

# Harry Gwala District Municipality



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

Prepared in terms of Section 71 and Section 52(d) 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.

**Budget & Treasury Office**

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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

## **PURPOSE**

To table a report on the Implementation of the current budget and the financial state of the Municipality in terms of Section 71 and Section 52(d) 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

## **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

## **1.1 Mayors Report**

In accordance with Section 52(d) of the Municipal Finance Management Act, the mayor submit a report to the council within 30 days after the end of each quarter which is the third quarter of 2023/2024, on the implementation of the budget and the financial state of affairs of the Harry Gwala District Municipality.

This report forms part of the general responsibilities of the Mayor of a Municipality and is intended to inform and enable the council to fulfil its oversight responsibility.

### **1.2.1 Implementation of the budget in accordance with the SDBIP**

A comprehensive report detailing the implementation for the first quarter ended 30 September 2023 will be tabled in a separate report to council.

### **1.2.2 Financial problems or risks facing the municipality**

The cash flow position as at 30 September 2023 of the Municipality shows an improvement when compared to the previous financial year. However, the municipality will seek to improve more for the municipality to be stable and continue to show great.

The municipality also need to improve more in collection in order to reduce consumer debts because it will contribute towards the municipality's cash flow. Improving the debt collection will continue to rank high in the municipality's priorities as we seek to improve financial sustainability. The municipal also need to continue implementing cost containment policy.

## **1.2 Executive Summary or Background**

This report is a summary of the main budget issues arising from the in-year monitoring process. It compares the progress of the budget to the projections contained in the Service Delivery and Budget Implementation Plan (SDBIP).

### **Revenue by Source**

The Year-to-Date actual revenue is 133% above the YTD budget. All the allocated conditional grants receipted as per Division of Revenue Bill, However the recognition as revenue only occur when the expenditure is incurred.

### **Borrowings**

The balance of borrowings does not have the long-term loans.

### **Operating expenditure by vote & type**

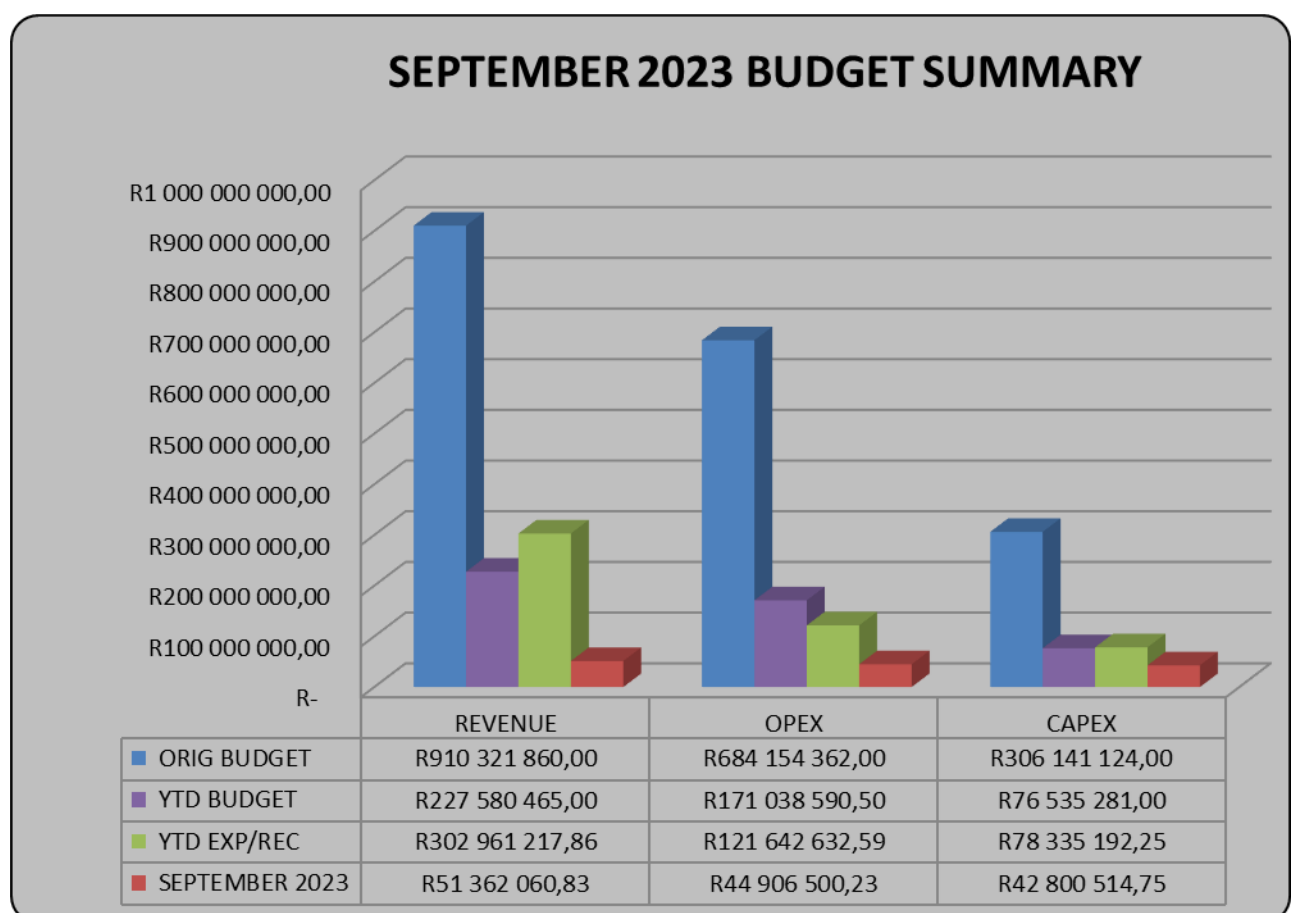
The total operating budget for the current year amounts to R684, 1m. The YTD Operating expenditure for the month ended 30 September amounted to R121, 6m against a year to date (YTD) budget of R171m. The actual YTD expenditure represented 71% of the planned.



