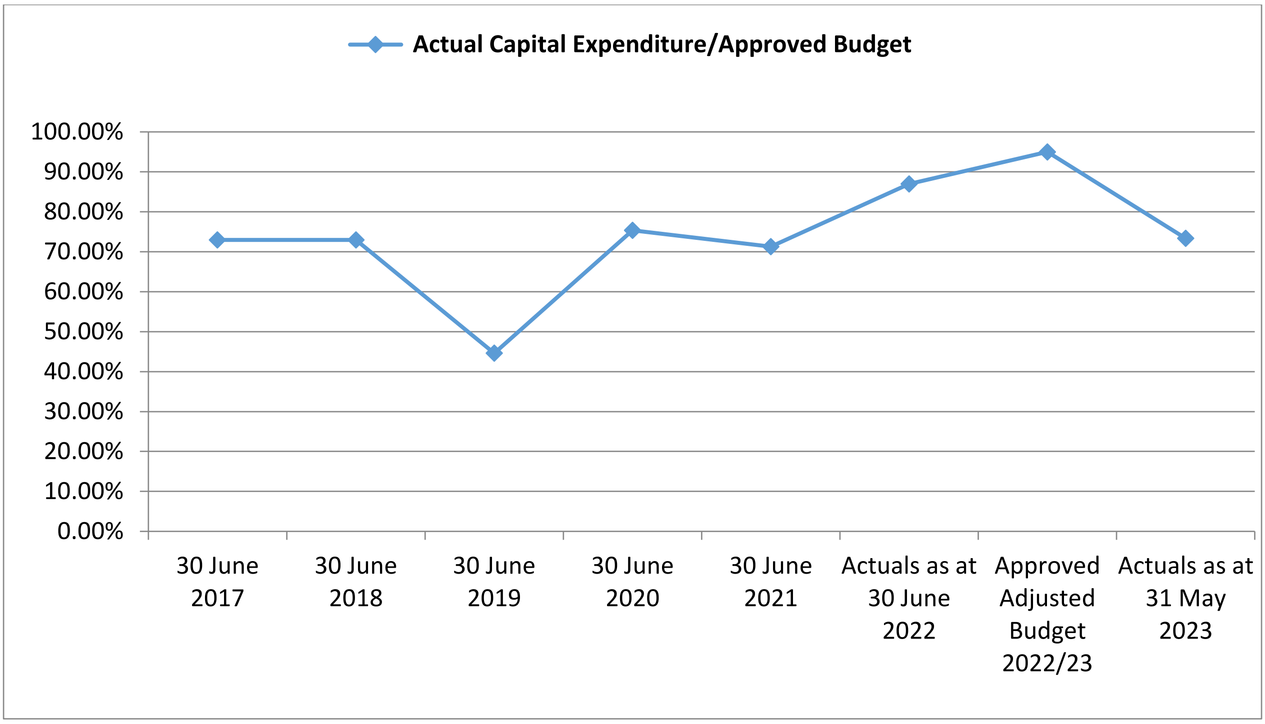
4.3.5. Capital Budget Spending

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 May 2023 amounted to 73.36% compared to the approved adjusted 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 Adjusted Budget 2022/23
Actuals as at 31 May 2023