

# Harry Gwala District Municipality

MFMA s71 report for the period ending 31 May 2023.

9/6/2023

Budget & Treasury Office



## **In-Year Report of the Municipality**

Prepared in terms of Section 71 of the Local Government Municipal Finance Management Act, (Act 56 of 2003) and the Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 June 2009.

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## Glossary

**Adjustments budget** – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

**AFS** – Annual Financial Statements

**Budget** – The financial plan of the Municipality.

**Capital expenditure** - Spending on assets such as infrastructure, land & buildings minor assets etc. Any capital expenditure must be reflected as an asset on the Municipality's statement of financial position.

**DORA** – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

**Equitable share** – An unconditional grant paid to municipalities. It is predominantly targeted towards funding the Indigent Policy.

**FMG** – Financial Management Grant.

**GRAP** – Generally Recognised Accounting Practice. The standard for municipal accounting.

**IDP** – Integrated Development Plan. The main strategic planning document of the Municipality.

**MBRR** – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.

**MFMA** – Local Government: Municipal Finance Management Act (56/2003). The principle legislation relating to municipal financial management.

**MIG** – Municipal Infrastructure Grant.

**MTREF** – Medium Term Revenue and Expenditure Framework (MTREF). The medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes financial information of the previous and current year.

**Operating expenditure** – Spending on the day to day expenses of the Municipality such as salaries and wages, repairs and maintenance etc.

**SDBIP** – Service Delivery and Budget Implementation Plan (SDBIP). A detailed plan comprising annual and quarterly performance information. Harry Gwala District Municipality MFMA s71 Monthly Report Page 5

**Strategic objectives** – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

**Vote** – one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

**YTD** – Year to date

**YoY** – Year on Year

**DBSA** – Development Bank of South Africa

## **REPORT ON S71 OF THE MFMA FOR THE PERIOD ENDING 31 MAY 2023**

### **1.1 PURPOSE**

To table a report on the Implementation of the current budget and the financial state of the Municipality in terms of Section 71 of the Municipal Finance Management Act (MFMA)

### **LEGAL FRAMEWORK**

- Local Government: Municipal Finance Management Act, 56 of 2003
- SCM Regulations
- SCM Policy
- Municipal Budget Reporting Regulation
- Division of Revenue Act

### **1.2 EXECUTIVE SUMMARY OR BACKGROUND**

#### **Legislative Requirements**

In terms of the section 71 of the MFMA the accounting officer of a municipality 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 reflecting the following particulars for that month and for the financial year up to the end of that month:

- (a) Actual revenue, per revenue source;

- (b)* actual borrowings;
- (c)* actual expenditure, per vote;
- (d)* actual capital expenditure, per vote;
- (e)* the amount of any allocations received;
- (f)* actual expenditure on those allocations, excluding expenditure on—
  - (i)* its share of the local government equitable share; and
  - (ii)* allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
- (g)* when necessary, an explanation of—
  - (i)* any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
  - (ii)* any material variances from the service delivery and budget implementation plan; and
  - (iii)* any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's

## **DELIBERATION/DISCUSSION**

The discussion that follows, in terms of MFMA Section 71 above, intends to inform the Budget and Treasury Committee on the progress made thus far in terms of implementing the 2022/2023 budget for the period ending 31 May 2023.

### **1.3 RESOLUTIONS**

This report will be tabled to Executive committee and therefore the resolution will be available once it tabled to council in terms of Sec 52 (d) of the MFMA.

### **1.4 Monthly Budget Statement Tables**

#### **Monthly Budget Statements Summary**

Table C1 below provides a summary of the overall performance in the Municipality and is unpacked in the sections that follow.

DC43 Harry Gwala - Table C1 Consolidated Monthly Budget Statement Summary - M11 May

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-		-
Service charges	61 560	64 990	71 586	(2 722)	61 946	64 851	(2 905)	-4%	71 586
Investment revenue	5 104	4 859	7 320	1 466	9 618	6 423	3 195	50%	7 320
Transfers and subsidies	453 939	463 738	465 350	290	454 900	426 383	28 517	7%	465 350
Other own revenue	15 181	11 941	12 537	1 413	14 179	11 423	2 756	24%	12 537
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>535 784</b>	<b>545 528</b>	<b>556 794</b>	<b>446</b>	<b>540 643</b>	<b>509 080</b>	<b>31 563</b>	<b>6%</b>	<b>556 794</b>
Employee costs	238 376	250 011	244 803	20 295	219 333	225 012	(5 679)	-3%	244 803
Remuneration of Councillors	7 239	8 879	7 710	550	6 382	7 204	(823)	-11%	7 710
Depreciation & asset impairment	81 505	91 951	92 120	6 801	74 921	84 424	(9 503)	-11%	92 120
Finance charges	307	516	475	7	21	448	(427)	-95%	475
Inventory consumed and bulk purchases	44 661	28 907	29 896	1 210	26 065	26 747	(682)	-3%	29 896
Transfers and subsidies	15 100	17 000	21 594	-	15 200	19 259	(4 059)	-21%	21 594
Other expenditure	253 562	210 569	249 017	18 616	185 587	222 088	(36 501)	-16%	249 017
<b>Total Expenditure</b>	<b>640 749</b>	<b>607 834</b>	<b>645 616</b>	<b>47 477</b>	<b>527 508</b>	<b>585 181</b>	<b>(57 673)</b>	<b>-10%</b>	<b>645 616</b>
<b>Surplus/(Deficit)</b>	<b>(104 965)</b>	<b>(62 306)</b>	<b>(88 822)</b>	<b>(47 031)</b>	<b>13 135</b>	<b>(76 101)</b>	<b>89 236</b>	<b>-117%</b>	<b>(88 822)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	311 860	320 236	308 218	24 939	239 639	286 935	(47 296)	-16%	308 218
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	12 781	-	-	-	-	-	-		-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>219 676</b>	<b>257 930</b>	<b>219 396</b>	<b>(22 092)</b>	<b>252 774</b>	<b>210 834</b>	<b>41 940</b>	<b>20%</b>	<b>219 396</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
<b>Surplus/ (Deficit) for the year</b>	<b>219 676</b>	<b>257 930</b>	<b>219 396</b>	<b>(22 092)</b>	<b>252 774</b>	<b>210 834</b>	<b>41 940</b>	<b>20%</b>	<b>219 396</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>290 905</b>	<b>298 180</b>	<b>279 229</b>	<b>21 186</b>	<b>209 561</b>	<b>263 009</b>	<b>(53 447)</b>	<b>-20%</b>	<b>279 229</b>
Capital transfers recognised	273 848	278 426	263 051	21 033	205 708	247 762	(42 053)	-17%	263 051
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	17 056	19 754	16 178	153	3 853	15 247	(11 394)	-75%	16 178
<b>Total sources of capital funds</b>	<b>290 905</b>	<b>298 180</b>	<b>279 229</b>	<b>21 186</b>	<b>209 561</b>	<b>263 009</b>	<b>(53 447)</b>	<b>-20%</b>	<b>279 229</b>
<b>Financial position</b>									
Total current assets	112 965	106 085	129 918		294 209				129 918
Total non current assets	2 759 748	2 677 309	2 947 533		2 891 514				2 947 533
Total current liabilities	114 375	125 478	108 569		176 048				108 569
Total non current liabilities	28 545	15 947	28 869		27 117				28 869
Community wealth/Equity	2 792 276	2 641 969	2 978 547		2 982 557				2 978 547
<b>Cash flows</b>									
Net cash from (used) operating	175 924	321 758	281 487	4 095	1 505 587	258 029	(1 247 558)	-483%	281 487
Net cash from (used) investing	(290 905)	(298 180)	(279 229)	(21 186)	(209 561)	(255 960)	(46 399)	18%	(279 229)
Net cash from (used) financing	(400)	(2 400)	(2 400)	-	-	(2 200)	(2 200)	100%	(2 400)
<b>Cash/cash equivalents at the month/year end</b>	<b>(63 519)</b>	<b>48 747</b>	<b>64 449</b>	<b>-</b>	<b>1 346 252</b>	<b>64 461</b>	<b>(1 281 791)</b>	<b>-1988%</b>	<b>50 084</b>
<b>Debtors &amp; creditors analysis</b>									
	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	7 378	5 590	4 989	6 967	3 366	3 686	24 538	181 172	237 686
<b>Creditors Age Analysis</b>									
Total Creditors	1 015	10	2	-	-	-	-	-	1 027



## **Financial Performance**

Table C2 provides the statement of financial performance by standard classification.

DC43 Harry Gwala - Table C2 Consolidated Monthly Budget Statement - Financial Performance (functional classification) - M11 May

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue - Functional</b>									
<b>Governance and administration</b>	397 365	438 744	441 566	1 851	444 091	404 439	39 651	10%	441 566
Executive and council	-	-	-	-	-	-	-	-	-
Finance and administration	397 365	438 744	441 566	1 851	444 091	404 439	39 651	10%	441 566
Internal audit	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>	33	-	15	2	29	12	17	137%	15
Community and social services	33	-	15	2	29	12	17	137%	15
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	24 384	17 180	16 994	-	-	15 600	(15 600)	-100%	16 994
Planning and development	24 384	17 180	16 994	-	-	15 600	(15 600)	-100%	16 994
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	438 642	409 840	406 437	23 532	336 162	375 964	(39 801)	-11%	406 437
Energy sources	-	-	-	-	-	-	-	-	-
Water management	392 285	396 689	392 523	22 427	324 145	363 298	(39 153)	-11%	392 523
Waste water management	46 357	13 151	13 914	1 105	12 017	12 665	(648)	-5%	13 914
Waste management	-	-	-	-	-	-	-	-	-
<b>Other</b>	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>860 424</b>	<b>865 764</b>	<b>865 012</b>	<b>25 386</b>	<b>780 282</b>	<b>796 015</b>	<b>(15 733)</b>	<b>-2%</b>	<b>865 012</b>
<b>Expenditure - Functional</b>									
<b>Governance and administration</b>	236 450	266 502	283 144	22 771	219 101	257 386	(38 285)	-15%	283 144
Executive and council	37 102	33 112	31 323	3 883	26 891	28 916	(2 025)	-7%	31 323
Finance and administration	189 248	223 635	240 403	18 113	182 816	218 192	(35 376)	-16%	240 403
Internal audit	10 100	9 755	11 417	774	9 394	10 278	(884)	-9%	11 417
<b>Community and public safety</b>	19 479	20 881	19 237	1 316	16 534	17 813	(1 279)	-7%	19 237
Community and social services	19 479	20 881	19 237	1 316	16 534	17 813	(1 279)	-7%	19 237
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	148 523	156 969	166 616	10 801	131 509	149 822	(18 314)	-12%	166 616
Planning and development	148 523	156 969	166 616	10 801	131 509	149 822	(18 314)	-12%	166 616
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	236 297	163 481	176 619	12 590	160 365	160 161	204	0%	176 619
Energy sources	-	-	-	-	-	-	-	-	-
Water management	216 091	162 342	174 016	12 558	157 876	158 471	(596)	0%	174 016
Waste water management	20 206	1 139	2 603	31	2 489	1 689	800	47%	2 603
Waste management	-	-	-	-	-	-	-	-	-
<b>Other</b>	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	<b>640 749</b>	<b>607 834</b>	<b>645 616</b>	<b>47 477</b>	<b>527 508</b>	<b>585 181</b>	<b>(57 673)</b>	<b>-10%</b>	<b>645 616</b>
<b>Surplus/ (Deficit) for the year</b>	<b>219 676</b>	<b>257 930</b>	<b>219 396</b>	<b>(22 092)</b>	<b>252 774</b>	<b>210 834</b>	<b>41 940</b>	<b>20%</b>	<b>219 396</b>

This table assess the revenue by department and then the expenditure for the period ending 31 May 2023. Revenue receipts in May have largely constituted of service charges which is water and sanitation. The overall budgeted revenue cash receipt for the month of May is 3%.

