

CITY OF MATLOSANA

Date: 2023/09/13

1 TO: .....

Author of the item: LESOSO MOLOKE

Attached hereto an item for you to consider in terms of the Delegation of Powers and Functions, delegated power serial number .....

HEAD OF DIVISION: H.S. Rossouw

SIGNED: [Signature]

DATE: 2023/09/13

Received by Deputy Director: Administration

Date and Time: 13/9/2023

Signature: [Signature]

Director: Corporate Support	Date	COMMENTS:
Chief Financial Officer	13/09/2023	Supported
Director: Planning & Human Settlements	Date	COMMENTS:
Director: Technical and Infrastructure	Date	COMMENTS:
Director: Community Development	Date	COMMENTS:
Director: Public Safety	Date	COMMENTS:
Director: Local Economic Development	Date	COMMENTS:

2 MUNICIPAL MANAGER

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13/09/2023  
DATE

Items will not be considered by the Municipal Manager unless the following signatures are reflecting: Director of Relevant department, Chief Financial Officer and Director: Corporate Services

CITY OF MATLOSANA  
2023-09-13  
RECEIVED BY MUNICIPAL MANAGER



**MONTHLY BUDGET STATEMENT FOR THE MONTH ENDED ON 31 AUGUST  
2023**

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## PART 1: IN-YEAR REPORT

### 1. EXECUTIVE SUMMARY ON THE IMPLEMENTATION OF THE BUDGET AND THE FINANCIAL PERFORMANCE OF THE MUNICIPALITY FOR THE PERIOD ENDED ON 31 AUGUST 2023

#### 1.1 Performance summary

Table 1: Performance summary

Summary statement of Financial Performance					
Description	YTD Budget 2023/24	AUGUST 2023 Actual	YTD Actual 2023/24	Variance Favourable (Unfavourable)	YTD Variance %
Total Revenue by Source	702,425,832	264,092,150	836,530,030	134,104.198	19%
Total Operating Expenditure	714,619,456	193,171,460	314,392,270	(400,227,186)	-56%
<b>SURPLUS/ (DEFICIT).</b>	<b>(12,193,624)</b>	<b>70,920,690</b>	<b>522,137,760</b>	<b>534,331,384</b>	

#### Revenue

The revenue for the month ending 31 August 2023 amounts to R264 million and reflects a favourable outcome of 19% when compared with the year-to date budget of R702 million.

The favourable deviation on the year date can be attributed to the following:

- Transfer received from Equitable Shares Grant of R249,6 million which was received in the month of July 2023
- Interest earned on debtors, due to the huge debtors balance which currently amounts to R8,2 billion.

When assessing performance on service charges and property rates, there is an unfavourable deviation of 2% when the year to date actual billed on service charges is compared with the year to date on budget. This indicates that the municipality has started on a negative note when considering the projected or budgeted billed revenue. The negative deviation on service charges can be attributed to the following:

- The revenue enhancement strategies as reflected in the budget funding plan has not yet been fully effective;
- Illegal connections
- Debtors' book that is increasing due to non-payment of debtors

The revenue billed is expected to increase as the municipality is enforcing the revenue enhancement strategies and debt collection methods. The detailed reasons for the variances are outlined on table 18.

## **Expenditure**

The operating expenditure for the month ending 31 August 2023 amounts to R193 million and the year to date actual expenditure amounts to R314 million and reflects a negative deviation of 56% when compared with the year to date budget amount of R715 million. The negative deviation is as a result of cash flow challenges. Spending on most of the items is directly linked with cash flow. If there is improvement on cash flow, then spending will also increase. The detailed reasons for the variances are outlined on table 18

## **Cash management**

Bank Balances	R 8,205,043
Call Investments	R 144,120,673
<b>Cash and Cash Investments</b>	<b>R 152,325,716</b>

### **Investment Portfolio: 31 August 2023**

City of Matlosana

<b>INSTITUTION</b>	<b>INTEREST RATE</b>	<b>AUGUST 2023</b>	<b>EXPLANATION</b>
<b>Call Investment</b>			
ABSA: 3854	3,73%	25 773 646,63	WSIG
ABSA: 5047	4,70%	8 554 734,04	INEP
ABSA: 6177	6,75%	30 161 287,39	MIG
ABSA: 2264	4,70%	85 489,16	own
ABSA: 4682	6,65%	9 007 857,75	NDPG
ABSA: 4063	1,55%	2 730 977,19	EEDSM
ABSA: 1223	6,75%	5 463 444,69	Auction
ABSA: 5203		30 764 282,59	own (Salaries)
INVESTEC	3,30%	7 810 774,75	own
FNB		23 853 668,00	COVID
<b>TOTAL Call Investment</b>		<b>144 206 162,19</b>	

**Note:** The R100 million Call investment is ring-fenced for Conditional Grants

## **Collection Rate & Outstanding Debtors**

<b>Total Outstanding Debtors</b>	<b>R 8,199,876,948</b>
Debtors: Government	R 124,778,281
Debtors: Business	R 651,638,548
Debtors: Household	R 7,423,460,119

**Note:** The detailed Debtors Age analysis is outlined on Table 12. The collection rate for the month ending 31 August 2023 is 56%.

## Creditors

<b>Total Outstanding Creditors</b>	<b>R 3,376,069,737</b>
ESKOM	R 1,906,812,739
Midvaal	R 1,391,611,847
Trade Creditors	R 77,036,398
Auditor General	R 608,753

**Note:** The detailed Creditors Age analysis is outlined on Table 13

## Capital Grants Expenditure

CAPITAL GRANT EXPENDITURE	BUDGET 2023/24	August Expenditure Incl VAT 2023/24	YTD ACTUALS Incl VAT	YTD BUDGET	YTD % Incl VAT
MIG	109 945 401	354 968	637 439	18 324 234	0,58
NDPG	31 162 000	1 210 847	1 210 847	5 193 667	3,89
INEP	1 732 000		-	288 667	-
WSIG	48 630 000		-	8 105 000	-
<b>TOTAL</b>	<b>191 469 401</b>	<b>1 565 815</b>	<b>1 848 286</b>	<b>31 911 567</b>	<b>0,97</b>

Total Capital grants budget amounts to R 191.5 million. Total expenditure for the month ending 31 August 2023 amounts to R 1.6 million, and the year-to-date actual expenditure amounts to R 1.8 million representing 0.97% of the total Capital Grants budget. Capital Grants spending is relatively low as compared to the 17% of the Year to date budget.

## 2. IN – YEAR BUDGET STATEMENT MAIN TABLE

**2.1 Monthly budget statement summary.** The table below provides a high-level summary of the Municipal's financial performance, capital expenditure, financial position, cash flow, debtors and creditors analysis

NW403 City Of Matlosana - Table C1 Monthly Budget Statement Summary - M02 August

Description	2022/23	Budget Year 2023/24							Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	456 397	561 076	561 076	39 447	129 782	93 513	36 269	39%	561 076
Service charges	1 949 608	2 305 667	2 305 667	167 268	337 829	384 278	(46 449)	-12%	2 305 667
Investment revenue	15 402	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	15 402	9 761	9 761	1 053	1 082	1 627	(545)	-33%	9 761
Other own revenue	1 308 912	1 338 052	1 338 052	56 325	367 837	223 009	144 829	65%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>3 745 722</b>	<b>4 214 558</b>	<b>4 214 558</b>	<b>254 092</b>	<b>836 530</b>	<b>702 426</b>	<b>134 104</b>	<b>19%</b>	<b>2 876 504</b>
Employee costs	696 837	785 821	785 821	60 690	121 086	130 971	(9 885)	-	785 821
Remuneration of Councilors	36 912	41 586	41 586	2 958	5 980	6 931	(951)	-	41 586
Depreciation & asset impairment	382 953	440 000	440 000	-	-	73 333	(73 333)	-	440 000
Interest	237 534	10 711	10 711	81	165	1 785	(1 620)	-	10 711
Inventory consumed and bulk purchases	1 430 478	1 645 412	1 645 412	89 387	100 533	274 236	(173 702)	-	1 645 412
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
Other expenditure	1 930 598	1 364 177	1 364 177	40 055	86 627	227 363	(140 736)	-62%	1 364 177
<b>Total Expenditure</b>	<b>4 715 312</b>	<b>4 287 708</b>	<b>4 287 708</b>	<b>193 171</b>	<b>314 392</b>	<b>714 819</b>	<b>(400 227)</b>	<b>-58%</b>	<b>4 287 708</b>
<b>Surplus/(Deficit)</b>	<b>(969 590)</b>	<b>(73 152)</b>	<b>(73 152)</b>	<b>70 921</b>	<b>522 138</b>	<b>(12 194)</b>	<b>534 331</b>	<b>-4382%</b>	<b>(1 411 204)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	107 437	191 469	191 469	-	-	-	-	-	191 469
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions,	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(862 153)</b>	<b>118 317</b>	<b>118 317</b>	<b>70 921</b>	<b>522 138</b>	<b>(12 194)</b>	<b>534 331</b>	<b>-4382%</b>	<b>(1 219 735)</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>(862 153)</b>	<b>118 317</b>	<b>118 317</b>	<b>70 921</b>	<b>522 138</b>	<b>(12 194)</b>	<b>534 331</b>	<b>-4382%</b>	<b>(1 219 735)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>152 541</b>	<b>217 038</b>	<b>230 651</b>	<b>14 121</b>	<b>82 935</b>	<b>209 842</b>	<b>(126 908)</b>	<b>-60%</b>	<b>230 651</b>
Capital transfers recognised	77 720	191 469	191 469	1 362	1 607	31 912	(30 304)	-95%	191 469
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	6 225	40 000	40 000	8	8	6 667	(6 659)	-100%	40 000
<b>Total sources of capital funds</b>	<b>83 945</b>	<b>231 469</b>	<b>231 469</b>	<b>1 370</b>	<b>1 615</b>	<b>38 578</b>	<b>(36 963)</b>	<b>-96%</b>	<b>231 469</b>
<b>Financial position</b>									
Total current assets	1 925 914	487 454	487 454	-	2 711 227	-	-	-	487 454
Total non current assets	5 453 523	4 119 658	4 119 658	-	5 455 139	-	-	-	4 119 658
Total current liabilities	4 976 933	230 387	230 387	-	5 242 001	-	-	-	230 387
Total non current liabilities	26 576	81 274	81 274	-	25 958	-	-	-	81 274
Community wealth/Equity	3 963 559	4 177 134	4 177 134	-	2 901 559	-	-	-	4 177 134
<b>Cash flows</b>									
Net cash from (used) operating	1 688 039	218 461	218 461	528 768	999 047	36 409	(962 638)	-2644%	218 461
Net cash from (used) investing	(104 307)	(231 437)	(231 469)	(1 370)	(1 615)	(38 573)	(36 957)	96%	(231 437)
Net cash from (used) financing	-	(2 300)	(4 800)	(1 799)	(975)	(383)	592	-154%	(2 300)
<b>Cash/cash equivalents at the month/year end</b>	<b>1 808 653</b>	<b>197 724</b>	<b>195 192</b>	<b>-</b>	<b>1 101 230</b>	<b>210 453</b>	<b>(890 777)</b>	<b>-423%</b>	<b>89 498</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Income Source	296 008	238 254	182 510	7 483 104	-	-	-	-	8 199 877
<b>Creditors Age Analysis</b>									
Total Creditors	288 229	218 846	250 613	2 618 382	-	-	-	-	3 376 070



## 2.2 Monthly Budget Statement – Financial Performance (Revenue per department)

### Actual operating revenue per source

The actual operating revenue per department is set out in Table 3 below. From table 1 it is clear that year to date actual operating revenue amounts to R837 million and compares favourably with the pro rata budgeted figure of R702 million a positive variance of R134 million for the month ending 31 August 2023.