## Capital expenditure

The total capital budget for the current year amounts to R306, 1m. The YTD expenditure on capital amounts to R78, 3million, or 101% of the planned expenditure. Capital expenditure is mainly funded by means of National grants.

**Chart 1: Budget vs. Expenditure Summary**



## Cash flows

The municipality started the year with a positive cashbook balance of R124, 6million. The closing cash and cash equivalents as at the end of September 2023 was R304, 9million. Refer to the table below for cash and cash equivalent register for more detail on the cash position.

### CASH AND INVESTMENT REGISTER AS AT 30 SEPTEMBER 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	106 588	663	(21 504)	-	85 746
FIRST NATIONAL BANK	CALL ACCOUNT	59 448	336	(36 140)	71 000	94 643
FIRST NATIONAL BANK	ADMIN CALL	45 325	272	(22 309)	-	23 289
INVESTEC	FIXED DEPOSIT	36 952	246	-	-	37 198
FIRST NATIONAL BANK	FIXED DEPOSIT	26 541	144	(14 650)	-	12 036
FIRST NATIONAL BANK	CALL ACCOUNT	13	0	-	-	13
FIRST NATIONAL BANK	CALL ACCOUNT	13	0	-	-	13
FIRST NATIONAL BANK	CALL ACCOUNT	20	0	-	-	20
FIRST NATIONAL BANK	FIXED DEPOSIT	53	0	-	-	53
NEDBANK	FIXED DEPOSIT	94	1	-	-	95
ABSA BANK	FIXED DEPOSIT	33 405	625	-	-	34 029
FIRST NATIONAL BANK	CURRENT ACCOUNT	17 783	-	-	-	17 783
<b>Municipality sub-total</b>		<b>326 235</b>	<b>2 287</b>	<b>(94 603)</b>	<b>71 000</b>	<b>304 919</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>		<b>326 235</b>		<b>(94 603)</b>	<b>71 000</b>	<b>304 919</b>

## Allocations received (National & Provincial Grants)

All DORA and provincial grants allocations for 2023/2024 have been received as per payment schedule. The total grants received as at 30 September 2023 was R 359, 5million. Conditional Grants amounting to R 166, 4million and the equitable share is R 193, 1million. One grant received in the month ending 30 September 2023.