Expenditure by standard classification presents the expenditures by the departments. Water Services Department has largest expenditure by 8% in the period ending 31 May 2023. This being largely attributable to the backlog demand of operations and maintenance of water schemes in the District.

Table C3 presents the same information as the table above, the difference being that it's by Municipal vote.

DC43 Harry Gwala - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M11

Vote Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue by Vote</b>									
Vote 01 - Summary Council	-	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	396 921	438 660	441 238	1 851	443 705	404 167	39 538	9,8%	441 238
Vote 04 - Summary Corporate Services	359	-	245	-	372	196	176	90,1%	245
Vote 05 - Summary Social Services & Development Planning	11 636	17 180	17 009	2	29	15 612	(15 583)	-99,8%	17 009
Vote 06 - Summary Infrastructure Services	318 640	337 554	325 869	23 402	261 428	303 076	(41 649)	-13,7%	325 869
Vote 07 - Summary Water Services	132 868	72 370	80 651	130	74 748	72 964	1 785	2,4%	80 651
Vote 15 - Other	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>860 424</b>	<b>865 764</b>	<b>865 012</b>	<b>25 386</b>	<b>780 282</b>	<b>796 015</b>	<b>(15 733)</b>	<b>-2,0%</b>	<b>865 012</b>
<b>Expenditure by Vote</b>									
Vote 01 - Summary Council	20 155	18 963	19 787	2 190	17 069	18 043	(974)	-5,4%	19 787
Vote 02 - Summary Municipal Manager	27 048	23 904	22 953	2 468	19 216	21 152	(1 935)	-9,1%	22 953
Vote 03 - Summary Budget And Treasury Office	64 433	83 148	86 303	4 281	49 997	78 826	(28 829)	-36,6%	86 303
Vote 04 - Summary Corporate Services	80 060	91 438	91 588	6 308	75 829	83 418	(7 589)	-9,1%	91 588
Vote 05 - Summary Social Services & Development Planning	51 289	72 345	70 032	3 981	47 185	64 454	(17 269)	-26,8%	70 032
Vote 06 - Summary Infrastructure Services	125 480	109 944	117 026	8 173	103 231	104 663	(1 432)	-1,4%	117 026
Vote 07 - Summary Water Services	272 284	208 092	237 925	20 077	214 982	214 626	356	0,2%	237 925
Vote 15 - Other	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>640 749</b>	<b>607 834</b>	<b>645 616</b>	<b>47 477</b>	<b>527 508</b>	<b>585 181</b>	<b>(57 673)</b>	<b>-9,9%</b>	<b>645 616</b>
<b>Surplus/ (Deficit) for the year</b>	<b>219 676</b>	<b>257 930</b>	<b>219 396</b>	<b>(22 092)</b>	<b>252 774</b>	<b>210 834</b>	<b>41 940</b>	<b>19,9%</b>	<b>219 396</b>

## Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 31 May 2023.

DC43 Harry Gwala - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue By Source</b>									
Property rates							-		
Service charges - electricity revenue							-		
Service charges - water revenue	49 353	51 777	57 276	(3 931)	49 929	51 861	(1 932)	-4%	57 276
Service charges - sanitation revenue	12 207	13 213	14 311	1 208	12 018	12 990	(972)	-7%	14 311
Service charges - refuse revenue							-		
Rental of facilities and equipment							-		
Interest earned - external investments	5 104	4 859	7 320	1 466	9 618	6 423	3 195	50%	7 320
Interest earned - outstanding debtors	11 221	11 358	11 358	1 319	12 719	10 412	2 307	22%	11 358
Dividends received							-		
Fines, penalties and forfeits	2 453	-	-	-	-	-	-		-
Licences and permits							-		
Agency services							-		
Transfers and subsidies	453 939	463 738	465 350	290	454 900	426 383	28 517	7%	465 350
Other revenue	819	582	1 179	94	1 460	1 011	449	44%	1 179
Gains	688	-	-	-	-	-	-		-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>535 784</b>	<b>545 528</b>	<b>556 794</b>	<b>446</b>	<b>540 643</b>	<b>509 080</b>	<b>31 563</b>	<b>6%</b>	<b>556 794</b>
<b>Expenditure By Type</b>									
Employee related costs	238 376	250 011	244 803	20 295	219 333	225 012	(5 679)	-3%	244 803
Remuneration of councillors	7 239	8 879	7 710	550	6 382	7 204	(823)	-11%	7 710
Debt impairment	15 147	28 750	28 750	-	-	26 355	(26 355)	-100%	28 750
Depreciation & asset impairment	81 505	91 951	92 120	6 801	74 921	84 424	(9 503)	-11%	92 120
Finance charges	307	516	475	7	21	448	(427)	-95%	475
Bulk purchases - electricity	-	-	-	-	-	-	-		-
Inventory consumed	44 661	28 907	29 896	1 210	26 065	26 747	(682)	-3%	29 896
Contracted services	173 013	117 271	144 270	14 196	122 704	127 877	(5 173)	-4%	144 270
Transfers and subsidies	15 100	17 000	21 594	-	15 200	19 259	(4 059)	-21%	21 594
Other expenditure	63 462	64 548	75 997	4 420	60 008	67 856	(7 848)	-12%	75 997
Losses	1 940	-	-	-	2 875	-	2 875	#DIV/0!	-
<b>Total Expenditure</b>	<b>640 749</b>	<b>607 834</b>	<b>645 616</b>	<b>47 477</b>	<b>527 508</b>	<b>585 181</b>	<b>(57 673)</b>	<b>-10%</b>	<b>645 616</b>
<b>Surplus/(Deficit)</b>									
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	(104 965)	(62 306)	(88 822)	(47 031)	13 135	(76 101)	89 236	(0)	(88 822)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Educational Institutions)	311 860	320 236	308 218	24 939	239 639	286 935	(47 296)	(0)	308 218
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-		-
Transfers and subsidies - capital (in-kind - all)	12 781	-	-	-	-	-	-		-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>219 676</b>	<b>257 930</b>	<b>219 396</b>	<b>(22 092)</b>	<b>252 774</b>	<b>210 834</b>			<b>219 396</b>
<b>Taxation</b>									
<b>Surplus/(Deficit) after taxation</b>	<b>219 676</b>	<b>257 930</b>	<b>219 396</b>	<b>(22 092)</b>	<b>252 774</b>	<b>210 834</b>			<b>219 396</b>
<b>Attributable to minorities</b>									
<b>Surplus/(Deficit) attributable to municipality</b>	<b>219 676</b>	<b>257 930</b>	<b>219 396</b>	<b>(22 092)</b>	<b>252 774</b>	<b>210 834</b>			<b>219 396</b>
<b>Share of surplus/ (deficit) of associate</b>									
<b>Surplus/ (Deficit) for the year</b>	<b>219 676</b>	<b>257 930</b>	<b>219 396</b>	<b>(22 092)</b>	<b>252 774</b>	<b>210 834</b>			<b>219 396</b>

## Capital Expenditure

Table C5 below reports on the capital expenditures by departments (municipal vote) and also by standard classification. The bottom part of the schedule looks at the funding sources of the capital projects.

DC43 Harry Gwala - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding - M11

Vote Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Multi-Year expenditure appropriation</b>									
Vote 01 - Summary Council	-	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	-	-	275	-	-	137	(137)	-100%	275
Vote 04 - Summary Corporate Services	8 310	9 902	8 605	-	839	8 040	(7 200)	-90%	8 605
Vote 05 - Summary Social Services & Development Planning	47	4 064	2 709	153	592	2 641	(2 049)	-78%	2 709
Vote 06 - Summary Infrastructure Services	30 970	52 522	31 574	9 393	26 181	33 517	(7 336)	-22%	31 574
Vote 07 - Summary Water Services	251 578	231 692	236 066	11 640	181 948	218 673	(36 725)	-17%	236 066
<b>Total Capital Multi-year expenditure</b>	<b>290 905</b>	<b>298 180</b>	<b>279 229</b>	<b>21 186</b>	<b>209 561</b>	<b>263 009</b>	<b>(53 447)</b>	<b>-20%</b>	<b>279 229</b>
<b>Total Capital Expenditure</b>	<b>290 905</b>	<b>298 180</b>	<b>279 229</b>	<b>21 186</b>	<b>209 561</b>	<b>263 009</b>	<b>(53 447)</b>	<b>-20%</b>	<b>279 229</b>
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>	<b>8 310</b>	<b>10 471</b>	<b>9 517</b>	<b>-</b>	<b>839</b>	<b>8 753</b>	<b>(7 914)</b>	<b>-90%</b>	<b>9 517</b>
Executive and council	-	-	-	-	-	-	-	-	-
Finance and administration	8 310	10 471	9 517	-	839	8 753	(7 914)	-90%	9 517
Internal audit	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>	<b>47</b>	<b>3 304</b>	<b>1 130</b>	<b>-</b>	<b>439</b>	<b>1 290</b>	<b>(851)</b>	<b>-66%</b>	<b>1 130</b>
Community and social services	47	3 304	1 130	-	439	1 290	(851)	-66%	1 130
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	<b>21 376</b>	<b>19 061</b>	<b>27 696</b>	<b>9 269</b>	<b>22 687</b>	<b>25 354</b>	<b>(2 668)</b>	<b>-11%</b>	<b>27 696</b>
Planning and development	21 376	19 061	27 696	9 269	22 687	25 354	(2 668)	-11%	27 696
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	<b>261 172</b>	<b>265 344</b>	<b>240 886</b>	<b>11 917</b>	<b>185 596</b>	<b>227 611</b>	<b>(42 015)</b>	<b>-18%</b>	<b>240 886</b>
Energy sources	-	-	-	-	-	-	-	-	-
Water management	223 223	218 214	192 577	7 089	161 071	180 412	(19 341)	-11%	192 577
Waste water management	37 950	47 130	48 309	4 828	24 525	47 199	(22 675)	-48%	48 309
Waste management	-	-	-	-	-	-	-	-	-
<b>Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Functional Classification</b>	<b>290 905</b>	<b>298 180</b>	<b>279 229</b>	<b>21 186</b>	<b>209 561</b>	<b>263 009</b>	<b>(53 447)</b>	<b>-20%</b>	<b>279 229</b>
<b>Funded by:</b>									
National Government	232 612	278 426	262 301	21 033	205 708	247 162	(41 453)	-17%	262 301
Provincial Government	41 236	-	-	-	-	-	-	-	-
District Municipality	-	-	750	-	-	600	(600)	-100%	750
<b>Transfers recognised - capital</b>	<b>273 848</b>	<b>278 426</b>	<b>263 051</b>	<b>21 033</b>	<b>205 708</b>	<b>247 762</b>	<b>(42 053)</b>	<b>-17%</b>	<b>263 051</b>
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	17 056	19 754	16 178	153	3 853	15 247	(11 394)	-75%	16 178
<b>Total Capital Funding</b>	<b>290 905</b>	<b>298 180</b>	<b>279 229</b>	<b>21 186</b>	<b>209 561</b>	<b>263 009</b>	<b>(53 447)</b>	<b>-20%</b>	<b>279 229</b>

As alluded to above, the capital expenditure programme for the month ending 31 May was R209, 5m of capital expenditure against year to date budget. In monetary terms, these figures represent 82 per cent performance against the capital development programme as at 31 May 2023.

The chart below presents a high level analysis of YTD capital expenditure budget against the YTD actual expenditure.