**TABLE 3: ACTUAL REVENUE PER SOURCE FOR THE PERIOD ENDING 31 AUGUST 2023**

NW403 City Of Matlosana - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Description	Ref	2021/22	Budget Year 2023/24							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		876 124	1 100 940	1 100 940	90 546	171 968	183 490	(11 522)	-6%	1 100 940
Service charges - Water		736 820	787 552	787 552	48 033	107 485	131 259	(23 774)	-18%	787 552
Service charges - Waste Water Management		141 373	162 319	162 319	12 049	24 614	27 053	(2 439)	-9%	162 319
Service charges - Waste management		195 291	254 856	254 856	16 640	33 762	42 476	(8 714)	-21%	254 856
Sale of Goods and Rendering of Services		6 086	8 971	8 971	473	896	1 495	(599)	-40%	8 971
Agency services		-	-	-	-	-	-	-	-	-
Interest										
Interest earned from Receivables		550 656	558 181	558 181	49 595	99 581	93 030	6 551	7%	558 181
Interest from Current and Non Current Assets		15 402	9 761	9 761	1 053	1 082	1 627			9 761
Dividends										
Rent on Land										
Rental from Fixed Assets		106 775	9 300	9 300	275	1 176	1 550	(374)	-24%	9 300
Licence and permits		7 528	8 909	8 909	733	1 355	1 485	(130)	-9%	8 909
Operational Revenue		49 986	77 620	77 620	363	5 461	12 937	(7 476)	-58%	77 620
<b>Non-Exchange Revenue</b>										
Property rates		456 397	561 076	561 076	39 447	129 782	93 513	36 269	39%	561 076
Surcharges and Taxes		14	241	241	-	-	40	(40)		241
Fines, penalties and forfeits		8 377	3 104	3 104	207	322	517	(195)		3 104
Licence and permits		261	50	50	-	-	8	(8)		50
Transfers and subsidies - Operational		559 520	616 921	616 921	417	250 043	102 820	147 223		616 921
Interest		50 406	54 756	54 756	4 261	9 003	9 126	(123)		54 756
Fuel Levy										
Operational Revenue										
Gains on disposal of Assets		(16 572)	-	-	-	-	-	-		-
Other Gains		1 276	-	-	-	-	-	-		-
<b>Discontinued Operations</b>										
Total Revenue (excluding capital transfers and contributions)		3 745 722	4 214 556	4 214 556	264 092	836 530	702 426	134 104	19%	4 214 556
Transfers and subsidies - capital (monetary allocations)		107 437	191 469	191 469	-	-	-	-		191 469
<b>TOTAL Revenue (including capital transfers and contributions)</b>		<b>3 853 158</b>	<b>4 406 025</b>	<b>4 406 025</b>	<b>264 092</b>	<b>836 530</b>	<b>702 426</b>	<b>134 104</b>		<b>4 406 025</b>

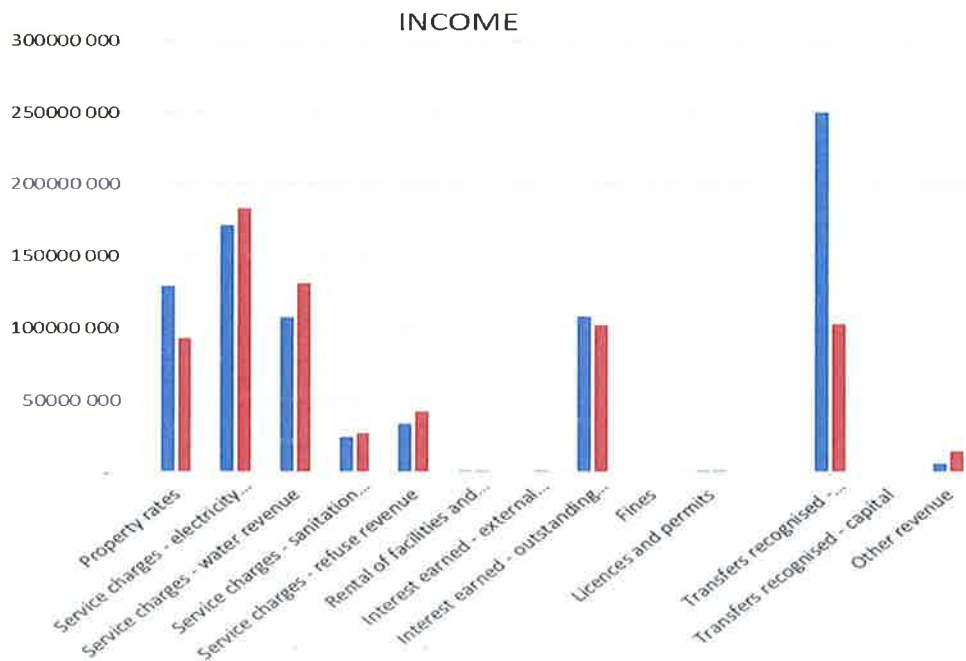
**The YTD variance on revenue is mainly due to the following items:**

- **Property Rates 39% more:** Property rates have realised more revenue due to the rates that have been raised for the full year in respect to Government Departments and the Farms who pay their accounts annually. The amount is raised in full during July month as opposed to monthly instalments. The variance is expected to stabilise as the year progresses.
- **Service charges – Electricity revenue 6% less:** Less revenue billed on electricity than initially anticipated. The reduction on this line item can be attributed to the current implementation of load shedding by ESKOM and the acceleration of customers converting to solar. The municipality is also enforcing the measures to reduce illegal connections and ensure that all properties consuming electricity are billed.
- **Service charges – Refuse revenue 21% less:** Revenue was less than projected
- **Service charges – Sanitation revenue 9% less:** Revenue was less than projected
- **Service charges – Water revenue 18% less:** Revenue was less than projected
- **Rental of facilities & equipment 24% less:** Revenue was less than projected
- **Interest earned from Current & Non-Current Assets 34% less:** Most of the interest earned is realised at the end of financial year.
- **Interest earned from receivables 6% more:** The variance is as a result of the debtors' book that is increasing due to non-payment of debtors. The increase in the debtors result in an increase interest charges.
- **Fines 38% less:** The budgeted amount consists of numerous items (e.g. traffic fines, court fines, illegal connection, etc.) in this instance under performance was mostly on non-collection of traffic fines which was due to shortage of staff and vacant positions that are not filled to date. According the traffic department, the vacant positions have been advertised therefore traffic fines collection rate will start to increase as soon as the appointment of new Traffic Officers has been finalised.
- **License and Permits 9% less:** One of the reasons for under collection is that members of the public can renew vehicle licences online using eNaTIS electronic system instead of going physically to municipality offices
- **Other Revenue 56% less:** The budgeted amount consists of numerous items (e.g. Commission: insurance, Commission: Transaction Handling fees, Plan printing and duplicate, etc.) in this instance under performance was mostly on the Sale of Property. The reason for under collection is that there has been delays in the issuing of clearance figures for property transfers.

**TABLE 4: ACTUAL REVENUE PER DEPARTMENT FOR THE PERIOD ENDING 31 AUGUST 2023**

**NW403 City Of Matlosana - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M02 August**

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		1 188 283	1 360 784	1 360 784	56 210	412 665	226 797	185 868	82%	1 360 784
Executive and council		(13 807)	2 661	2 661	23	541	443	98	22%	2 661
Finance and administration		1 202 091	1 358 123	1 358 123	56 188	412 124	226 354	185 770	82%	1 358 123
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		143 887	79 168	79 168	1 241	2 989	13 195	(10 206)	-77%	79 168
Community and social services		101 091	4 679	4 679	170	339	780	(441)	-57%	4 679
Sport and recreation		3 783	7 710	7 710	(111)	(86)	1 285	(1 371)	-107%	7 710
Public safety		31 482	31 778	31 778	1 010	1 836	5 296	(3 461)	-65%	31 778
Housing		7 531	35 000	35 000	172	901	5 833	(4 933)	-85%	35 000
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		40 705	59 719	59 719	825	1 311	9 953	(8 643)	-87%	59 719
Planning and development		9 987	11 846	11 846	802	1 264	1 974	(710)	-36%	11 846
Road transport		30 536	47 652	47 652	17	19	7 942	(7 923)	-100%	47 652
Environmental protection		182	221	221	6	27	37	(10)	-26%	221
<i>Trading services</i>		2 451 963	2 883 407	2 883 407	205 816	415 399	480 568	(65 169)	-14%	2 883 407
Energy sources		964 401	1 167 557	1 167 557	95 341	181 802	194 593	(12 791)	-7%	1 167 557
Water management		986 051	1 048 742	1 048 742	69 984	151 587	174 790	(23 203)	-13%	1 048 742
Waste water management		155 436	242 313	242 313	12 359	25 244	40 385	(15 142)	-37%	242 313
Waste management		346 074	424 794	424 794	28 132	56 766	70 799	(14 033)	-20%	424 794
<i>Other</i>	4	28 320	22 947	22 947	-	4 167	3 825	342	9%	22 947
<b>Total Revenue - Functional</b>	2	<b>3 853 158</b>	<b>4 406 025</b>	<b>4 406 025</b>	<b>264 092</b>	<b>836 530</b>	<b>734 337</b>	<b>102 193</b>	<b>14%</b>	<b>4 406 025</b>



## 2.3 Monthly Budget Statement – Financial Performance (Expenditure per category)

### Actual operating expenditure per category

The actual operating expenditure per vote is set out in Table 5 below. Year to date actual operating expenditure of R 314 million compares unfavourably with the pro rata budgeted expenditure of R 715 million a variance of R 400 million