No operational grant received for the month of September 2023

### **Transfers Recognised – Capital**

One Capital grant received for the month of September 2023 namely:

- Municipal Infrastructure Grant- R71 000 000

### **Spending on Grants**

Spending on grants amounted to R78, 3million or 101% for 2023/24 first quarter.

## **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 - M03 September

Description	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>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	77 674	76 192	76 192	5 723	16 438	19 048	(2 610)	-14%	76 192
Investment revenue	10 858	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	10 858	5 713	5 713	2 306	5 596	1 428	4 168	292%	5 713
Other own revenue	461 024	507 064	507 064	3 761	201 050	126 766	74 284	59%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>560 414</b>	<b>588 970</b>	<b>588 970</b>	<b>11 789</b>	<b>223 084</b>	<b>147 242</b>	<b>75 841</b>	<b>52%</b>	<b>588 970</b>
Employee costs	245 578	256 783	256 783	20 574	61 149	64 196	(3 048)		256 783
Remuneration of Councillors	6 988	8 119	8 119	530	1 597	2 030	(433)		8 119
Depreciation and amortisation	92 556	97 007	97 007	-	-	24 252	(24 252)		97 007
Interest	113	100	100	-	2	25	(23)		100
Inventory consumed and bulk purchases	33 986	28 431	28 431	4 113	6 494	7 108	(614)		28 431
Transfers and subsidies	15 290	2 500	2 500	-	-	625	(625)	-100%	2 500
Other expenditure	239 909	291 214	291 214	19 689	52 401	72 804	(20 403)	-28%	291 214
<b>Total Expenditure</b>	<b>634 419</b>	<b>684 154</b>	<b>684 154</b>	<b>44 907</b>	<b>121 643</b>	<b>171 039</b>	<b>(49 397)</b>	<b>-29%</b>	<b>684 154</b>
<b>Surplus/(Deficit)</b>	<b>(74 005)</b>	<b>(95 185)</b>	<b>(95 185)</b>	<b>(33 117)</b>	<b>101 441</b>	<b>(23 797)</b>	<b>125 238</b>	<b>-526%</b>	<b>(95 185)</b>
Transfers and subsidies - capital (monetary allocations)	283 338	321 352	321 352	39 573	79 878	-	79 878	#DIV/0!	321 352
Transfers and subsidies - capital (in-kind)	3 888	-	-	-	-	-	-		-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>213 221</b>	<b>226 167</b>	<b>226 167</b>	<b>6 456</b>	<b>181 319</b>	<b>(23 797)</b>	<b>205 116</b>	<b>-862%</b>	<b>226 167</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
<b>Surplus/ (Deficit) for the year</b>	<b>213 221</b>	<b>226 167</b>	<b>226 167</b>	<b>6 456</b>	<b>181 319</b>	<b>(23 797)</b>	<b>205 116</b>	<b>-862%</b>	<b>226 167</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>269 118</b>	<b>306 141</b>	<b>306 141</b>	<b>42 801</b>	<b>78 335</b>	<b>76 535</b>	<b>1 800</b>	<b>2%</b>	<b>306 141</b>
Capital transfers recognised	251 309	277 584	277 584	42 801	77 786	69 396	8 390	12%	277 584
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	17 809	28 557	28 557	-	549	7 139	(6 590)	-92%	28 557
<b>Total sources of capital funds</b>	<b>269 118</b>	<b>306 141</b>	<b>306 141</b>	<b>42 801</b>	<b>78 335</b>	<b>76 535</b>	<b>1 800</b>	<b>2%</b>	<b>306 141</b>
<b>Financial position</b>									
Total current assets	194 494	147 860	147 860		359 738				147 860
Total non current assets	2 927 796	2 955 803	2 955 803		3 006 131				2 955 803
Total current liabilities	152 320	111 522	111 522		214 581				111 522
Total non current liabilities	27 735	28 869	28 869		27 735				28 869
Community wealth/Equity	2 981 788	2 720 105	2 720 105		3 123 553				2 720 105
<b>Cash flows</b>									
Net cash from (used) operating	1 503 062	324 776	324 776	161 853	789 623	81 194	(708 430)	-873%	324 776
Net cash from (used) investing	(269 118)	(306 141)	(306 141)	(42 801)	(78 335)	(76 535)	1 800	-2%	(306 141)
Net cash from (used) financing	-	(2 251)	(2 251)	7	7	(563)	(570)	101%	(2 251)
<b>Cash/cash equivalents at the month/year end</b>	<b>1 284 171</b>	<b>84 290</b>	<b>84 290</b>	<b>-</b>	<b>835 936</b>	<b>72 003</b>	<b>(763 933)</b>	<b>-1061%</b>	<b>141 024</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	7 985	5 487	4 068	14 685	3 912	3 470	29 674	177 165	246 446
<b>Creditors Age Analysis</b>									
Total Creditors	488	3	731	-	-	-	-	-	1 222