**Chart 1: 2022/2023 CAPEX YTD BUDGET & YTD ACTUAL**

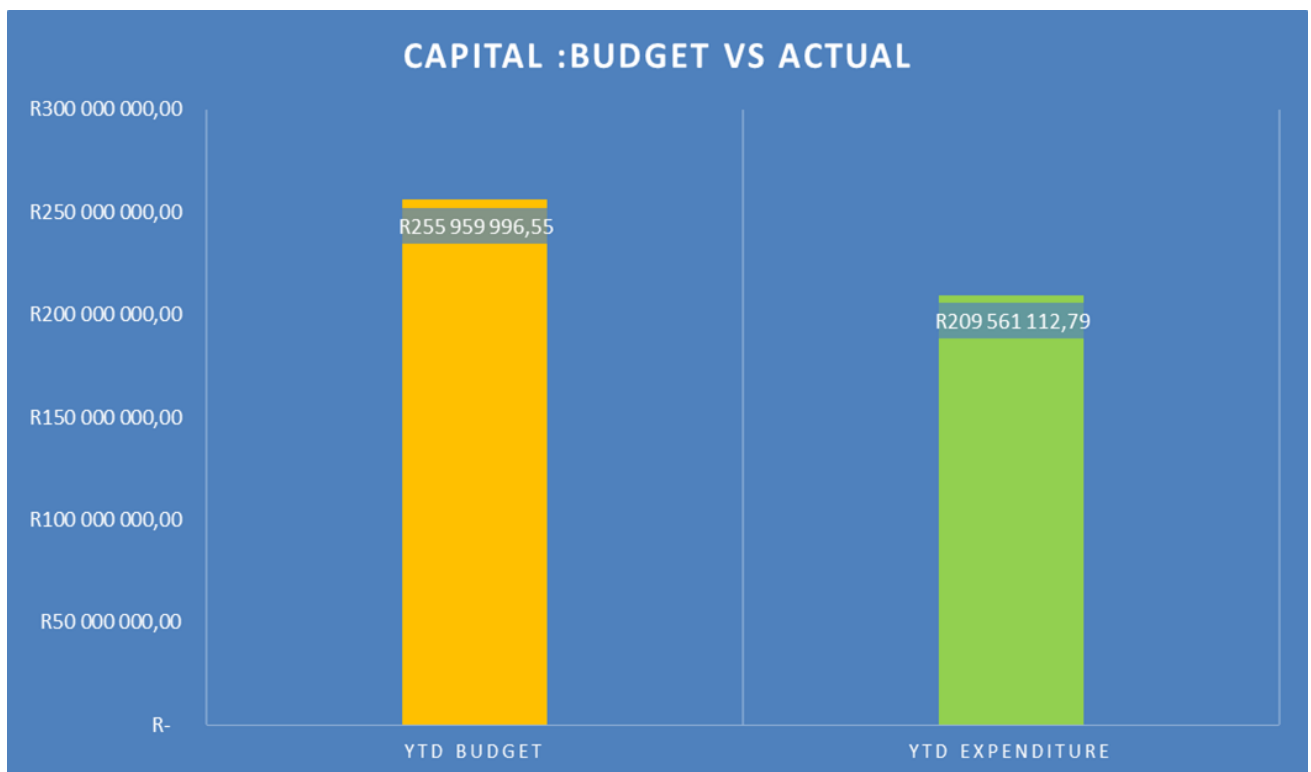


Table C6 displays the financial position of the municipality as at 30 April 2023.

DC43 Harry Gwala - Table C6 Consolidated Monthly Budget Statement - Financial Position - M11 May

Description	2021/22	Budget Year 2022/23			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>					
<b><u>ASSETS</u></b>					
<b>Current assets</b>					
Cash	416 970	25 033	7 254	1 237	7 254
Call investment deposits	(366 744)	26 114	59 749	204 641	59 749
Consumer debtors	30 003	32 600	31 485	53 552	31 485
Other debtors	32 222	21 930	30 918	34 265	30 918
Current portion of long-term receivables	-	-	-	-	-
Inventory	513	408	513	513	513
<b>Total current assets</b>	<b>112 965</b>	<b>106 085</b>	<b>129 918</b>	<b>294 209</b>	<b>129 918</b>
<b>Non current assets</b>					
Long-term receivables	-	-	-	-	-
Investments	-	-	-	-	-
Investment property	-	-	-	-	-
Investments in Associate	-	-	-	-	-
Property, plant and equipment	2 759 364	2 675 607	2 945 380	2 890 867	2 945 380
Biological					
Intangible	384	1 702	2 152	646	2 152
Other non-current assets	0	0	0	0	0
<b>Total non current assets</b>	<b>2 759 748</b>	<b>2 677 309</b>	<b>2 947 533</b>	<b>2 891 514</b>	<b>2 947 533</b>
<b>TOTAL ASSETS</b>	<b>2 872 714</b>	<b>2 783 394</b>	<b>3 077 451</b>	<b>3 185 722</b>	<b>3 077 451</b>
<b><u>LIABILITIES</u></b>					
<b>Current liabilities</b>					
Bank overdraft	-	-	-	-	-
Borrowing	12 794	8 394	10 394	12 794	10 394
Consumer deposits	2 175	2 331	2 324	2 376	2 324
Trade and other payables	84 213	99 666	80 657	145 616	80 657
Provisions	15 194	15 088	15 194	15 263	15 194
<b>Total current liabilities</b>	<b>114 375</b>	<b>125 478</b>	<b>108 569</b>	<b>176 048</b>	<b>108 569</b>
<b>Non current liabilities</b>					
Borrowing	1 299	-	(0)	(129)	(0)
Provisions	27 246	15 947	28 869	27 246	28 869
<b>Total non current liabilities</b>	<b>28 545</b>	<b>15 947</b>	<b>28 869</b>	<b>27 117</b>	<b>28 869</b>
<b>TOTAL LIABILITIES</b>	<b>142 920</b>	<b>141 425</b>	<b>137 438</b>	<b>203 165</b>	<b>137 438</b>
<b>NET ASSETS</b>	<b>2 729 793</b>	<b>2 641 969</b>	<b>2 940 013</b>	<b>2 982 557</b>	<b>2 940 013</b>
<b><u>COMMUNITY WEALTH/EQUITY</u></b>					
Accumulated Surplus/(Deficit)	2 729 793	2 641 969	2 940 013	2 982 557	2 940 013
Reserves	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2 729 793</b>	<b>2 641 969</b>	<b>2 940 013</b>	<b>2 982 557</b>	<b>2 940 013</b>



Table C7 below display the Cash Flow Statement for the period ending 31 May 2023.

DC43 Harry Gwala - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M11 May

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates							-		
Service charges	70 345	59 930	64 575	5 423	46 912	59 194	(12 282)	-21%	64 575
Other revenue	608 032	56 447	57 044	61 714	1 729 791	52 290	1 677 501	3208%	57 044
Transfers and Subsidies - Operational	8 071	446 738	446 738	-	128 367	409 510	(281 143)	-69%	446 738
Transfers and Subsidies - Capital	369 601	320 236	320 236	-	316 011	293 549	22 462	8%	320 236
Interest	5 104	4 859	7 320	1 466	9 618	6 710	2 908	43%	7 320
Dividends							-		
<b>Payments</b>									
Suppliers and employees	(885 094)	(566 453)	(614 426)	(64 508)	(725 112)	(563 224)	161 888	-29%	(614 426)
Finance charges	-	-	-	-	-	-	-	-	-
Transfers and Grants	(135)	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>175 924</b>	<b>321 758</b>	<b>281 487</b>	<b>4 095</b>	<b>1 505 587</b>	<b>258 029</b>	<b>(1 247 558)</b>	<b>-483%</b>	<b>281 487</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE							-		
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments							-		
<b>Payments</b>									
Capital assets	(290 905)	(298 180)	(279 229)	(21 186)	(209 561)	(255 960)	(46 399)	18%	(279 229)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(290 905)</b>	<b>(298 180)</b>	<b>(279 229)</b>	<b>(21 186)</b>	<b>(209 561)</b>	<b>(255 960)</b>	<b>(46 399)</b>	<b>18%</b>	<b>(279 229)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans							-		
Borrowing long term/refinancing							-		
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Repayment of borrowing	(400)	(2 400)	(2 400)	-	-	(2 200)	(2 200)	100%	(2 400)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(400)</b>	<b>(2 400)</b>	<b>(2 400)</b>	<b>-</b>	<b>-</b>	<b>(2 200)</b>	<b>(2 200)</b>	<b>100%</b>	<b>(2 400)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>(115 381)</b>	<b>21 178</b>	<b>(142)</b>	<b>(17 091)</b>	<b>1 296 026</b>	<b>(131)</b>			<b>(142)</b>
Cash/cash equivalents at beginning:	51 862	27 569	64 592	(51 460)	50 226	64 592			50 226
Cash/cash equivalents at month/year end:	(63 519)	48 747	64 449		1 346 252	64 461			50 084

## PART 2 – SUPPORTING DOCUMENTATION

### 2.1 Debtors Analysis

The table presented below summarises the Debtors Age Analysis as at 31 May 2023.

**Table 2.1.1: Debtors Age Analysis by Income Source**

DC43 Harry Gwala - Supporting Table SC3 Monthly Budget Statement - aged debtors - M11 May

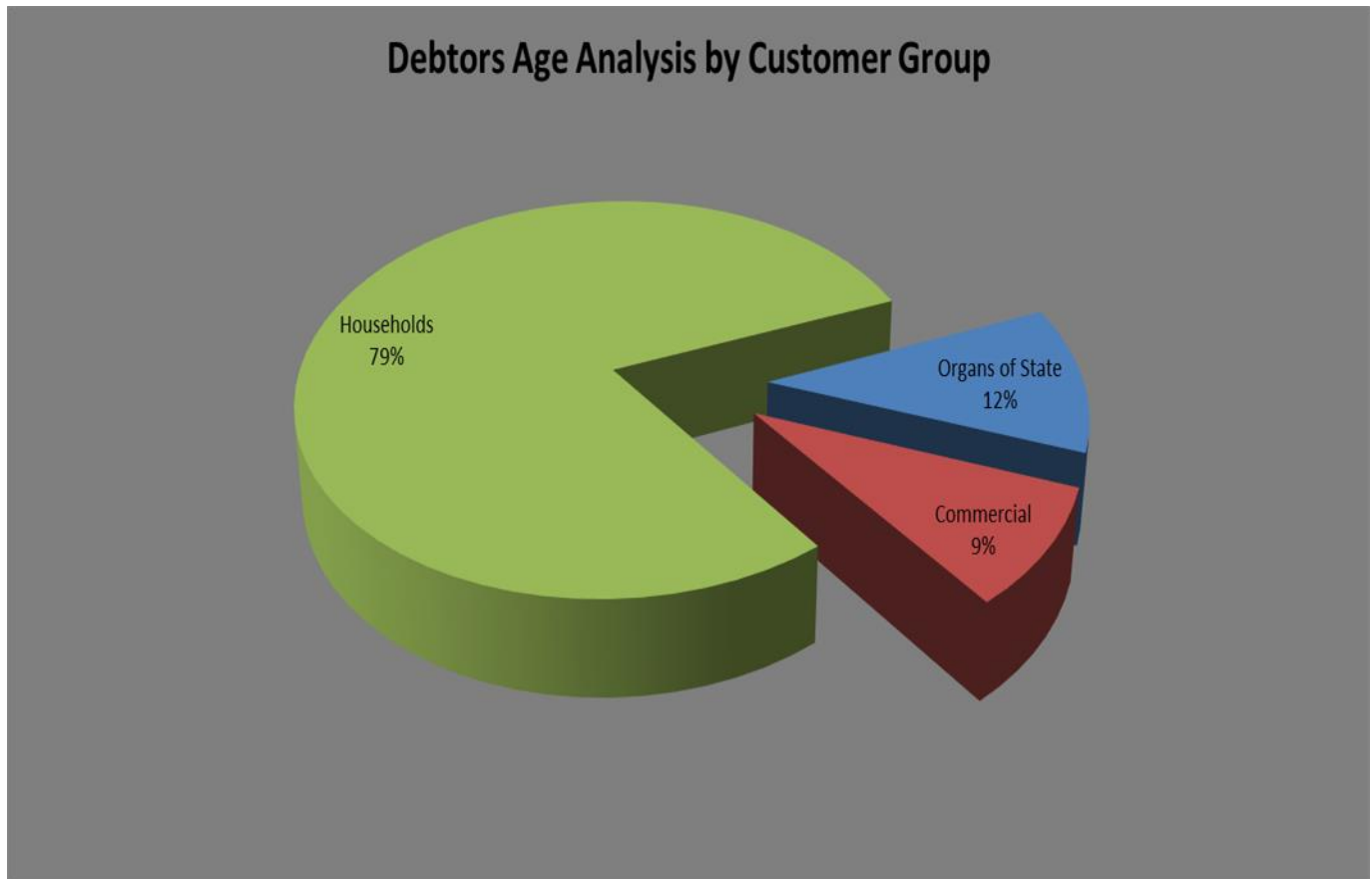
Description	Budget Year 2022/23									Total over 90 days	
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total		
<b>R thousands</b>											
<b>Debtors Age Analysis By Income Source</b>											
Trade and Other Receivables from Exchange Transactions - Water	4 736	3 588	3 202	4 472	2 161	2 366	15 751	116 298	152 576	141 049	
Trade and Other Receivables from Exchange Transactions - Electricity									-	-	
Receivables from Non-exchange Transactions - Property Rates									-	-	
Receivables from Exchange Transactions - Waste Water Management	1 850	1 402	1 251	1 747	844	924	6 153	45 433	59 606	55 102	
Receivables from Exchange Transactions - Waste Management									-	-	
Receivables from Exchange Transactions - Property Rental Debtors									-	-	
Interest on Arrear Debtor Accounts	792	600	535	748	361	396	2 633	19 440	25 504	23 577	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure									-	-	
Other									-	-	
<b>Total By Income Source</b>	<b>7 378</b>	<b>5 590</b>	<b>4 989</b>	<b>6 967</b>	<b>3 366</b>	<b>3 686</b>	<b>24 538</b>	<b>181 172</b>	<b>237 686</b>	<b>219 729</b>	
<b>2021/22 - totals only</b>									-	-	
<b>Debtors Age Analysis By Customer Group</b>											
Organs of State	3 680	2 150	2 124	3 814	664	1 218	9 831	4 516	27 998	20 044	
Commercial	1 104	827	434	399	364	324	1 665	10 338	15 454	13 089	
Households	2 594	2 612	2 431	2 753	2 338	2 145	13 042	166 318	194 233	186 595	
Other									-	-	
<b>Total By Customer Group</b>	<b>7 378</b>	<b>5 590</b>	<b>4 989</b>	<b>6 967</b>	<b>3 366</b>	<b>3 686</b>	<b>24 538</b>	<b>181 172</b>	<b>237 686</b>	<b>219 729</b>	