**TABLE 5: ACTUAL OPERATIONAL EXPENDITURE PER CATEGORY FOR THE PERIOD ENDING 31 AUGUST 2023**

NW403 City Of Matlosana - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Expenditure By Type</b>										
Employee related costs		696 837	785 821	785 821	60 690	121 086	130 971	(9 885)	-8%	785 821
Remuneration of councillors		36 912	41 586	41 586	2 958	5 980	6 931	(951)	-14%	41 586
Bulk purchases - electricity		848 230	1 109 287	1 109 287	53 159	55 763	184 881	(129 118)		1 109 287
Inventory consumed		582 248	536 125	536 125	36 228	44 770	89 354	(44 584)		536 125
Debt impairment		3 750	579 349	579 349	-	-	96 558	(96 558)	-100%	579 349
Depreciation and amortisation		382 953	440 000	440 000	-	-	73 333	(73 333)	-100%	440 000
Interest		237 534	10 711	10 711	81	165	1 785	(1 620)	-91%	10 711
Contracted services		249 463	465 092	465 092	25 583	34 136	77 515	(43 379)	-56%	465 092
Transfers and subsidies								-		
Irrecoverable debts written off		1 364 107	-	-	104	63	-	63		-
Operational costs		312 936	319 737	319 737	14 369	52 427	53 290	(863)	-2%	319 737
Losses on Disposal of Assets		-	-	-	-	-	-	-		-
Other Losses		342	-	-	-	-	-	-		-
<b>Total Expenditure</b>		<b>4 715 312</b>	<b>4 287 708</b>	<b>4 287 708</b>	<b>193 171</b>	<b>314 392</b>	<b>714 619</b>	<b>(400 227)</b>	<b>-56%</b>	<b>4 287 708</b>

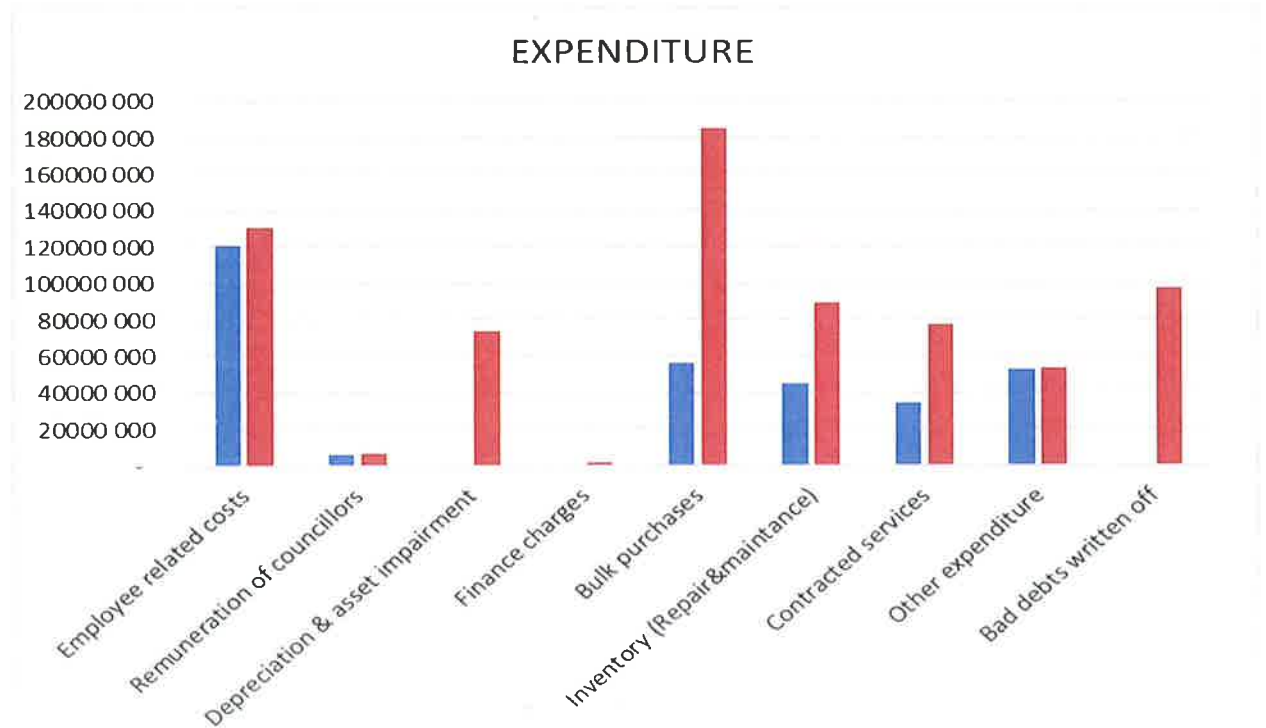
**The variance on the expenditure against the YTD budget is mainly on the following items:**

- **Remuneration of Councillors 13% less:** Expenditure is lower due to the resignations of other Councillors
- **Interest 91% less:** The underspending is mainly on interest paid on overdue accounts, most of the journals for interest paid on overdue accounts are done at the end of the financial year.
- **Bulk Purchases 70% less:** Expenditure is lower due to the outstanding Eskom invoices; it is difficult for the Municipality to meet the obligation due to the low collection rate.
- **Inventory consumed 50% less:** Inventory consumed includes Bulk Water, expenditure is lower due to the outstanding Midvaal invoices, the Municipality is struggling to meet the obligation due to cash flow challenges.
- **Contracted services 56% less:** Mainly on Security service, repair and maintenance of fleet, repair and maintenance of buildings and equipment and Asset Register administration. Under performance is due to cash flow challenges.
- **Irrecoverable debts written off 100% less:** Most of the Debt Impairment journals are done at the end of financial year.

**TABLE 6: ACTUAL OPERATIONAL EXPENDITURE PER VOTE FOR THE PERIOD ENDING 31 AUGUST 2023**

**NW403 City Of Matlosana - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M02 August**

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		<b>868 402</b>	<b>772 965</b>	<b>772 965</b>	<b>37 382</b>	<b>85 279</b>	<b>128 828</b>	<b>(43 549)</b>	<b>-34%</b>	<b>772 965</b>
Executive and council		556 627	423 830	423 830	23 334	62 559	70 639	(8 080)	-11%	423 830
Finance and administration		305 539	342 814	342 814	13 522	21 721	57 136	(35 415)	-62%	342 814
Internal audit		6 237	6 321	6 321	526	1 000	1 054	(54)	-5%	6 321
<b>Community and public safety</b>		<b>350 482</b>	<b>434 325</b>	<b>434 325</b>	<b>28 805</b>	<b>47 864</b>	<b>72 388</b>	<b>(24 524)</b>	<b>-34%</b>	<b>434 325</b>
Community and social services		58 296	128 419	128 419	4 908	8 061	21 403	(13 342)	-62%	128 419
Sport and recreation		134 837	114 464	114 464	8 982	14 565	19 077	(4 512)	-24%	114 464
Public safety		140 762	171 880	171 880	12 284	22 519	28 647	(6 128)	-21%	171 880
Housing		16 555	19 390	19 390	2 631	2 719	3 232	(512)	-16%	19 390
Health		33	171	171	-	-	29	(29)	-100%	171
<b>Economic and environmental services</b>		<b>287 347</b>	<b>300 926</b>	<b>300 926</b>	<b>33 011</b>	<b>45 718</b>	<b>50 155</b>	<b>(4 436)</b>	<b>-9%</b>	<b>300 926</b>
Planning and development		202 030	73 429	73 429	4 390	8 561	12 238	(3 678)	-30%	73 429
Road transport		74 239	225 168	225 168	28 481	36 916	37 528	(612)	-2%	225 168
Environmental protection		11 078	2 329	2 329	140	241	388	(147)	-38%	2 329
<b>Trading services</b>		<b>3 179 938</b>	<b>2 751 769</b>	<b>2 751 769</b>	<b>92 985</b>	<b>133 744</b>	<b>458 629</b>	<b>(324 885)</b>	<b>-71%</b>	<b>2 751 769</b>
Energy sources		1 686 592	1 644 880	1 645 102	67 820	88 921	274 184	(185 262)	-68%	1 645 102
Water management		987 003	666 638	666 416	4 342	10 897	111 069	(100 172)	-90%	666 416
Waste water management		227 151	240 544	240 544	9 701	13 958	40 091	(26 132)	-65%	240 544
Waste management		279 193	199 707	199 707	11 123	19 967	33 285	(13 317)	-40%	199 707
<b>Other</b>		<b>29 142</b>	<b>27 724</b>	<b>27 724</b>	<b>988</b>	<b>1 787</b>	<b>4 621</b>	<b>(2 834)</b>	<b>-61%</b>	<b>27 724</b>
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>4 715 312</b>	<b>4 287 708</b>	<b>4 287 708</b>	<b>193 171</b>	<b>314 392</b>	<b>714 620</b>	<b>(400 227)</b>	<b>-56%</b>	<b>4 287 708</b>



## 2.4 Actual capital expenditure (excluding vat) per vote and funding source

The actual capital expenditure per vote is set out in Table 7 below.

**TABLE 7: ACTUAL CAPITAL EXPENDITURE PER VOTE FOR THE PERIOD ENDING 31 AUGUST 2023**

NW403 City Of Matlosana - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M02 August

Vote Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital Expenditure - Functional Classification</b>										
<i>Governance and administration</i>		0	10 000	10 000	8	8	1 667	(1 659)	-100%	10 000
Executive and council		0	2 000	2 000	8	8	333	(325)	-98%	2 000
Finance and administration		-	8 000	8 000	-	-	1 333	(1 333)	-100%	8 000
Internal audit										
<i>Community and public safety</i>		2 950	7 800	7 800	(246)	-	1 300	(1 300)	-100%	7 800
Community and social services		-	800	800	-	-	133	(133)	-100%	800
Sport and recreation		2 950	7 000	7 000	(246)	-	1 167	(1 167)	-100%	7 000
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health										
<i>Economic and environmental services</i>		23 808	43 685	43 685	1 053	1 053	7 281	(6 228)	-86%	43 685
Planning and development										
Road transport		23 808	43 685	43 685	1 053	1 053	7 281	(6 228)	-86%	43 685
Environmental protection										
<i>Trading services</i>		52 842	169 985	169 985	554	554	28 331	(27 777)	-98%	169 985
Energy sources		33 033	19 406	19 406	-	-	3 234	(3 234)	-100%	19 406
Water management		9 728	56 893	56 893	-	-	9 482	(9 482)	-100%	56 893
Waste water management		6 584	53 672	53 672	-	-	8 945	(8 945)	-100%	53 672
Waste management		3 496	40 014	40 014	554	554	6 669	(6 115)	-92%	40 014
<i>Other</i>		4 345	-	-	-	-	-	-		-
<b>Total Capital Expenditure - Functional Classification</b>	<b>3</b>	<b>83 945</b>	<b>231 469</b>	<b>231 469</b>	<b>1 370</b>	<b>1 615</b>	<b>38 578</b>	<b>(36 963)</b>	<b>-96%</b>	<b>231 469</b>

**NOTE:** The total capital budget amounts to R232 million. The year-to-date expenditure as at 31 August 2023 amounts to R1.6 million.