The municipal consumer debt is currently increasing citing rigorous actions to ensure that this trend is prevented from continuing as it has a direct negative impact on municipal cash flows.

### Chart 2: Debtors Age Analysis by Customer Group

The information presented in the chart above ranks total debt owed to the municipality from highest to the lowest,

- ✓ Households 79%
- ✓ Government 12%
- ✓ Business 9%



The chart above shows that for each debtor type the amounts owing to the municipality have increased on a year to year basis.

The table that follows below unpacks the revenue receipts per Local Municipality in the District

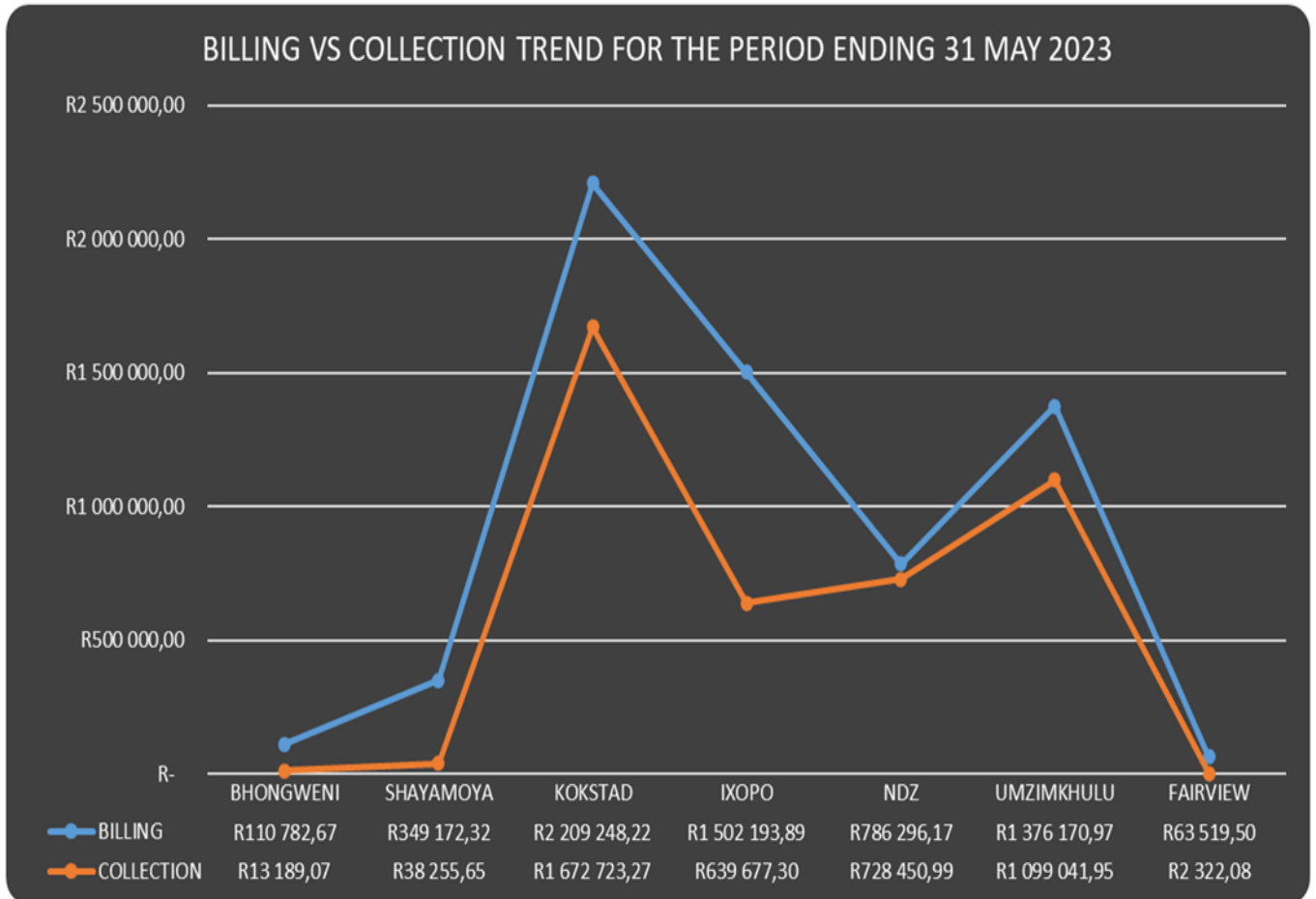
## REVENUE RECEIPTS

### Revenue receipts per Area

AREA	AMOUNT		
		MAY 2023	APRIL 2023
Unallocated receipts	R 58 592,60	1%	1%
Bhongweni	R 13 189,07	0%	1%
Shayamoya	R 38 255,65	1%	1%
Kokstad	R 1 672 727,27	39%	56%
Ixopo	R 639 677,30	15%	24%
NDZ	R 728 450.99	17%	14%
Umzimkulu	R 1 099 041,95	26%	4%
Fairview	R 2 322,00	0%	0%
<b>TOTAL RECEIPTS INCL VAT</b>	<b>R 4 252 252,91</b>	100%	100%

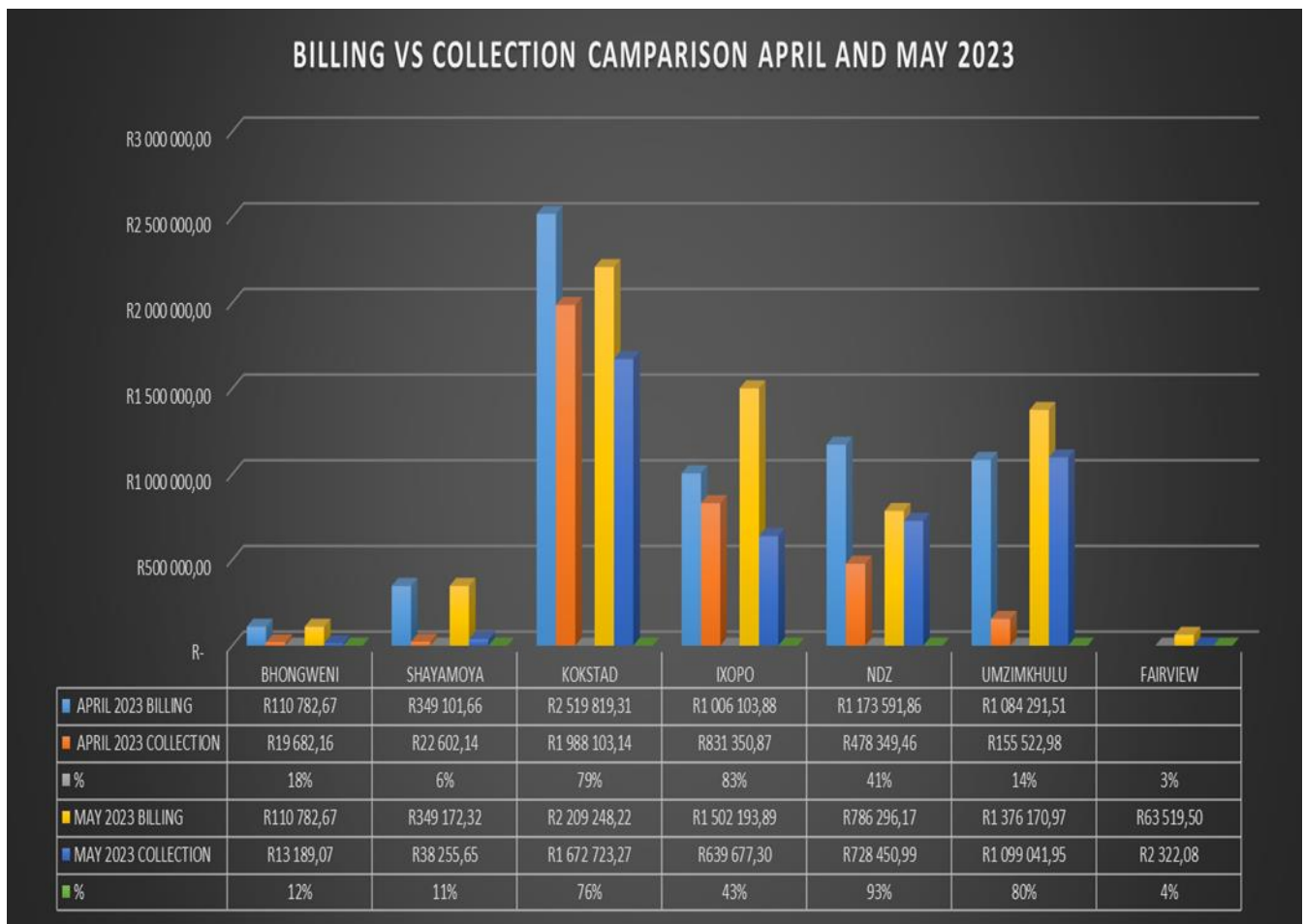
The table above presents the cash receipts from consumer debtors in each of the detailed areas as well as the comparative receipts for the previous month. The total cash collected for May 2023 is R4, 9million. The collection for prepaid in the month of May is R 732 584. Total cash collected including prepaid for the month ending 31 May is R 4,984,837.

**BILLING VS COLLECTION TREND FOR MAY 2023**



### BILLING VS COLLECTION

The chart that follows below shows the comparison between billing and collection for the period ending 31 May 2023(Comparison April and May 2023)



## **Debtors age analysis per service**

The municipality's total outstanding debtors amounted to R 237,685,715 as at 31 May 2023 compared with the R 236,441,230 as at 30 April 2023. Current debt represents 3% of the total outstanding debt compared with the 3% of April 2023; 30 days and older debt 2% compared with the 2% for April 2023; 60 days and older debt 2% compared with the 3% of April 2023; and 90 days 3% compared with the 1% of April 2023; 120 days to History and older 90% compared with the 90% for April 2023.

Current debt decreased with R 1,244,486 to R 237,685,715 in the month ending 31 May compared with the R 236,441,230 as at 30 April 2023; 30 days + debt decreased with R 218,525; 60 days + decreased with R 2,608,298; 90 days + debt increased with R 3,961,523 and 120 + days and older debt as at 31 May 2023 has increased with R 240,152 to R 212,761,277 compared with the R 212,521,125 as at 30 April 2023.

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

Business debtors owes the municipality R 14,898,056 (6%); Municipal debtors R 923,900 (0%); domestic debtors R 177,476,593 (75%); Government accounts R 26,639,603 (11%); Indigent debtors R 11,797,591 (5%); Deceased debtors R 160,219 (0%) and other debtors R 5,789,754 (2%) of the total outstanding debt of R 237,685,715.

## 2.2 Creditors Analysis

Table SC presents the aged creditors as at 31 May 2023.

DC43 Harry Gwala - Supporting Table SC4 Monthly Budget Statement - aged creditors - M11 May

Description	Budget Year 2022/23								Total
	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	
<b>R thousands</b>									
<b>Creditors Age Analysis By Customer Type</b>									
Bulk Electricity									-
Bulk Water									-
PAYE deductions									-
VAT (output less input)									-
Pensions / Retirement deductions									-
Loan repayments									-
Trade Creditors	1 015	10	2	-	-	-	-	-	1 027
Auditor General									-
Other									-
<b>Total By Customer Type</b>	<b>1 015</b>	<b>10</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 027</b>

## 2.3 Investment Portfolio Analysis

The following information presents the cash at bank and short term investments balances broken down per investment type as at 31 May 2023.



### Cash and Bank Balances (Investments)

CASH AND CASH EQUIVALENT AS AT 31 MAY 2023

Investments by maturity Name of institution & investment ID	Type of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
<b>R thousands</b>						
<b>Municipality</b>						
FIRST NATIONAL BANK	CALL ACCOUNT	71 043	388	(20 875)	-	50 556
FIRST NATIONAL BANK	CALL ACCOUNT	72 319	393	(10 327)	-	62 385
FIRST NATIONAL BANK	ADMN CALL	39 921	209	(17 649)	-	22 481
INVESTEC	FIXED DEPOSIT	17 375	134	-	6 400	23 909
FIRST NATIONAL BANK	FIXED DEPOSIT	26 879	156	(10 301)	-	16 734
FIRST NATIONAL BANK	CALL ACCOUNT	13	0	-	-	13
FIRST NATIONAL BANK	CALL ACCOUNT	13	0	-	-	13
FIRST NATIONAL BANK	CALL ACCOUNT	4 170	22	-	-	4 192
FIRST NATIONAL BANK	FIXED DEPOSIT	1 239	7	-	-	1 245
NEDBANK	FIXED DEPOSIT	22 971	143	-	-	23 114
FIRST NATIONAL BANK	CURRENT ACCOUNT	2 752		2 470		5 222
<b>Municipality sub-total</b>		<b>258 693</b>	<b>1 452</b>	<b>(56 683)</b>	<b>6 400</b>	<b>209 863</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>		<b>258 693</b>		<b>(56 683)</b>	<b>6 400</b>	<b>209 863</b>

## 2.4 Allocation and Grant receipts and Expenditure

Table SC 6 displays information relating to grant receipts.

DC43 Harry Gwala - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M11 May

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	<b>453 804</b>	<b>446 738</b>	<b>448 756</b>	<b>290</b>	<b>454 900</b>	<b>411 124</b>	<b>43 775</b>	<b>10,6%</b>	<b>448 756</b>
Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	-	-	-
Equitable Share	387 013	432 161	432 161	-	432 161	396 148	36 013	9,1%	432 161
Expanded Public Works Programme Integrated Grant	4 596	5 221	5 221	-	5 221	4 786	435	9,1%	5 221
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant	1 200	1 200	1 200	290	829	1 100	(271)	-24,6%	1 200
Municipal Disaster Relief Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	28 958	5 775	5 775	(2 002)	10 675	5 294	5 381	101,6%	5 775
Rural Road Asset Management Systems Grant	2 275	2 381	2 381	-	1 994	2 183	(188)	-8,6%	2 381
Water Services Infrastructure Grant	29 762	-	2 018	2 002	4 019	1 614	2 405	149,0%	2 018
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>	<b>135</b>	<b>-</b>	<b>1 304</b>	<b>-</b>	<b>-</b>	<b>1 043</b>	<b>(1 043)</b>	<b>-100,0%</b>	<b>1 304</b>
Capacity Building and Other Grants	135	-	1 304	-	-	1 043	(1 043)	-100,0%	1 304
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>	<b>-</b>	<b>17 000</b>	<b>15 290</b>	<b>-</b>	<b>-</b>	<b>14 216</b>	<b>(14 216)</b>	<b>-100,0%</b>	<b>15 290</b>
Specify (Add grant description)	-	17 000	15 290	-	-	14 216	(14 216)	-100,0%	15 290
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Chemical Industry Seta	-	-	-	-	-	-	-	-	-
Parent Municipality	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	<b>453 939</b>	<b>463 738</b>	<b>465 350</b>	<b>290</b>	<b>454 900</b>	<b>426 383</b>	<b>28 517</b>	<b>6,7%</b>	<b>465 350</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	<b>277 860</b>	<b>320 236</b>	<b>308 218</b>	<b>24 939</b>	<b>239 639</b>	<b>286 935</b>	<b>(47 296)</b>	<b>-16,5%</b>	<b>308 218</b>
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	191 922	225 236	225 236	12 882	167 377	206 466	(39 089)	-18,9%	225 236
Neighbourhood Development Partnership Grant	-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant	-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant	-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant	85 938	95 000	82 982	12 057	72 262	80 469	(8 207)	-10,2%	82 982
<b>Provincial Government:</b>	<b>46 781</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Infrastructure Grant	46 781	-	-	-	-	-	-	-	-
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Specify (Add grant description)	-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
[insert description]	-	-	-	-	-	-	-	-	-
Human Settlement Re-development Programme	-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	<b>324 641</b>	<b>320 236</b>	<b>308 218</b>	<b>24 939</b>	<b>239 639</b>	<b>286 935</b>	<b>(47 296)</b>	<b>-16,5%</b>	<b>308 218</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>778 580</b>	<b>783 974</b>	<b>773 568</b>	<b>25 229</b>	<b>694 539</b>	<b>713 318</b>	<b>(18 779)</b>	<b>-2,6%</b>	<b>773 568</b>

It is clear from the chart above that the bulk of the grants received by the municipality are from the National Treasury.

Table SC7 track the expenditure on Conditional grant funding.

DC43 Harry Gwala - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M11 May

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
National Government:	573 953	532 325	546 716	39 414	454 955	497 157	(42 202)	-8,5%	546 716
Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	-	-	-
Equitable Share	517 785	517 748	519 773	37 746	432 696	476 130	(43 434)	-9,1%	519 773
Expanded Public Works Programme Integrated Grant	6 578	5 221	10 182	710	9 031	8 754	276	3,2%	10 182
Local Government Financial Management Grant	995	1 200	902	266	793	944	(150)	-15,9%	902
Municipal Disaster Relief Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	20 737	5 775	11 725	692	8 946	8 269	677	8,2%	11 725
Rural Road Asset Management Systems Grant	1 978	2 381	2 381	-	1 734	2 183	(448)	-20,5%	2 381
Water Services Infrastructure Grant	25 880	-	1 755	-	1 755	877	877	100,0%	1 755
Provincial Government:	-	-	1 304	-	-	1 043	(1 043)	-100,0%	1 304
Capacity Building and Other Grants	-	-	1 304	-	-	1 043	(1 043)	-100,0%	1 304
District Municipality:	-	-	-	-	-	-	-	-	-
Specify (Add grant description)	-	16 346	17 201	-	-	15 668	(15 668)	-100,0%	17 201
Other grant providers:	-	-	-	-	-	-	-	-	-
Chemical Industry Seta	-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>	<b>573 953</b>	<b>532 325</b>	<b>548 020</b>	<b>39 414</b>	<b>454 955</b>	<b>498 200</b>	<b>(43 245)</b>	<b>-8,7%</b>	<b>548 020</b>
<b>Capital expenditure of Transfers and Grants</b>									
National Government:	232 612	278 426	262 301	21 033	205 708	247 162	(41 453)	-16,8%	262 301
Local Government Financial Management Grant	-	-	275	-	-	137	(137)	-100,0%	275
Municipal Infrastructure Grant	156 293	195 857	189 908	9 605	140 351	176 561	(36 210)	-20,5%	189 908
Regional Bulk Infrastructure Grant	-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant	76 319	82 569	72 119	11 428	65 357	70 463	(5 106)	-7,2%	72 119
Provincial Government:	41 236	-	-	-	-	-	-	-	-
Infrastructure Grant	41 236	-	-	-	-	-	-	-	-
District Municipality:	-	-	750	-	-	600	(600)	-100,0%	750
Specify (Add grant description)	-	-	750	-	-	600	(600)	-100,0%	750
Other grant providers:	-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>	<b>273 848</b>	<b>278 426</b>	<b>263 051</b>	<b>21 033</b>	<b>205 708</b>	<b>247 762</b>	<b>(42 053)</b>	<b>-17,0%</b>	<b>263 051</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>847 802</b>	<b>810 751</b>	<b>811 071</b>	<b>60 446</b>	<b>660 663</b>	<b>745 962</b>	<b>(85 299)</b>	<b>-11,4%</b>	<b>811 071</b>

## 2.5 Councillor and Staff Benefits

Table SC8 presents the expenditure of councillor and staff benefits at 31 May 2023.