**The variance on the expenditure against the YTD budget is mainly on the following items:**

**NDPG**

**Jouberton Taxi Rank**

- Council approved amount of professional fees has been depleted and it has not been possible to make any payment to the previous Consultant.
- Not enough funds to complete all the Works that the Contractor was appointed for and also pay for additional professional fees for the Construction of Jouberton Taxi Rank.
- The construction works are behind in comparison with time elapsed and there is poor expenditure. Design Reviews by new Consultant are also contributing to slow progress.

**MIG**

**Refurbishment of Sewer Pump Stations in KOSH**

- Budget limitations in completing some of the construction scope of works due to AFA partial approval, and there is not enough budget for consultants' fees.

**Extension of National Fresh Produce Market in Klerksdorp Phase2**

- Poor workmanship on the main building roof and side cladding.

**Refurbishment of Electrical and Mechanical Equipment in the Water Pump Stations in KOSH**

- Slow progress by contractor.
- Delays in arrival of soft starters from international supplier hampering with progress.

**Paving of Taxi Routes and Storm Water Drainage in Khuma (Phase 9):**

- Contractor is behind programme of works due to rain delays, poor performance and partially suspension and removal of construction equipment from site from 28 February 2023.
- Delays by the households at extension 11 to relocate their household as per Surveyor's Certificate. This is delaying Eskom from relocating their infrastructure and also the Contractor to be able to start working on extension 11.
- Contractor has discovered hard rock in Skhosana Street.



- Non collection of waste because of limited access to streets due to the excavations has resulted in the community dumping their waste in open excavations.

#### Projects to be advertised by SCM

- Development of Cell 3 solid waste
- Jouberton / Kanana bulk water supply
- Jouberton Alabama sewer outfall (Phase 1)

#### **WSIG**

#### Projects to be advertised by SCM

- Pavement sewer outfall in Khuma

#### Refurbishment of Jouberton Reservoir

- Poor performance by contractor resulting in Valves and bends being returned to manufacture due to incorrect flanges.
- Notice to terminate contractor and Consulted drafted and submitted to Municipal manager for review.
- Poor performance by contractor resulting in poor expenditure on the grant.

#### Jouberton Substations Pre-Engineering

- Appointment of the consultant for the project awaiting Municipal Manager's approval

**TABLE 8: ACTUAL CAPITAL EXPENDITURE PER FUNDING SOURCE FOR THE PERIOD ENDING 31 AUGUST 2023**

**NW403 City Of Matlosana - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M02 August**

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Funded by:</b>										
National Government		77 720	191 469	191 469	1 362	1 607	31 912	(30 304)	-95%	191 469
Provincial Government								-		
District Municipality								-		
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-		-
<b>Transfers recognised - capital</b>		<b>77 720</b>	<b>191 469</b>	<b>191 469</b>	<b>1 362</b>	<b>1 607</b>	<b>31 912</b>	<b>(30 304)</b>	<b>-95%</b>	<b>191 469</b>
<b>Borrowing</b>	6	-	-	-	-	-	-	-		-
<b>Internally generated funds</b>		<b>6 225</b>	<b>40 000</b>	<b>40 000</b>	<b>8</b>	<b>8</b>	<b>6 667</b>	<b>(6 659)</b>	<b>-100%</b>	<b>40 000</b>
<b>Total Capital Funding</b>		<b>83 945</b>	<b>231 469</b>	<b>231 469</b>	<b>1 370</b>	<b>1 615</b>	<b>38 578</b>	<b>(36 963)</b>	<b>-96%</b>	<b>231 469</b>

## TABLE 9: FINANCIAL POSITION

### NW403 City Of Matlosana - Table C6 Monthly Budget Statement - Financial Position - M02 August

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		102 433	197 692	197 692	534 716	197 692
Trade and other receivables from exchange transactions		(878 759)	(44 544)	(44 544)	(610 162)	(44 544)
Receivables from non-exchange transactions		1 378 652	47 081	47 081	1 443 529	47 081
Current portion of non-current receivables		0	29	29	(5)	29
Inventory		52 414	55 129	55 129	50 091	55 129
VAT		1 230 789	195 040	195 040	1 252 672	195 040
Other current assets		40 384	37 026	37 026	40 384	37 026
<b>Total current assets</b>		<b>1 925 914</b>	<b>487 454</b>	<b>487 454</b>	<b>2 711 227</b>	<b>487 454</b>
<b>Non current assets</b>						
Investments						
Investment property		345 682	257 100	257 100	345 682	257 100
Property, plant and equipment		5 724 834	3 851 286	3 851 286	5 726 449	3 851 286
Biological assets						
Living and non-living resources						
Heritage assets		(618 290)	9 941	9 941	(618 290)	9 941
Intangible assets		1 297	1 297	1 297	1 297	1 297
Trade and other receivables from exchange transactions		-	33	33	-	33
Non-current receivables from non-exchange transactions						
Other non-current assets						
<b>Total non current assets</b>		<b>5 453 523</b>	<b>4 119 658</b>	<b>4 119 658</b>	<b>5 455 139</b>	<b>4 119 658</b>
<b>TOTAL ASSETS</b>		<b>7 379 437</b>	<b>4 607 112</b>	<b>4 607 112</b>	<b>8 166 366</b>	<b>4 607 112</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Financial liabilities		(622)	(2 800)	(2 800)	(622)	(2 800)
Consumer deposits		67 916	97 430	97 430	66 940	97 430
Trade and other payables from exchange transactions		3 370 254	(530 429)	(530 429)	3 518 744	(530 429)
Trade and other payables from non-exchange transactions		56 275	93 816	93 816	121 210	93 816
Provision		269 517	265 605	265 605	269 517	265 605
VAT		930 819	-	-	981 395	-
Other current liabilities		284 774	306 766	306 766	284 817	306 766
<b>Total current liabilities</b>		<b>4 978 933</b>	<b>230 387</b>	<b>230 387</b>	<b>5 242 001</b>	<b>230 387</b>
<b>Non current liabilities</b>						
Financial liabilities		26 576	81 274	81 274	25 958	81 274
Provision		-	-	-	-	-
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		-	-	-	-	-
<b>Total non current liabilities</b>		<b>26 576</b>	<b>81 274</b>	<b>81 274</b>	<b>25 958</b>	<b>81 274</b>
<b>TOTAL LIABILITIES</b>		<b>5 005 509</b>	<b>311 661</b>	<b>311 661</b>	<b>5 267 959</b>	<b>311 661</b>
<b>NET ASSETS</b>	2	<b>2 373 928</b>	<b>4 295 451</b>	<b>4 295 451</b>	<b>2 898 406</b>	<b>4 295 451</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		3 963 559	4 177 134	4 177 134	2 901 559	4 177 134
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>3 963 559</b>	<b>4 177 134</b>	<b>4 177 134</b>	<b>2 901 559</b>	<b>4 177 134</b>

**Note:** The financial position as indicated in Table 9 above shows that the Net Assets of the City of Matlosana as at 31 August 2023 amounts to R2.9 billion

## 2.5 Monthly Budget Statement - Cash Flow Statement

Collection rate – collection rate for the month ending 31 August 2023 is 56%.

**TABLE 10: ACTUAL CASH FLOW FOR THE PERIOD ENDING 31 AUGUST 2023**

NW403 City Of Matlosana - Table C7 Monthly Budget Statement - Cash Flow - M02 August

Description	Ref	2022/23			Budget Year 2023/24					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Properly rates		376 399	448 861	448 861	38 646	66 332	74 810	(8 478)	-11%	448 861
Service charges		1 056 688	1 868 588	1 868 588	87 060	156 008	311 428	(155 420)	-50%	1 868 588
Other revenue		3 310 391	107 954	107 954	429 559	802 086	17 992	784 093	4358%	107 954
Transfers and Subsidies - Operational		547 682	611 134	611 134	3 978	253 604	101 856	151 748	149%	611 134
Transfers and Subsidies - Capital		150 412	197 256	197 256	20 000	61 374	32 876	28 498	87%	197 256
Interest		22	9 761	9 761	-	-	1 627	(1 627)	-100%	9 761
Dividends										
<b>Payments</b>										
Suppliers and employees		(3 753 555)	(3 025 072)	(3 025 072)	(50 475)	(340 356)	(504 179)	(163 823)	32%	(3 025 072)
Interest										
Transfers and Subsidies										
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>1 688 039</b>	<b>218 461</b>	<b>218 461</b>	<b>528 788</b>	<b>999 047</b>	<b>36 409</b>	<b>(962 638)</b>	<b>-2644%</b>	<b>218 461</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE										
Decrease (increase) in non-current receivables		-	33	-	-	-	5	(5)	-100%	33
Decrease (increase) in non-current investments										
<b>Payments</b>										
Capital assets		(104 307)	(231 469)	(231 469)	(1 370)	(1 615)	(38 578)	(38 963)	96%	(231 469)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(104 307)</b>	<b>(231 437)</b>	<b>(231 469)</b>	<b>(1 370)</b>	<b>(1 615)</b>	<b>(38 573)</b>	<b>(38 957)</b>	<b>96%</b>	<b>(231 437)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans										
Borrowing long term financing										
Increase (decrease) in consumer deposits		-	2 500	-	(1 799)	(975)	417	(1 382)	-334%	2 500
<b>Payments</b>										
Repayment of borrowing		-	(4 800)	(4 800)	-	-	(800)	(800)	100%	(4 800)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>(2 300)</b>	<b>(4 800)</b>	<b>(1 799)</b>	<b>(975)</b>	<b>(383)</b>	<b>592</b>	<b>-154%</b>	<b>(2 300)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>1 583 731</b>	<b>(15 276)</b>	<b>(17 808)</b>	<b>525 599</b>	<b>996 457</b>	<b>(2 547)</b>			<b>(15 276)</b>
Cash/cash equivalents at beginning:		224 921	213 000	213 000	85 280	104 773	213 000			104 773
Cash/cash equivalents at month/year end:		1 808 653	197 724	195 192		1 101 230	210 453			89 498

**NOTE:** The cash and call Investments for the month ending 31 August 2023 amounts to R152, million which consists of the following:

- Bank balances: R8,2 million
- Call investments: R144,1 million
- During the month of August 2023 municipality received the following Grants from National Treasury:
  - FMG: R3,1 million
  - EEDSM: R1 million

## 2.6 Actual borrowings

The municipality's position on external loans is set out in Table 11 below. The municipality started the 2023/24 financial year with borrowing debt of R9,363,331 and after repayments R617,607 were made, the total borrowings outstanding as at 31 August 2023 amounts to R8,745,724

**TABLE 11: ACTUAL BORROWING FOR THE PERIOD ENDING 31 AUGUST 2023**

### ANNEXURE A

31 AUGUST 2023

Borrowing Reference No	Start Date	End Date	Borrowing Period Years	Original Loan	Lender	Purpose	% Interest Rate (2 dec) Per Annum	Interest Paid This quarter	Opening Balance 01/07/2023	Debt Repaid or Re-deemed	Additional Principal Accrued	Balance at 31/08/2023
<b>Monthly Payments</b>												
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		83 990.19	9 363 330.99	307 424.93		9 055 906.06
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		81 232.97	9 055 906.06	310 182.15		8 745 723.91
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			8 745 723.91			8 745 723.91
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			8 745 723.91			8 745 723.91
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			8 745 723.91			8 745 723.91
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			8 745 723.91			8 745 723.91
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			8 745 723.91			8 745 723.91
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			8 745 723.91			8 745 723.91
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			8 745 723.91			8 745 723.91
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			8 745 723.91			8 745 723.91
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			8 745 723.91			8 745 723.91
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			8 745 723.91			8 745 723.91
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			8 745 723.91			8 745 723.91
<b>ANNUITY LOANS</b>												
NW103677/1	1/11/2010	1/11/2025	15	35269878	Development Bank of SA	Provision of Infrastructure	14.75	165 223.16	9 363 330.99	617 607.08	0.00	8 745 723.91
<b>TOTAL ANNUITIES</b>								165 223.16	9 363 330.99	617 607.08		8 745 723.91

## **PART 2 SUPPORTING DOCUMENTATION**

### **3. IN -YEAR BUDGET STATEMENT SUPPORTING TABLES AND DOCUMENTATIONS**

#### **3.1 Debtor's age analysis**

##### **Debtors age analysis per service**

The municipality's total outstanding debtors amounted to R 8,199,876,949 as at 31 August 2023 compared to R8,067,977,746 as at 31 July 2023.

Current to 30 days debt amounted to R 296,008,462 as at 31 August 2023 and has decreased with R 27,246,921 compared to R 323,255,383 as at 31 July 2023.

31 to 60 days debt increased with R 30,809,315; 61 to 90 days decreased with R 10,012,250 and 91 days and older debt as at 31 August 2023 amounted to R 7,483,104,163 and has increased with R 138,349,059 compared to R7,344,755,104 as at 31 July 2023.

Interest on debtors is also included in total debtors' book.

##### **Debtors age analysis per debtor type**

Government Debt: R 124,778,281 (1,5%)

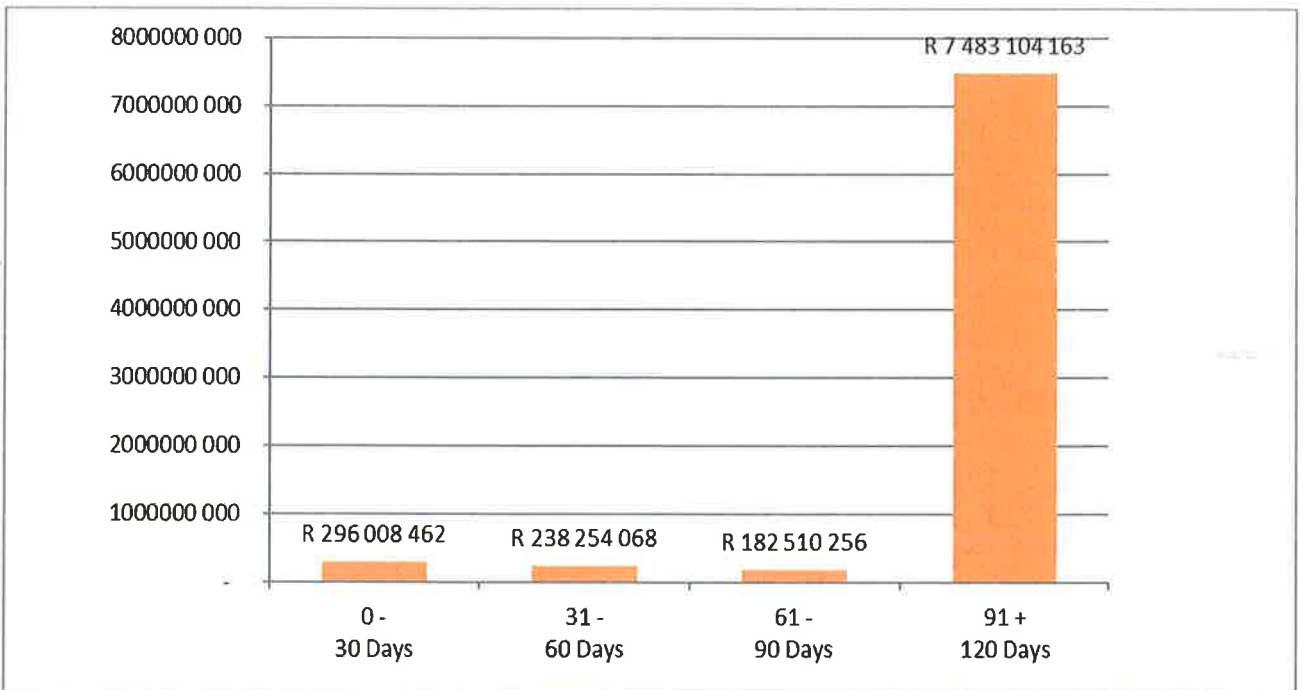
Business debtors: R 651,638,548 (8%)

Domestic debtors' R 7,423,460,120 (91%)

**TABLE 12: OUTSTANDING DEBTORS AS AT 31 AUGUST 2023**

**DEBTOR'S AGE ANALYSIS - 31 August 2023**

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 + 120 Days	Total
<b>Debtors Age Analysis By Income Source</b>					-
Water Tariffs	74 581 194	57 647 793	53 582 679	2 764 897 921	2 950 709 587
Electricity Tariffs	88 609 006	37 807 796	20 340 338	491 878 866	638 636 006
Rates (Property Rates)	36 889 576	62 999 416	11 807 440	388 230 382	499 926 814
Sewerage/ Sanitation	9 544 772	6 923 866	6 281 621	362 794 171	385 544 430
Refuse Removal Tariffs	18 362 310	14 538 494	13 054 907	729 054 152	775 009 863
Other	68 021 604	58 336 703	77 443 271	2 746 248 671	2 950 050 249
<b>Total By Income Source</b>	<b>296 008 462</b>	<b>238 254 068</b>	<b>182 510 256</b>	<b>7 483 104 163</b>	<b>8 199 876 949</b>
<b>Debtors Age Analysis By Customer Group</b>					
Government	9 551 007	41 767 751	2 135 703	71 323 820	124 778 281
Business	79 966 612	35 443 658	17 507 079	518 721 199	651 638 548
Households	206 490 843	161 042 659	162 867 474	6 893 059 144	7 423 460 120
Other					-
<b>Total By Customer Group</b>	<b>296 008 462</b>	<b>238 254 068</b>	<b>182 510 256</b>	<b>7 483 104 163</b>	<b>8 199 876 949</b>



**Note:** According to the Debtors Age Analysis it is clear that the 91% of the total outstanding debt is owed by the Household

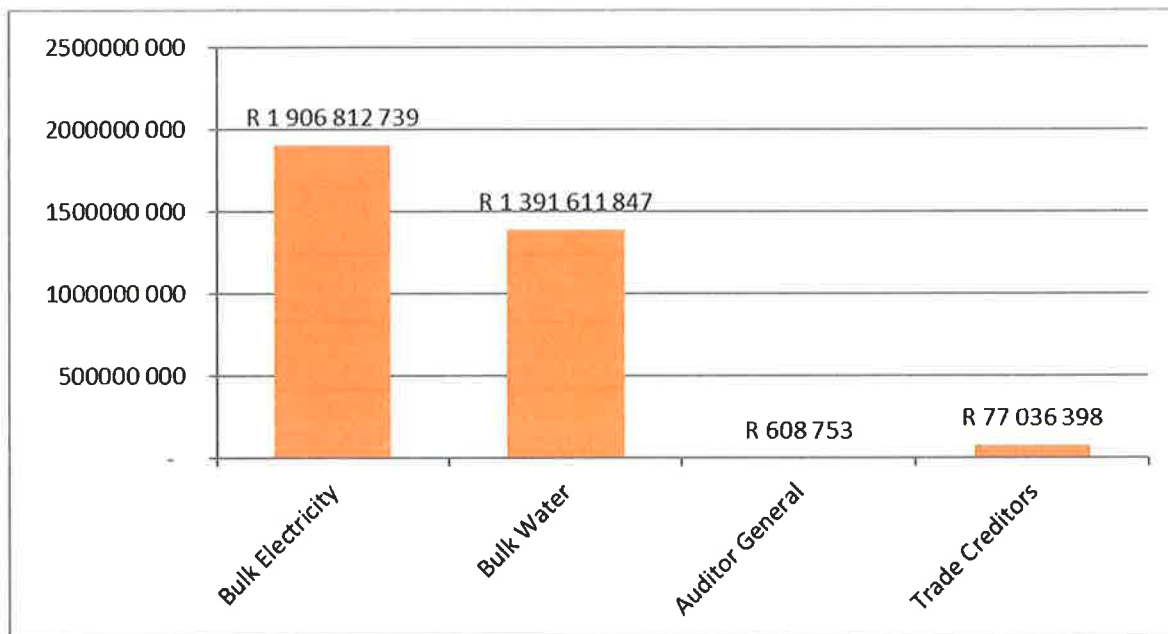
### 3.2 Creditors age analysis

The municipality's total outstanding creditors amounted to R 3,376,069,737 as at 31 August 2023 compared with R 3,256,440,905 as at 31 July 2023 and has increased with R 119,628,832

**TABLE 13: CREDITOR'S AGE ANALYSIS AS AT 31 AUGUST 2023**

**CREDITORS AGE ANALYSIS - 31 AUGUST 2023**

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 +Days/Arreas	Total
Bulk Electricity	161 115 009	164 035 359	141 747 315	1 439 915 057	-	1 906 812 739
Bulk Water	123 041 923	54 514 368	54 859 473	1 159 196 084	-	1 391 611 847
Auditor General	565 615	2 942	2 297	37 899	-	608 753
Trade Creditors	3 506 666	293 012	54 003 568	19 233 152	-	77 036 398
<b>Total</b>	<b>288 229 214</b>	<b>218 845 681</b>	<b>250 612 651</b>	<b>2 618 382 191</b>	<b>-</b>	<b>3 376 069 737</b>



**Note:** According to the above information, the Municipality's highest outstanding creditor is ESKOM with the total outstanding amount of R1,907 billion followed by Midvaal with the total outstanding amount of R1,392 billion



### 3.3 Investment

Surplus cash is invested on a daily basis depending on the commitment of funds. The municipality's investments as at 31 August 2023 is as set out in Table 14 below.

**TABLE 14: INVESTMENTS AS AT 31 AUGUST 2023**

NW403 City Of Matlosana - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02 August

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/No)	Variable or Fixed interest rate	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months									
<b>R thousands</b>											
<b>Municipality</b>											
ABSA		-	daily call	yes	Variable		127 962	812	(76 733)	60 500	112 542
INVESTEC		-	daily call	yes	Variable		7 757	53	-		7 811
SANLAM		2yrs	Policy	yes	Variable	2024/08/01	12 094		-		12 094
FNB		12months	Long term	yes	Variable	2023/06/30	71		-		71
FNB		-	daily call	yes	Variable		23 691	163			23 854
NEDBANK											-
Municipality sub-total							171 575	1 029	(76 733)	60 500	156 372
<b>Entities</b>											
											-
											-
											-
											-
											-
Entities sub-total							-		-	-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>	2						171 575	1 029	(76 733)	60 500	156 372

**Note:** The municipality started the beginning of the month with total investments of R171,6 million and after investment made of R60,5 million and withdrawals of R76.7 million closed with an investment balance of R156,4 million which includes collateral and long term investment at the five listed local banks.

### 3.4 Allocations received and Actual expenditure on allocations received

The municipality's position with regard to grant allocation received and the actual expenditure on the grant allocations received are set out in Table 15 and 16 below.

**TABLE 15: TRANSFER AND GRANT RECEIPTS**

NW403 City Of Matlosana - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M02 August

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
National Government:		558 483	615 503	615 503	417	250 043	102 584	147 459	143,7%	615 503
Energy Efficiency and Demand Side Management Grant		2 997	4 000	4 000	-	-	667	(667)	-100,0%	4 000
Equitable Share		545 270	599 104	599 104	-	249 626	99 851	149 775	150,0%	599 104
Expanded Public Works Programme Integrated Grant		2 181	3 512	3 512	-	-	585	(585)	-100,0%	3 512
Local Government Financial Management Grant		3 007	3 100	3 100	-	-	517	(517)	-100,0%	3 100
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	3	5 028	5 787	5 787	417	417	964	(548)	-56,8%	5 787
Other transfers and grants [insert description]										
Provincial Government:		1 037	1 418	1 418	-	-	236	(236)	-100,0%	1 418
Capacity Building and Other Grants		1 037	1 418	1 418	-	-	236	(236)	-100,0%	1 418
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total Operating Transfers and Grants</b>	5	<b>559 520</b>	<b>616 921</b>	<b>616 921</b>	<b>417</b>	<b>250 043</b>	<b>102 820</b>	<b>147 223</b>	<b>143,2%</b>	<b>616 921</b>
<b>Capital Transfers and Grants</b>										
National Government:		107 437	191 469	191 469	-	-	31 912	(31 912)	-100,0%	191 469
Integrated National Electrification Programme Grant		24 633	1 732	1 732	-	-	289	(289)	-100,0%	1 732
Municipal Infrastructure Grant		62 977	109 945	109 945	-	-	18 324	(18 324)	-100,0%	109 945
Neighbourhood Development Partnership Grant		12 921	31 162	31 162	-	-	5 194	(5 194)	-100,0%	31 162
Water Services Infrastructure Grant		6 905	48 630	48 630	-	-	8 105	(8 105)	-100,0%	48 630
Provincial Government:		-	-	-	-	-	-	-	-	-
[insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Developers Contribution		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	<b>107 437</b>	<b>191 469</b>	<b>191 469</b>	<b>-</b>	<b>-</b>	<b>31 912</b>	<b>(31 912)</b>	<b>-100,0%</b>	<b>191 469</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	<b>666 957</b>	<b>808 390</b>	<b>808 390</b>	<b>417</b>	<b>250 043</b>	<b>134 732</b>	<b>115 311</b>	<b>85,6%</b>	<b>808 390</b>

**Note:** The table reflect the YTD actual revenue amounts to R250 million, against the YTD budget of R134,7 million as at 31 August 2023. Revenue on Grants can only be recognized when conditions are met.

## TABLE 16: TRANSFER AND GRANT EXPENDITURE

NW403 City Of Matlosana - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M02 August

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		98 226	109 706	109 706	5 256	33 182	18 284	14 898	81,5%	109 706
Energy Efficiency and Demand Side Management Grant		3 186	4 000	4 000	–	(108)	667	(775)	-116,2%	4 000
Equitable Share		77 894	93 855	93 855	4 780	32 285	15 642	16 642	106,4%	93 855
Expanded Public Works Programme Integrated Grant		1 982	3 512	3 512	–	–	585	(585)	-100,0%	3 512
Local Government Financial Management Grant		9 910	3 100	3 100	10	123	517	(393)	-76,1%	3 100
Municipal Disaster Relief Grant		141	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		5 113	5 239	5 239	465	882	873	9	1,0%	5 239
<b>Provincial Government:</b>		1 374	3 308	3 308	335	335	551	(216)	-39,2%	3 308
Capacity Building and Other Grants		1 374	3 308	3 308	335	335	551	(216)	-39,2%	3 308
<b>District Municipality:</b>		–	–	–	–	–	–	–	–	–
<b>Other grant providers:</b>		–	–	–	–	–	–	–	–	–
<b>Total operating expenditure of Transfers and Grants:</b>		99 600	113 014	113 014	5 591	33 518	18 836	14 682	77,9%	113 014
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		77 720	191 469	191 469	1 362	1 607	31 912	(30 304)	-95,0%	191 469
Integrated National Electrification Programme Grant		23 032	1 732	1 732	–	–	289	(289)	-100,0%	1 732
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		37 448	109 945	109 945	309	554	18 324	(17 770)	-97,0%	109 945
Neighbourhood Development Partnership Grant		11 236	31 162	31 162	1 053	1 053	5 194	(4 141)	-79,7%	31 162
Water Services Infrastructure Grant		6 004	48 630	48 630	–	–	8 105	(8 105)	-100,0%	48 630
<b>Provincial Government:</b>		–	–	–	–	–	–	–	–	–
<b>District Municipality:</b>		–	–	–	–	–	–	–	–	–
<b>Other grant providers:</b>		–	–	–	–	–	–	–	–	–
Developers Contribution		–	–	–	–	–	–	–	–	–
<b>Total capital expenditure of Transfers and Grants</b>		77 720	191 469	191 469	1 362	1 607	31 912	(30 304)	-95,0%	191 469
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		177 320	304 483	304 483	6 953	35 125	50 747	(15 622)	-30,8%	304 483

**Note:** The table reflect the YTD actual expenditure incurred amounting to R35,1 million, against the YTD budget of R50,7 million as at 31 August 2023.

### 3.5 COUNCILORS AND EMPLOYEE BENEFITS

- Employees related cost – R121,1 million spent as at 31 August 2023
- Council Remuneration – R5,9 million spent as at 31 August 2023

**TABLE 17: COUNCILORS AND EMPLOYEE BENEFIT**

NW403 City Of Matlosana - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August

Summary of Employee and Councillor remuneration	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		23 751	25 884	25 884	1 884	3 803	4 314	(511)	-12%	25 884
Pension and UIF Contributions		1 782	2 368	2 368	144	295	395	(100)	-25%	2 368
Medical Aid Contributions		-	19	19	-	-	3	(3)	-100%	19
Motvr Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		2 867	3 013	3 013	255	517	502	15	3%	3 013
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		8 511	10 303	10 303	676	1 366	1 717	(351)	-20%	10 303
<b>Sub Total - Councillors</b>		<b>36 912</b>	<b>41 586</b>	<b>41 586</b>	<b>2 958</b>	<b>5 980</b>	<b>6 931</b>	<b>(951)</b>	<b>-14%</b>	<b>41 586</b>
<b>% increase</b>	4		<b>12,7%</b>	<b>12,7%</b>						<b>12,7%</b>
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		1 914	11 387	11 387	-	-	1 898	(1 898)	-100%	11 387
Pension and UIF Contributions		5	17	17	-	-	3	(3)	-100%	17
Medical Aid Contributions		33	53	53	-	-	9	(9)	-100%	53
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motvr Vehicle Allowance		192	1 438	1 438	-	-	240	(240)	-100%	1 438
Cellphone Allowance		-	222	222	-	-	37	(37)	-100%	222
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	8	8	-	-	1	(1)	-100%	8
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>2 144</b>	<b>13 124</b>	<b>13 124</b>	<b>-</b>	<b>-</b>	<b>2 187</b>	<b>(2 187)</b>	<b>-100%</b>	<b>13 124</b>
<b>% increase</b>	4		<b>512,2%</b>	<b>512,2%</b>						<b>512,2%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		439 677	486 850	486 850	38 484	76 984	81 142	(4 157)	-5%	486 850
Pension and UIF Contributions		89 792	103 620	103 620	7 836	15 693	17 270	(1 577)	-9%	103 620
Medical Aid Contributions		39 588	46 423	46 423	3 429	6 860	7 737	(877)	-11%	46 423
Overtime		69 475	30 224	30 224	6 031	12 186	5 037	7 149	142%	30 224
Performance Bonus		33 962	40 102	40 102	1 936	3 642	6 684	(3 041)	-46%	40 102
Motvr Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		1 450	1 486	1 486	128	321	248	74	30%	1 486
Housing Allowances		6 312	8 525	8 525	523	1 046	1 421	(375)	-26%	8 525
Other benefits and allowances		18 977	40 503	41 103	1 791	3 017	6 851	(3 834)	-56%	41 103
Payments in lieu of leave		16 297	14 964	14 364	532	1 336	2 394	(1 058)	-44%	14 364
Long service awards		(1 095)	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	(19 722)	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>694 693</b>	<b>772 697</b>	<b>772 697</b>	<b>60 690</b>	<b>121 086</b>	<b>128 783</b>	<b>(7 697)</b>	<b>-6%</b>	<b>772 697</b>
<b>% increase</b>	4		<b>11,2%</b>	<b>11,2%</b>						<b>11,2%</b>
<b>Total Parent Municipality</b>		<b>733 749</b>	<b>827 408</b>	<b>827 408</b>	<b>63 648</b>	<b>127 067</b>	<b>137 902</b>	<b>(10 835)</b>	<b>-8%</b>	<b>827 408</b>