DC43 Harry Gwala - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M 11 May

Summary of Employee and Councillor remuneration	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	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>									
Basic Salaries and Wages	4 470	5 298	4 173	311	3 540	3 957	(416)	-11%	4 173
Pension and UIF Contributions	473	754	517	36	432	502	(69)	-14%	517
Medical Aid Contributions	54	64	176	11	143	148	(6)	-4%	176
Cellphone Allowance	516	972	507	41	451	519	(69)	-13%	507
Other benefits and allowances	1 726	1 792	2 336	152	1 816	2 078	(262)	-13%	2 336
<b>Sub Total - Councillors</b>	<b>7 239</b>	<b>8 879</b>	<b>7 710</b>	<b>550</b>	<b>6 382</b>	<b>7 204</b>	<b>(823)</b>	<b>-11%</b>	<b>7 710</b>
<b>% increase</b>		<b>22,7%</b>	<b>6,5%</b>						<b>6,5%</b>
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	3 927	4 189	2 076	1 103	3 609	2 149	1 460	68%	2 076
Pension and UIF Contributions	13	13	6	8	15	6	9	133%	6
Medical Aid Contributions	170	180	33	29	62	48	14	29%	33
Performance Bonus	106	99	111	25	81	100	(19)	-19%	111
Motor Vehicle Allowance	1 028	1 094	476	222	748	508	239	47%	476
Cellphone Allowance	115	121	55	30	97	58	39	66%	55
Housing Allowances	152	166	105	57	195	103	91	89%	105
Other benefits and allowances	454	478	168	65	229	190	40	21%	168
Payments in lieu of leave	25	-	547	35	332	437	(105)	-24%	547
<b>Sub Total - Senior Managers of Municipality</b>	<b>5 988</b>	<b>6 341</b>	<b>3 575</b>	<b>1 575</b>	<b>5 367</b>	<b>3 600</b>	<b>1 766</b>	<b>49%</b>	<b>3 575</b>
<b>% increase</b>		<b>5,9%</b>	<b>-40,3%</b>						<b>-40,3%</b>
<b>Other Municipal Staff</b>									
Basic Salaries and Wages	136 625	140 268	142 498	11 139	130 291	130 363	(73)	0%	142 498
Pension and UIF Contributions	22 037	21 340	21 594	1 786	19 817	19 765	52	0%	21 594
Medical Aid Contributions	9 953	10 242	10 224	884	9 545	9 375	170	2%	10 224
Overtime	18 500	18 728	19 907	1 638	17 560	18 111	(551)	-3%	19 907
Performance Bonus	11 195	8 860	9 773	1 098	8 897	8 852	45	1%	9 773
Motor Vehicle Allowance	20 487	21 079	21 413	1 543	18 719	19 589	(871)	-4%	21 413
Cellphone Allowance	984	1 012	1 179	71	1 038	1 062	(24)	-2%	1 179
Housing Allowances	585	608	703	13	583	633	(50)	-8%	703
Other benefits and allowances	5 788	5 861	6 913	452	5 537	6 214	(677)	-11%	6 913
Payments in lieu of leave	1 581	1 960	520	25	433	645	(212)	-33%	520
Long service awards	1 023	1 086	1 144	6	1 351	1 042	308	30%	1 144
Post-retirement benefit obligations	3 386	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>	<b>232 145</b>	<b>231 044</b>	<b>235 870</b>	<b>18 654</b>	<b>213 771</b>	<b>215 653</b>	<b>(1 882)</b>	<b>-1%</b>	<b>235 870</b>
<b>% increase</b>		<b>-0,5%</b>	<b>1,6%</b>						<b>1,6%</b>
<b>Total Parent Municipality</b>	<b>245 372</b>	<b>246 264</b>	<b>247 156</b>	<b>20 778</b>	<b>225 519</b>	<b>226 457</b>	<b>(938)</b>	<b>0%</b>	<b>247 156</b>
		<b>0,4%</b>	<b>0,7%</b>						<b>0,7%</b>
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>									
<b>Board Members of Entities</b>									
Basic Salaries and Wages	-	388	500	-	-	445	(445)	-100%	500
<b>Sub Total - Board Members of Entities</b>	<b>-</b>	<b>388</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>445</b>	<b>(445)</b>	<b>-100%</b>	<b>500</b>
<b>% increase</b>		<b>#DIV/0!</b>	<b>#DIV/0!</b>						<b>#DIV/0!</b>
<b>Senior Managers of Entities</b>									
Basic Salaries and Wages	-	1 799	-	-	-	210	(210)	-100%	-
<b>Sub Total - Senior Managers of Entities</b>	<b>-</b>	<b>1 799</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>210</b>	<b>(210)</b>	<b>-100%</b>	<b>-</b>
<b>% increase</b>		<b>#DIV/0!</b>							
<b>Other Staff of Entities</b>									
Basic Salaries and Wages	-	7 544	4 285	-	-	4 308	(4 308)	-100%	4 285
Pension and UIF Contributions	-	1 528	123	-	-	277	(277)	-100%	123
Medical Aid Contributions	-	498	-	-	-	58	(58)	-100%	-
Performance Bonus	-	554	-	-	-	65	(65)	-100%	-
Payments in lieu of leave	-	44	228	-	-	188	(188)	-100%	228
<b>Sub Total - Other Staff of Entities</b>	<b>-</b>	<b>10 169</b>	<b>4 637</b>	<b>-</b>	<b>-</b>	<b>4 896</b>	<b>(4 896)</b>	<b>-100%</b>	<b>4 637</b>
<b>% increase</b>		<b>#DIV/0!</b>	<b>#DIV/0!</b>						<b>#DIV/0!</b>
<b>Total Municipal Entities</b>	<b>-</b>	<b>12 356</b>	<b>5 137</b>	<b>-</b>	<b>-</b>	<b>5 551</b>	<b>(5 551)</b>	<b>-100%</b>	<b>5 137</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>245 372</b>	<b>258 619</b>	<b>252 292</b>	<b>20 778</b>	<b>225 519</b>	<b>232 008</b>	<b>(6 489)</b>	<b>-3%</b>	<b>252 292</b>
<b>% increase</b>		<b>5,4%</b>	<b>2,8%</b>						<b>2,8%</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>238 134</b>	<b>249 352</b>	<b>244 082</b>	<b>20 228</b>	<b>219 137</b>	<b>224 359</b>	<b>(5 221)</b>	<b>-2%</b>	<b>244 082</b>

## 2.6 Material Variances to the SDBIP

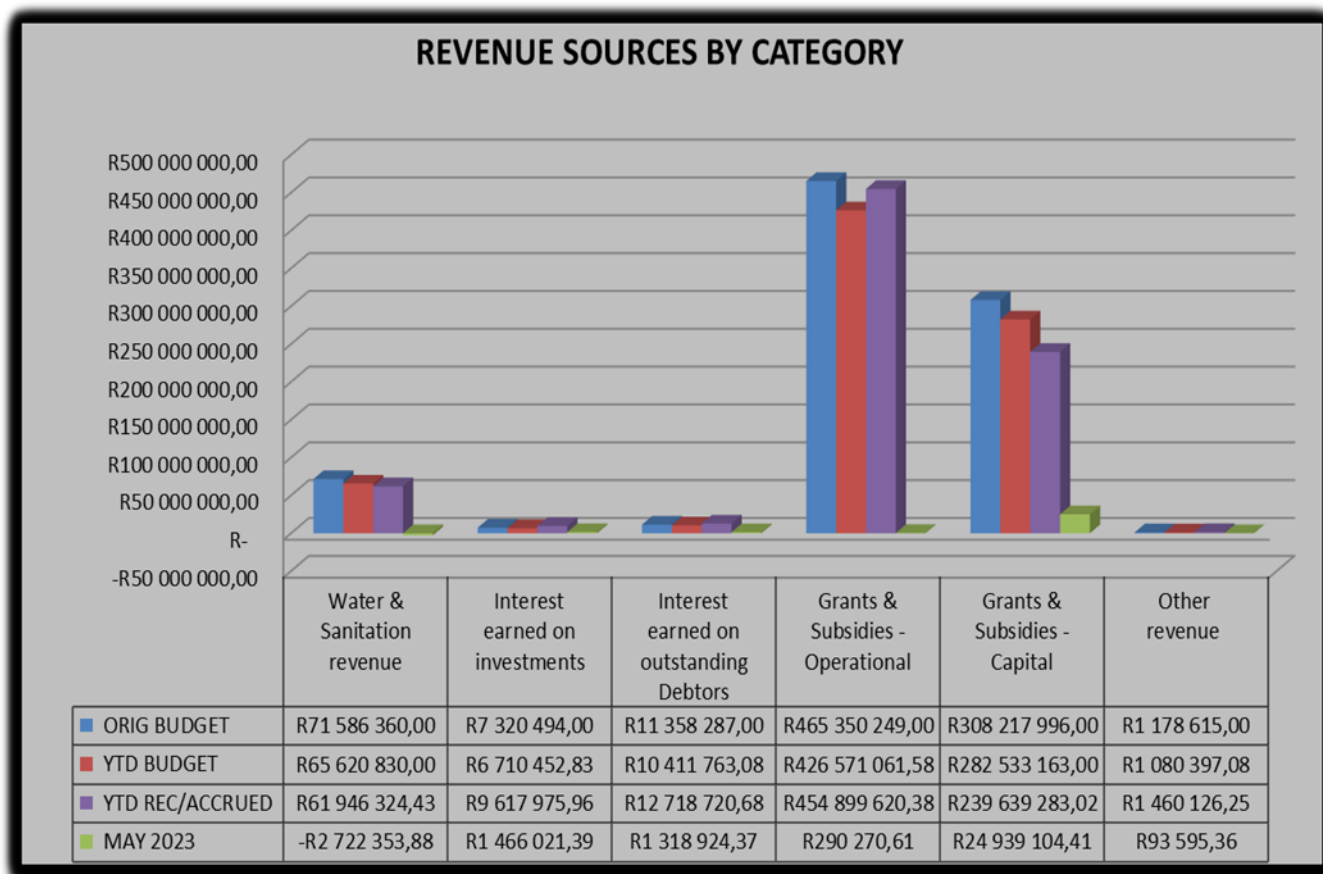
The following section analyses material variances between the actual targets as at 31 May 2023 and the budget for the same period. This report analyses each major component under following headings;

- ✓ Revenue by Source
- ✓ Operational Expenditure by Type, and
- ✓ Capital Expenditure
- ✓ Financial Position
- ✓ Cash Flows

### **REVENUE**

The chart displays a comparison between the 2022/23 financial year revenue budget and the performance against this budget as depicted in the form of Year to date (YTD) Actual figures. It should be emphasised that the information presented relates to “performance” rather than “cash movements” in terms of the revenue items listed below. This accounting principle relating to municipal performance is best illustrated in the analysis that follows.

**Chart 3: Revenue Analysis**



### Water & Sanitation Charges

The year to date **actual** water & sanitation charges (**billing**) as at 31 May 2023 was R61, 9million against a year to date **budget** of R65, 6million which is 94 per cent of year to date budget.

### Interest Earned on External Investments

The interest earned on external investments year to date actual is R9.6million against year to budget of R6.7million representing 143 per cent of the year to date budget.

### **Transfers Recognised - Operational**

The operational grants revenue of R454, 6million against a year to date budget of R426, 5million is largely attributable to the YTD equitable share received.

### **Transfers Recognised – Capital**

The total capital budget for the current year amounts to R282, 5m excluding vat. The YTD actual on capital amounts to R239, 6million, or 85% of the planned expenditure. Capital expenditure is mainly funded by means of National grants.

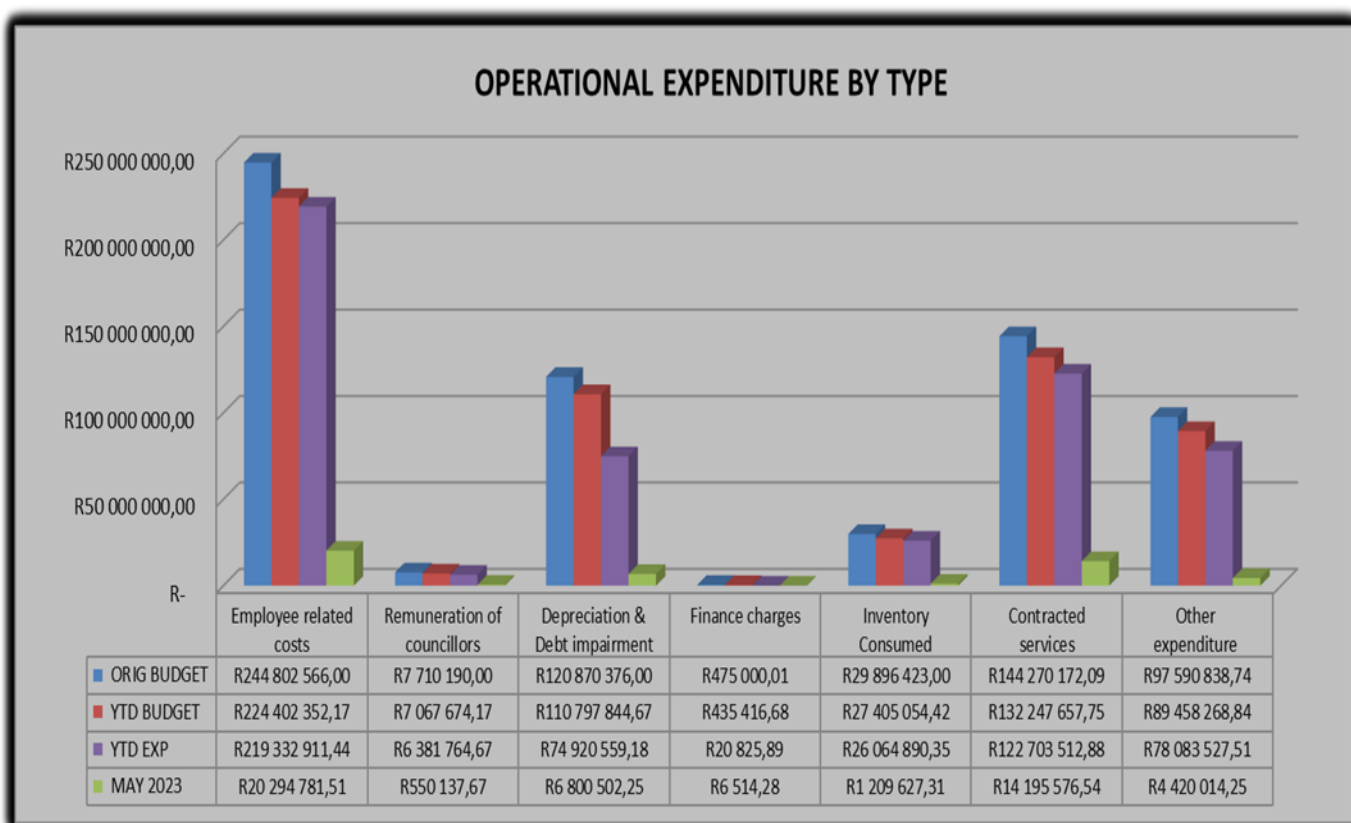
### **Other Revenue**

The YTD performance of other revenue is R 1, 4million against YTD budget of R 1million.

## OPERATIONAL EXPENDITURE

The chart below presents the YTD operational expenditure movements against the YTD budgets. An analysis of each expenditure line item category is discussed below.

**Chart 4: 2022/23 financial year Operational expenditure**



### Employee Related Costs

The YTD budget for employee related costs is R224, 4million against a YTD actual of R219, 3million which is 98% of the YTD budget.



## **Remuneration of Councillors**

The remuneration of councillor's year to date expenditure is at R 6, 3million against a YTD budget of R7million representing 90% of the year to date budget.

## **Finance Charges**

The YTD budget for finance charges is R435 417 against a YTD actual of R20 826which is 5% of the YTD budget.

## **Inventory Consumed**

The inventory consumed has the original budget of R29, 8m. The year to date expenditure for inventory consumed is R26m against a YTD budget of R27, 4million representing 95 per cent of actual against year to date budget.

## **Contracted Services**

The YTD budget for contracted services is R 132, 2milllion against a YTD expenditure of R 122, 7million and expenditure for the month of May 2023 is R14, 1million. The expenditure is at 93 per cent of the planned budget.

## **Other Expenditure**

The YTD budget for other expenditure was at R 89, 4million against a YTD expenditure of R 78million or 87 per cent and expenditure for the month of May 2023 is R 4, 4million.

## **Performance assessment**

The Performance Assessment Report will be available on the second quarter of 2022/2023 financial year in terms of mid-term performance assessment in accordance with the Municipal Finance Management Act.

## **Actual and revised targets for cash receipts**

**DC43 Harry Gwala - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M10 April**

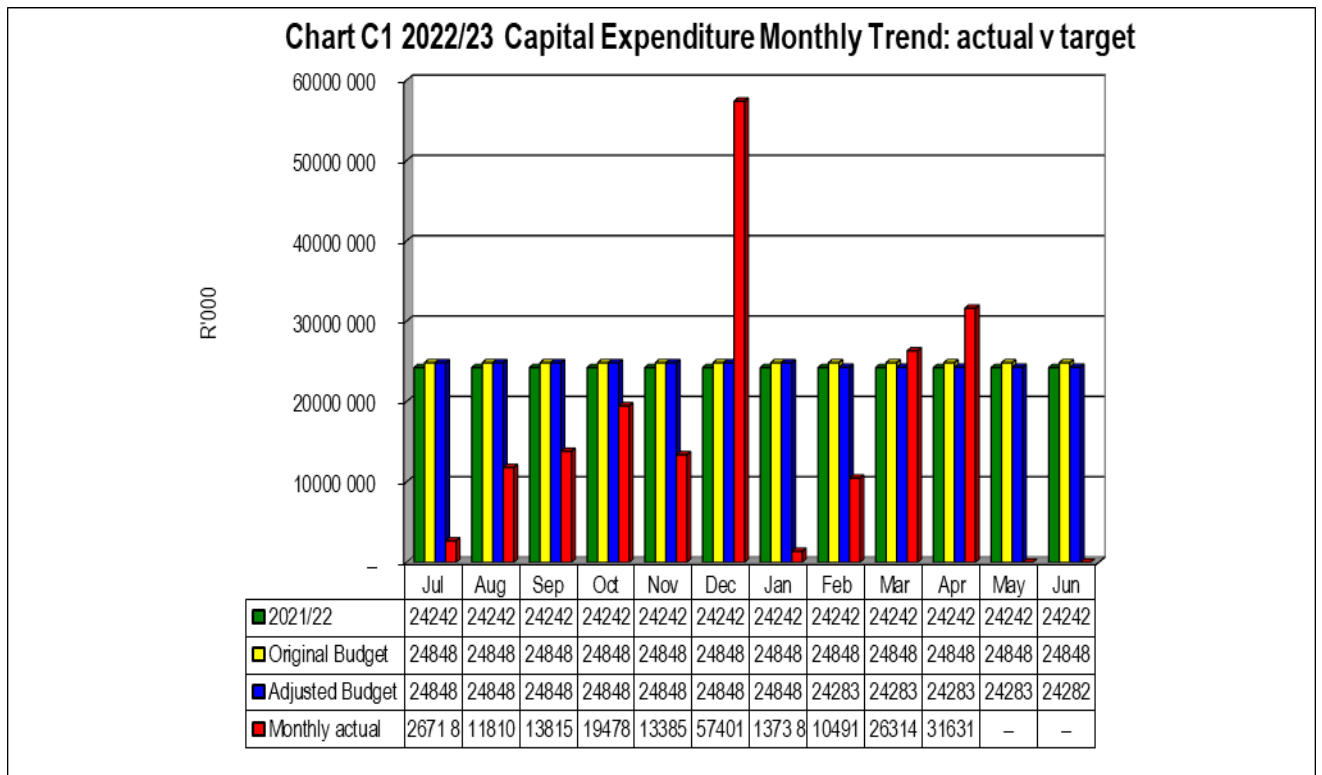
Description	Budget Year 2022/23												2022/23 Medium Term Revenue & Expenditure Framework		
	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Outcome	April Outcome	May Budget	June Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousands</b>															
<b>Cash Receipts By Source</b>															
Property rates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2 487	2 861	3 470	4 372	3 356	3 123	3 950	1 560	5 955	2 983	4 311	13 305	51 734	49 167	51 428
Service charges - sanitation revenue	519	657	796	1 034	458	790	627	470	1 440	581	1 070	4 399	12 841	11 971	12 521
Interest earned - external investments	209	876	789	596	593	689	898	958	990	1 553	610	(1 442)	7 320	5 519	5 779
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits	3	9	-	-	2	2	1	2	6	3	1	(13)	15	-	-
Transfers and Subsidies - Operational	1 666	2 506	-	-	-	2 350	-	1 565	120 280	-	37 228	281 143	446 738	479 435	504 158
Other revenue	426 453	99 123	89 354	81 130	47 937	300 628	132 868	98 600	310 827	81 130	4 752	(1 615 775)	57 028	53 950	48 799
<b>Cash Receipts by Source</b>	<b>431 337</b>	<b>106 031</b>	<b>94 409</b>	<b>87 132</b>	<b>52 347</b>	<b>307 581</b>	<b>138 345</b>	<b>103 154</b>	<b>439 499</b>	<b>86 250</b>	<b>47 973</b>	<b>(1 318 381)</b>	<b>575 677</b>	<b>600 042</b>	<b>622 686</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	58 000	-	-	60 000	68 000	-	-	58 000	72 011	-	26 686	(22 462)	320 236	335 757	372 938
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	(149)	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>489 337</b>	<b>106 031</b>	<b>94 409</b>	<b>147 132</b>	<b>120 347</b>	<b>307 581</b>	<b>138 345</b>	<b>161 154</b>	<b>511 510</b>	<b>86 250</b>	<b>74 659</b>	<b>(1 340 843)</b>	<b>895 913</b>	<b>935 650</b>	<b>995 624</b>
<b>Cash Payments by Type</b>															
Employee related costs	12 507	21 142	26 148	16 139	20 273	28 576	11 532	20 067	26 361	15 489	21 043	33 235	252 513	269 854	282 211
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	-	-	8 183	8 576
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisitions - water & other inventory	-	-	-	-	-	-	-	-	-	-	1 917	21 083	23 000	22 973	24 076
Contracted services	-	-	-	-	-	-	-	-	-	-	15 275	168 022	183 297	144 803	200 325
Grants and subsidies paid - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General expenses	32 814	47 042	47 901	43 977	37 752	90 938	18 700	28 979	53 010	49 998	10 277	(338 068)	123 321	157 810	171 990
<b>Cash Payments by Type</b>	<b>45 321</b>	<b>68 184</b>	<b>74 050</b>	<b>60 117</b>	<b>58 025</b>	<b>119 514</b>	<b>30 232</b>	<b>49 047</b>	<b>79 371</b>	<b>65 487</b>	<b>48 511</b>	<b>(115 728)</b>	<b>582 131</b>	<b>603 622</b>	<b>687 177</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	2 672	11 810	13 816	19 479	13 386	57 401	1 374	10 492	26 315	31 631	24 613	82 365	295 354	299 730	291 367
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	200	2 200	2 400	2 400	2 400
Other Cash Flows/Payments	576	1 803	223	1 533	2 227	2 612	1 183	-	707	786	1 325	2 922	15 896	12 000	12 000
<b>Total Cash Payments by Type</b>	<b>48 568</b>	<b>81 798</b>	<b>88 089</b>	<b>81 128</b>	<b>73 638</b>	<b>179 527</b>	<b>32 789</b>	<b>59 538</b>	<b>106 393</b>	<b>97 905</b>	<b>74 648</b>	<b>(28 240)</b>	<b>895 781</b>	<b>917 752</b>	<b>992 944</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>440 769</b>	<b>24 234</b>	<b>6 320</b>	<b>66 004</b>	<b>46 709</b>	<b>128 054</b>	<b>105 556</b>	<b>101 616</b>	<b>405 117</b>	<b>(11 654)</b>	<b>11</b>	<b>(1 312 602)</b>	<b>132</b>	<b>17 898</b>	<b>2 679</b>
Cash/cash equivalents at the month/year beginning:	50 226	490 995	515 229	521 550	587 553	634 262	762 316	867 872	969 488	1 374 604	1 362 950	1 362 961	50 226	50 359	68 256
Cash/cash equivalents at the month/year end:	490 995	515 229	521 550	587 553	634 262	762 316	867 872	969 488	1 374 604	1 362 950	1 362 961	50 359	50 359	68 256	70 935