**TABLE: 18 MATERIAL VARIANCES**

NW403 City of Matlosana - Supporting Table SC1 Material variance explanations – M02 August 2023					
Ref	Description	Variance	%	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands				
1	<b>Revenue By Source</b>				
	Property Rates	36,268,854	39%	Property rates have realised more revenue due to the rates that have been raised for the full year in respect to Government Departments and the Farms who pay their accounts annually. The amount is raised in full during July month as opposed to monthly instalments. The variance is expected to stabilise as the year progresses.	
	Service Charges: Electricity	(11,521,635)	-6%	Less revenue billed on electricity than initially anticipated. The reduction on this line item can be attributed to the current implementation of load shedding by ESKOM and the acceleration of customers converting to solar. The municipality is also enforcing the measures to reduce illegal connections and ensure that all properties consuming electricity are billed.	The municipality has to enforce measures to reduce illegal connections and ensure that all properties consuming electricity are billed.
	Service Charges: Refuse	(8,714,312)	-21%	Revenue was less than projected	
	Service Charges: Water	(23,773,750)	-18%	Revenue was less than projected	
	Service Charges: Sanitation	(2,438,936)	-9%	Revenue was less than projected	
	Rental of facilities & equipment	(373,730)	24%	Revenue was less than projected	
	Interest earned from Current & Non-Current Assets	(544,936)	34%	Most of the interest earned is realised at the end of financial year.	
	Interest earned from receivables	6,551,030	7%	The variance is as a result of the debtors' book that is increasing due to non-payment of debtors. The increase in the debtors	

				result in an increase interest charges.	
	License and Permits	(138,532)	9%	One of the reasons for under collection is that members of the public can renew vehicle licences online using eNaTIS electronic system instead of going physically to municipality offices	
	Fines, penalties and forfeits	(194,929)	-38%	The budgeted amount consists of numerous items (e.g. traffic fines, court fines, illegal connection, etc.) in this instance under performance was mostly on non-collection of traffic fines which was due to shortage of staff and vacant positions that are not filled to date. According the traffic department, the vacant positions have been advertised therefore traffic fines collection rate will start to increase as soon as the appointment of new Traffic Officers has been finalised.	According the traffic department, the vacant positions have been advertised therefore, traffic fines collection rate will start to increase as soon as the appointment of new Traffic Officers has been finalised.
	Other revenue	(8,074,934)	-56%	The budgeted amount consists of numerous items (e.g. Commission: insurance, Commission: Transaction Handling fees, Plan printing and duplicate, etc.) in this instance under performance was mostly on the Sale of Property. The reason for under collection is that there has been delays in the issuing of clearance figures for property transfers.	
<b>2</b>	<b><u>Expenditure by Type</u></b>				
	Remuneration of Councillors	(950,594)	-14%	Expenditure is lower due to the resignations of other Councillors	
	Bulk Purchases - electricity	(129,118,261)	-70%	Expenditure is lower due to the outstanding Eskom invoices; it is difficult for the Municipality to meet the obligation due to the low collection rate.	Implement revenue enhancement And debt collection rate strategies.
	Contracted services	(43,378,834)	-56%	Mainly on Security service, repair and maintenance of fleet, repair and maintenance of buildings and equipment and Asset	

				Register administration. Under performance is due to cash flow challenges.	
	<b>Interest</b>	<b>(1,619,884)</b>	<b>-91%</b>	The underspending is mainly on interest paid on overdue accounts, most of the journals for interest paid on overdue accounts are done at the end of the financial year	
	<b>Debt Impairment</b>	<b>(96,454,427)</b>	<b>-100%</b>	Most of the Debt Impairment journals are done at the end of financial year.	
	<b>Inventory (Repair &amp; Maintenance)</b>	<b>(44,583,825)</b>	<b>-50%</b>	Inventory consumed includes Bulk Water, expenditure is lower due to the outstanding Midvaal invoices, the Municipality is struggling to meet the obligation due to cash flow challenges.	

## TABLE 19: FINANCIAL PERFORMANCE

### NW403 City Of Matlosana - Supporting Table SC2 Monthly Budget Statement - performance indicators - M02 August

Description of financial indicator	Basis of calculation	Ref	2022/23	Budget Year 2023/24			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b><u>Borrowing Management</u></b>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		5,0%	10,5%	10,5%	0,1%	1,2%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0,0%	0,0%	0,0%	0,0%	0,0%
<b><u>Safety of Capital</u></b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		87,1%	-8,6%	-8,6%	126,3%	-8,6%
Gearing	Long Term Borrowing/ Funds & Reserves		0,0%	0,0%	0,0%	0,0%	0,0%
<b><u>Liquidity</u></b>							
Current Ratio	Current assets/current liabilities	1	38,7%	211,6%	211,6%	51,7%	211,6%
Liquidity Ratio	Monetary Assets/Current Liabilities		2,1%	85,8%	85,8%	10,2%	85,8%
<b><u>Revenue Management</u></b>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		14,4%	0,0%	0,0%	0,0%	0,0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0,0%	0,0%	0,0%	0,0%	0,0%
<b><u>Creditors Management</u></b>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<b><u>Funding of Provisions</u></b>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<b><u>Other Indicators</u></b>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2	0,0%	19,0%	19,0%	0,0%	19,0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2	0,0%	15,0%	15,0%	0,0%	15,0%
Employee costs	Employee costs/Total Revenue - capital revenue		18,6%	18,6%	18,6%	14,5%	18,6%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		7,3%	13,2%	13,2%	11,4%	13,2%
Interest & Depreciation	I&D/Total Revenue - capital revenue		16,6%	10,7%	10,7%	0,0%	1,2%
<b><u>IDP regulation financial viability indicators</u></b>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						



**TABLE: 20 CAPITAL EXPENDITURE PERFORMANCE**

**NW403 City Of Matlosana - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M02 August**

Month	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>									
<b>Monthly expenditure performance trend</b>									
July	6 995	19 289	19 289	246	246	19 289	19 044	98,7%	0%
August	6 995	19 289	19 289	1 370	1 370	38 578	37 209	96,4%	1%
September	6 995	19 289	19 289	-	-	57 867	57 867	100,0%	0%
October	6 995	19 289	19 289	-	-	77 157	77 157	100,0%	0%
November	6 995	19 289	19 289	-	-	96 446	96 446	100,0%	0%
December	6 995	19 289	19 289	-	-	115 735	115 735	100,0%	0%
January	6 995	19 289	19 289	-	-	135 024	135 024	100,0%	0%
February	6 995	19 289	19 289	-	-	154 313	154 313	100,0%	0%
March	6 995	19 289	19 289	-	-	173 602	173 602	100,0%	0%
April	6 995	19 289	19 289	-	-	192 891	192 891	100,0%	-
May	6 995	19 289	19 289	-	-	212 180	212 180	100,0%	-
June	6 995	19 289	19 289	-	-	231 469	231 469	100,0%	-
<b>Total Capital expenditure</b>	<b>83 945</b>	<b>231 469</b>	<b>231 469</b>	<b>1 615</b>					

**3.6 OTHER SUPPORTING DOCUMENTS**

- SC13a: Capital expenditure on new assets by assets class
- SC 13b: Capital expenditure on renewal of existing assets
- SC 13c: Expenditure On repairs and maintenance by assets class
- SC 13d: Depreciation by assets class
- SC 13e: Expenditure on upgrading of existing assets by assets class

## SUPPORTING TABLE SC13a:

NW403 City Of Matlosana - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M02 August

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		72 053	178 183	178 183	1 607	1 607	29 697	28 090	94,6%	178 183
Roads Infrastructure		23 808	43 685	43 685	1 053	1 053	7 281	6 228	85,5%	43 685
Roads		23 808	43 685	43 685	1 053	1 053	7 281	6 228	85,5%	43 685
Electrical Infrastructure		29 978	14 200	14 200	-	-	2 367	2 367	100,0%	14 200
Power Plants										
HV Substations		6 225	14 200	14 200	-	-	2 367	2 367	100,0%	14 200
MV Networks		21 362	-	-	-	-	-	-		-
LV Networks		2 391	-	-	-	-	-	-		-
Capital Spares										
Water Supply Infrastructure		8 186	45 475	45 475	-	-	7 579	7 579	100,0%	45 475
Bulk Mains		6 660	19 000	19 000	-	-	3 167	3 167	100,0%	19 000
Distribution		1 526	26 475	26 475	-	-	4 412	4 412	100,0%	26 475
Sanitation Infrastructure		6 584	39 352	39 352	-	-	6 559	6 559	100,0%	39 352
Pump Station		2 799	-	-	-	-	-	-		-
Reticulation		2 688	8 935	8 935	-	-	1 489	1 489	100,0%	8 935
Waste Water Treatment Works										
Outfall Sewers		-	19 000	19 000	-	-	3 167	3 167	100,0%	19 000
Toilet Facilities		1 097	11 418	11 418	-	-	1 903	1 903	100,0%	11 418
Capital Spares										
Solid Waste Infrastructure		3 496	35 471	35 471	554	554	5 912	5 358	90,6%	35 471
Landfill Sites										
Waste Transfer Stations		3 496	35 471	35 471	554	554	5 912	5 358	90,6%	35 471
<b>Community Assets</b>		2 950	7 000	7 000	(246)	-	1 167	1 167	100,0%	7 000
Community Facilities		-	-	-	-	-	-	-		-
Sport and Recreation Facilities		2 950	7 000	7 000	(246)	-	1 167	1 167	100,0%	7 000
Indoor Facilities		-	-	-	-	-	-	-		-
Outdoor Facilities		2 950	7 000	7 000	(246)	-	1 167	1 167	100,0%	7 000
<b>Computer Equipment</b>		-	8 000	8 000	-	-	1 333	1 333	100,0%	8 000
Computer Equipment		-	8 000	8 000	-	-	1 333	1 333	100,0%	8 000
<b>Furniture and Office Equipment</b>		0	1 800	1 800	-	-	300	300	100,0%	1 800
Furniture and Office Equipment		0	1 800	1 800	-	-	300	300	100,0%	1 800
<b>Machinery and Equipment</b>		-	1 000	1 000	8	8	167	159	95,1%	1 000
Machinery and Equipment		-	1 000	1 000	8	8	167	159	95,1%	1 000
<b>Transport Assets</b>		-	4 543	4 543	-	-	757	757	100,0%	4 543
Transport Assets		-	4 543	4 543	-	-	757	757	100,0%	4 543
<b>Total Capital Expenditure on new assets</b>	1	75 003	200 526	200 526	1 370	1 615	33 421	31 806	95,2%	200 526