## Capital Expenditure Trend

DC43 Harry Gwala - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M10 April

Month	2021/22	Budget Year 2022/23							
	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	24 242	24 848	24 848	2 672	2 672	24 848	22 176	89,2%	1%
August	24 242	24 848	24 848	11 810	14 482	49 697	35 215	70,9%	5%
September	24 242	24 848	24 848	13 816	28 298	74 545	46 247	62,0%	9%
October	24 242	24 848	24 848	19 479	47 777	99 394	51 617	51,9%	16%
November	24 242	24 848	24 848	13 386	61 163	124 242	63 079	50,8%	21%
December	24 242	24 848	24 848	57 401	118 564	149 090	30 526	20,5%	40%
January	24 242	24 848	24 848	1 374	119 938	173 939	54 001	31,0%	40%
February	24 242	24 848	24 283	10 492	130 429	198 222	67 792	34,2%	44%
March	24 242	24 848	24 283	26 315	156 744	222 505	65 760	29,6%	53%
April	24 242	24 848	24 283	31 631	188 375	246 788	58 412	23,7%	0
May	24 242	24 848	24 283	-	-	271 071	-	-	-
June	24 242	24 848	24 283	-	-	295 354	-	-	-
<b>Total Capital expenditure</b>	<b>290 905</b>	<b>298 180</b>	<b>295 354</b>	<b>188 375</b>					

## CAPITAL EXPENDITURE MONTHLY TREND



### Capital Expenditure on New Assets by Asset Class

DC43 Harry Gwala - Supporting Table SC13a Consolidated Monthly Budget Statement - capital expenditure on new assets by asset class - M10

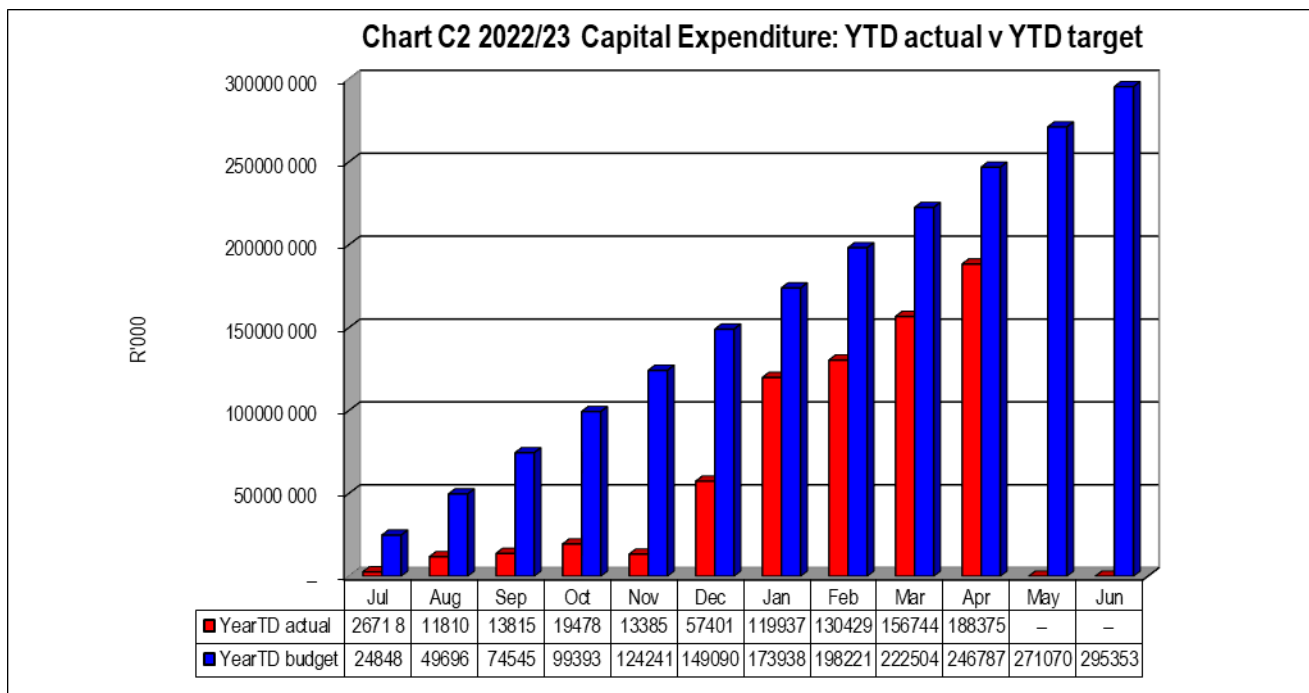
Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	<b>235 244</b>	<b>246 078</b>	<b>274 365</b>	<b>29 160</b>	<b>183 726</b>	<b>222 038</b>	<b>38 312</b>	<b>17,3%</b>	<b>274 365</b>
Roads Infrastructure	1 242	-	-	-	-	-	-		-
Roads	1 242	-	-	-	-	-	-		-
Water Supply Infrastructure	196 052	198 948	220 107	27 866	164 029	178 634	14 605	8,2%	220 107
Dams and Weirs	7 606	22 176	27 496	2 973	15 187	21 684	6 496	30,0%	27 496
Boreholes	69 041	40 408	35 863	1 638	30 892	30 946	54	0,2%	35 863
Reservoirs	3 315	870	-	-	-	203	203	100,0%	-
Pump Stations	24 379	5 087	4 185	-	3 716	3 698	(18)	-0,5%	4 185
Water Treatment Works	8 400	26 087	267	-	267	6 018	5 752	95,6%	267
Bulk Mains	15 699	27 159	46 722	5 375	30 035	35 550	5 516	15,5%	46 722
Distribution	67 612	77 161	105 575	17 880	83 932	80 534	(3 398)	-4,2%	105 575
Distribution Points	-	-	-	-	-	-	-		-
PRV Stations	-	-	-	-	-	-	-		-
Capital Spares	-	-	-	-	-	-	-		-
Sanitation Infrastructure	37 950	47 130	54 258	1 294	19 697	43 404	23 706	54,6%	54 258
Pump Station	15 010	2 609	-	-	-	609	609	100,0%	-
Reticulation	22 940	35 826	48 309	1 294	19 697	37 505	17 808	47,5%	48 309
Waste Water Treatment Works	-	-	-	-	-	-	-		-
Outfall Sewers	-	-	-	-	-	-	-		-
Toilet Facilities	-	8 696	5 949	-	-	5 290	5 290	100,0%	5 949
Capital Spares	-	-	-	-	-	-	-		-
<b>Other assets</b>	<b>1 138</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings	1 138	-	-	-	-	-	-		-
Municipal Offices	1 138	-	-	-	-	-	-		-
<b>Intangible Assets</b>	<b>-</b>	<b>1 534</b>	<b>1 962</b>	<b>169</b>	<b>439</b>	<b>1 535</b>	<b>1 096</b>	<b>71,4%</b>	<b>1 962</b>
Servitudes	-	-	-	-	-	-	-		-
Licences and Rights	-	1 534	1 962	169	439	1 535	1 096	71,4%	1 962
Water Rights	-	-	-	-	-	-	-		-
Computer Software and Applications	-	1 534	1 962	169	439	1 535	1 096	71,4%	1 962
<b>Computer Equipment</b>	<b>1 412</b>	<b>1 365</b>	<b>988</b>	<b>-</b>	<b>175</b>	<b>906</b>	<b>731</b>	<b>80,7%</b>	<b>988</b>
Computer Equipment	1 412	1 365	988	-	175	906	731	80,7%	988
<b>Furniture and Office Equipment</b>	<b>1 387</b>	<b>1 908</b>	<b>1 384</b>	<b>-</b>	<b>664</b>	<b>1 281</b>	<b>617</b>	<b>48,1%</b>	<b>1 384</b>
Furniture and Office Equipment	1 387	1 908	1 384	-	664	1 281	617	48,1%	1 384
<b>Machinery and Equipment</b>	<b>7 376</b>	<b>191</b>	<b>891</b>	<b>-</b>	<b>-</b>	<b>579</b>	<b>579</b>	<b>100,0%</b>	<b>891</b>
Machinery and Equipment	7 376	191	891	-	-	579	579	100,0%	891
<b>Transport Assets</b>	<b>-</b>	<b>2 174</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>507</b>	<b>507</b>	<b>100,0%</b>	<b>-</b>
Transport Assets	-	2 174	-	-	-	507	507	100,0%	-
<b>Total Capital Expenditure on new assets</b>	<b>246 557</b>	<b>253 250</b>	<b>279 590</b>	<b>29 330</b>	<b>185 004</b>	<b>226 846</b>	<b>41 842</b>	<b>18,4%</b>	<b>279 590</b>

### Capital Expenditure on Renewal of Existing Assets by Asset Class

DC43 Harry Gwala - Supporting Table SC13b Consolidated Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M10

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	38 015	28 217	-	-	-	6 584	6 584	100,0%	-
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	9 560	28 217	-	-	-	6 584	6 584	100,0%	-
Dams and Weirs	-	-	-	-	-	-	-	-	-
Bulk Mains	-	3 913	-	-	-	913	913	100,0%	-
Distribution	9 560	24 304	-	-	-	5 671	5 671	100,0%	-
Distribution Points	-	-	-	-	-	-	-	-	-
PRV Stations	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	28 455	-	-	-	-	-	-	-	-
Pump Station	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Waste Water Treatment Works	28 455	-	-	-	-	-	-	-	-
Outfall Sewers	-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>	-	130	121	-	-	103	103	100,0%	121
Machinery and Equipment	-	130	121	-	-	103	103	100,0%	121
<b>Transport Assets</b>	4 396	7 235	6 968	-	-	5 869	5 869	100,0%	6 968
Transport Assets	4 396	7 235	6 968	-	-	5 869	5 869	100,0%	6 968
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>42 411</b>	<b>35 583</b>	<b>7 089</b>	<b>-</b>	<b>-</b>	<b>12 556</b>	<b>12 556</b>	<b>100,0%</b>	<b>7 089</b>

### CAPITAL EXPENDITURE YTD ACTUAL VS YTD TARGET



## Expenditure on Repairs and Maintenance by Asset Class

DC43 Harry Gwala - Supporting Table SC13c Consolidated Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M10

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	28 248	33 000	50 308	708	39 273	38 149	(1 124)	-2,9%	50 308
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	28 248	33 000	50 308	708	39 273	38 149	(1 124)	-2,9%	50 308
Dams and Weirs									
Boreholes									
Reservoirs	12 215	16 000	30 082	-	23 814	22 311	(1 503)	-6,7%	30 082
Pump Stations	9 037	10 000	11 390	533	9 836	9 092	(744)	-8,2%	11 390
Water Treatment Works									
PRV Stations									
Capital Spares	6 996	7 000	8 837	175	5 623	6 746	1 123	16,6%	8 837
<b>Community Assets</b>	78	90	70	63	63	63	0	0,4%	70
Community Facilities	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	78	90	70	63	63	63	0	0,4%	70
Indoor Facilities	78	90	70	63	63	63	0	0,4%	70
Outdoor Facilities									
Capital Spares									
<b>Other assets</b>	1 548	3 500	5 423	228	2 799	4 070	1 271	31,2%	5 423
Operational Buildings	1 548	3 500	5 423	228	2 799	4 070	1 271	31,2%	5 423
Municipal Offices	1 548	3 500	5 423	228	2 799	4 070	1 271	31,2%	5 423
Pay/Enquiry Points									
Building Plan Offices									
<b>Computer Equipment</b>	9	620	111	-	17	211	193	91,7%	111
Computer Equipment	9	620	111	-	17	211	193	91,7%	111
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment									
<b>Machinery and Equipment</b>	15 329	-	-	-	1 404	-	(1 404)	#DIV/0!	-
Machinery and Equipment	15 329	-	-	-	1 404	-	(1 404)	#DIV/0!	-
<b>Transport Assets</b>	78	328	434	-	-	274	274	100,0%	434
Transport Assets	78	328	434	-	-	274	274	100,0%	434
<b>Total Repairs and Maintenance Expenditure</b>	45 289	37 538	56 346	998	43 556	42 768	(788)	-1,8%	56 346

## 2.7 Municipal Manager's Quality's Certificate

### Quality Certificate

I, Gamakulu Ma'art Sineke, the Municipal Manager of Harry Gwala District Municipality, hereby certify that-

- The monthly budget statement

For the month of April 2023 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Gamakulu Ma'art Sineke

Municipal Manager of: Harry Gwala District Municipality

Signed\_\_\_\_\_

Date\_\_\_\_\_