## SUPPORTING TABLE SC13b

### NW403 City Of Matlosana - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		3 055	19 526	19 526	-	-	3 254	3 254	100,0%	19 526
Electrical Infrastructure		3 055	5 206	5 206	-	-	868	868	100,0%	5 206
Power Plants										
HV Substations		1 670	1 732	1 732	-	-	289	289	100,0%	1 732
LV Networks		1 385	3 474	3 474	-	-	579	579	100,0%	3 474
Sanitation Infrastructure		-	14 320	14 320	-	-	2 387	2 387	100,0%	14 320
Pump Station										
Reticulation										
Waste Water Treatment Works		-	14 320	14 320	-	-	2 387	2 387	100,0%	14 320
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>1</b>	<b>3 055</b>	<b>19 526</b>	<b>19 526</b>	<b>-</b>	<b>-</b>	<b>3 254</b>	<b>3 254</b>	<b>100,0%</b>	<b>19 526</b>

## SUPPORTING TABLE SC13c

### NW403 City Of Matlosana - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M02

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		<b>106 663</b>	<b>196 020</b>	<b>196 020</b>	<b>38 317</b>	<b>46 830</b>	<b>32 670</b>	<b>(14 160)</b>	<b>-43,3%</b>	<b>196 020</b>
Roads Infrastructure		18 695	56 998	56 998	25 384	30 941	9 500	(21 441)	-225,7%	56 998
Roads		18 070	56 065	56 065	25 251	30 639	9 344	(21 295)	-227,9%	56 065
Road Structures										
Road Furniture		625	933	933	133	302	156	(146)	-94,0%	933
Capital Spares										
Storm water Infrastructure		-	10 000	10 000	-	-	1 667	1 667	100,0%	10 000
Drainage Collection		-	10 000	10 000	-	-	1 667	1 667	100,0%	10 000
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		72 297	91 719	91 719	9 023	11 603	15 287	3 683	24,1%	91 719
MV Substations		261	823	823	-	-	137	137	100,0%	823
MV Switching Stations		165	122	122	-	-	20	20	100,0%	122
MV Networks										
LV Networks		71 871	90 774	90 774	9 023	11 603	15 129	3 526	23,3%	90 774
Capital Spares										
Water Supply Infrastructure		11 580	15 812	15 812	923	1 299	2 635	1 336	50,7%	15 812
Dams and Weirs										
Boreholes										
Reservoirs		1 044	3 697	3 697	-	25	616	591	95,9%	3 697
Distribution		10 536	12 115	12 115	923	1 274	2 019	745	36,9%	12 115
Sanitation Infrastructure		4 091	21 490	21 490	2 987	2 987	3 582	595	16,6%	21 490
Pump Station										
Reticulation		2 716	11 281	11 281	2 987	2 987	1 880	(1 107)	-58,9%	11 281
Waste Water Treatment Works		1 375	10 210	10 210	-	-	1 702	1 702	100,0%	10 210
<b>Community Assets</b>		<b>5 742</b>	<b>18 730</b>	<b>18 730</b>	<b>174</b>	<b>174</b>	<b>3 122</b>	<b>2 948</b>	<b>94,4%</b>	<b>18 730</b>
Community Facilities		3 113	10 612	10 612	170	170	1 769	1 599	90,4%	10 612
Museums		81	1 064	1 064	-	-	177	177	100,0%	1 064
Galleries										
Theatres										
Libraries		619	1 911	1 911	-	-	318	318	100,0%	1 911
Cemeteries/Crematoria		2 253	6 030	6 030	140	140	1 005	865	86,1%	6 030
Police										
Parks										
Public Open Space		-	130	130	-	-	22	22	100,0%	130
Nature Reserves		104	729	729	30	30	122	92	75,3%	729
Public Ablution Facilities										
Markets		55	748	748	-	-	125	125	100,0%	748

Sport and Recreation Facilities	2 630	8 119	8 119	4	4	1 353	1 349	99,7%	8 119	
Indoor Facilities	1 359	2 505	2 505	4	4	417	414	99,1%	2 505	
Outdoor Facilities	1 271	5 614	5 614	-	-	936	936	100,0%	5 614	
Capital Spares										
<b>Heritage assets</b>	<b>136</b>	<b>199</b>	<b>199</b>	<b>-</b>	<b>-</b>	<b>33</b>	<b>33</b>	<b>100,0%</b>	<b>199</b>	
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas	136	199	199	-	-	33	33	100,0%	199	
<b>Other assets</b>	<b>4 604</b>	<b>10 626</b>	<b>10 626</b>	<b>81</b>	<b>82</b>	<b>1 771</b>	<b>1 689</b>	<b>95,4%</b>	<b>10 626</b>	
Operational Buildings	4 604	10 626	10 626	81	82	1 771	1 689	95,4%	10 626	
Municipal Offices	4 576	10 566	10 566	81	82	1 761	1 679	95,3%	10 566	
Pay/Enquiry Points										
Building Plan Offices										
Workshops	28	51	51	-	-	8	8	100,0%	51	
Yards										
Stores	-	10	10	-	-	2	2	100,0%	10	
<b>Intangible Assets</b>	<b>5 072</b>	<b>4 563</b>	<b>4 563</b>	<b>9</b>	<b>9</b>	<b>760</b>	<b>751</b>	<b>98,8%</b>	<b>4 563</b>	
Servitudes										
Licences and Rights	5 072	4 563	4 563	9	9	760	751	98,8%	4 563	
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications	5 072	4 563	4 563	9	9	760	751	98,8%	4 563	
Load Settlement Software Applications										
Unspecified										
<b>Computer Equipment</b>	<b>1 847</b>	<b>4 300</b>	<b>4 300</b>	<b>-</b>	<b>-</b>	<b>717</b>	<b>717</b>	<b>100,0%</b>	<b>4 300</b>	
Computer Equipment	1 847	4 300	4 300	-	-	717	717	100,0%	4 300	
<b>Furniture and Office Equipment</b>	<b>2 356</b>	<b>3 068</b>	<b>3 068</b>	<b>-</b>	<b>-</b>	<b>511</b>	<b>511</b>	<b>100,0%</b>	<b>3 068</b>	
Furniture and Office Equipment	2 356	3 068	3 068	-	-	511	511	100,0%	3 068	
<b>Machinery and Equipment</b>	<b>10 911</b>	<b>25 639</b>	<b>25 639</b>	<b>545</b>	<b>545</b>	<b>4 273</b>	<b>3 728</b>	<b>87,3%</b>	<b>25 639</b>	
Machinery and Equipment	10 911	25 639	25 639	545	545	4 273	3 728	87,3%	25 639	
<b>Transport Assets</b>	<b>194</b>	<b>14 390</b>	<b>14 390</b>	<b>15</b>	<b>29</b>	<b>2 398</b>	<b>2 369</b>	<b>98,8%</b>	<b>14 390</b>	
Transport Assets	194	14 390	14 390	15	29	2 398	2 369	98,8%	14 390	
<b>Total Repairs and Maintenance Expenditure</b>	<b>1</b>	<b>137 526</b>	<b>277 534</b>	<b>277 534</b>	<b>39 141</b>	<b>47 669</b>	<b>46 256</b>	<b>(1 413)</b>	<b>-3,1%</b>	<b>277 534</b>

## SUPPORTING TABLE SC13d

### NW403 City Of Matlosana - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M02 August

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Depreciation by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	322 692	322 692	-	-	53 782	53 782	100,0%	322 692
Roads Infrastructure		-	96 260	96 260	-	-	16 043	16 043	100,0%	96 260
Roads		-	96 260	96 260	-	-	16 043	16 043	100,0%	96 260
<b>Electrical Infrastructure</b>		-	59 997	59 997	-	-	9 999	9 999	100,0%	59 997
MV Networks		-	59 997	59 997	-	-	9 999	9 999	100,0%	59 997
LV Networks		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Water Supply Infrastructure		-	93 480	93 480	-	-	15 580	15 580	100,0%	93 480
Distribution		-	93 480	93 480	-	-	15 580	15 580	100,0%	93 480
Distribution Points		-	-	-	-	-	-	-		-
PRV Stations		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Sanitation Infrastructure		-	72 956	72 956	-	-	12 159	12 159	100,0%	72 956
Pump Station		-	-	-	-	-	-	-		-
Reticulation		-	72 956	72 956	-	-	12 159	12 159	100,0%	72 956
<b>Other assets</b>		136 154	79 263	79 263	-	-	13 210	13 210	100,0%	79 263
Operational Buildings		136 154	79 263	79 263	-	-	13 210	13 210	100,0%	79 263
Municipal Offices		136 154	79 263	79 263	-	-	13 210	13 210	100,0%	79 263
<b>Computer Equipment</b>		-	1 763	1 763	-	-	294	294	100,0%	1 763
Computer Equipment		-	1 763	1 763	-	-	294	294	100,0%	1 763
<b>Furniture and Office Equipment</b>		3 651	2 617	2 617	-	-	436	436	100,0%	2 617
Furniture and Office Equipment		3 651	2 617	2 617	-	-	436	436	100,0%	2 617
<b>Machinery and Equipment</b>		-	-	-	-	-	-	-		-
Machinery and Equipment		-	-	-	-	-	-	-		-
<b>Transport Assets</b>		243 149	33 666	33 666	-	-	5 611	5 611	100,0%	33 666
Transport Assets		243 149	33 666	33 666	-	-	5 611	5 611	100,0%	33 666
<b>Total Depreciation</b>	1	382 953	440 000	440 000	-	-	73 333	73 333	100,0%	440 000

## SUPPORTING TABLE SC13e

### NW403 City Of Matlosana - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		1 542	11 418	11 418	-	-	1 903	1 903	100,0%	11 418
Water Supply Infrastructure		1 542	11 418	11 418	-	-	1 903	1 903	100,0%	11 418
Dams and Weirs										
Boreholes										
Reservoirs		1 542	11 418	11 418	-	-	1 903	1 903	100,0%	11 418
<b>Community Assets</b>		4 345	-	-	-	-	-	-		-
Community Facilities		4 345	-	-	-	-	-	-		-
Markets		4 345	-	-	-	-	-	-		-
<b>Total Capital Expenditure on upgrading of existing assets</b>	1	<b>5 887</b>	<b>11 418</b>	<b>11 418</b>	<b>-</b>	<b>-</b>	<b>1 903</b>	<b>1 903</b>	<b>100,0%</b>	<b>11 418</b>

## 6.6 RECOMMENDATIONS

Based on the contents of this report, it is recommended that the Accounting Officer submits to the Executive Mayor this report for August 2023 as per section 71 of the MFMA.