## 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) - M03 September

Description	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>Revenue - Functional</b>									
<b>Governance and administration</b>	<b>449 558</b>	<b>488 282</b>	<b>488 282</b>	<b>2 425</b>	<b>199 040</b>	<b>122 070</b>	<b>76 970</b>	<b>63%</b>	<b>488 282</b>
Executive and council	-	-	-	-	-	-	-	-	-
Finance and administration	449 558	488 282	488 282	2 425	199 040	122 070	76 970	63%	488 282
Internal audit	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>	<b>32</b>	<b>16</b>	<b>16</b>	<b>8</b>	<b>11</b>	<b>4</b>	<b>7</b>	<b>183%</b>	<b>16</b>
Community and social services	32	16	16	8	11	4	7	183%	16
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	<b>3 888</b>	<b>638</b>	<b>638</b>	<b>-</b>	<b>-</b>	<b>159</b>	<b>(159)</b>	<b>-100%</b>	<b>638</b>
Planning and development	3 888	638	638	-	-	159	(159)	-100%	638
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	<b>394 162</b>	<b>438 386</b>	<b>438 386</b>	<b>48 929</b>	<b>103 909</b>	<b>109 597</b>	<b>(5 687)</b>	<b>-5%</b>	<b>438 386</b>
Energy sources	-	-	-	-	-	-	-	-	-
Water management	381 035	423 735	423 735	47 745	100 446	105 934	(5 488)	-5%	423 735
Waste water management	13 126	14 651	14 651	1 184	3 463	3 663	(200)	-5%	14 651
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 Revenue - Functional</b>	<b>847 640</b>	<b>927 322</b>	<b>927 322</b>	<b>51 362</b>	<b>302 961</b>	<b>231 830</b>	<b>71 131</b>	<b>31%</b>	<b>927 322</b>
<b>Expenditure - Functional</b>									
<b>Governance and administration</b>	<b>284 703</b>	<b>294 557</b>	<b>294 557</b>	<b>17 744</b>	<b>53 955</b>	<b>73 640</b>	<b>(19 685)</b>	<b>-27%</b>	<b>294 557</b>
Executive and council	29 054	39 878	39 878	1 938	9 067	9 970	(903)	-9%	39 878
Finance and administration	244 549	244 785	244 785	15 073	42 587	61 197	(18 609)	-30%	244 785
Internal audit	11 101	9 894	9 894	733	2 301	2 474	(173)	-7%	9 894
<b>Community and public safety</b>	<b>17 993</b>	<b>20 592</b>	<b>20 592</b>	<b>1 409</b>	<b>4 302</b>	<b>5 148</b>	<b>(846)</b>	<b>-16%</b>	<b>20 592</b>
Community and social services	17 993	20 592	20 592	1 409	4 302	5 148	(846)	-16%	20 592
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	<b>151 602</b>	<b>167 382</b>	<b>167 382</b>	<b>3 912</b>	<b>17 781</b>	<b>41 846</b>	<b>(24 064)</b>	<b>-58%</b>	<b>167 382</b>
Planning and development	151 602	167 382	167 382	3 912	17 781	41 846	(24 064)	-58%	167 382
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	<b>180 120</b>	<b>201 412</b>	<b>201 412</b>	<b>21 842</b>	<b>45 605</b>	<b>50 353</b>	<b>(4 748)</b>	<b>-9%</b>	<b>201 412</b>
Energy sources	-	-	-	-	-	-	-	-	-
Water management	177 611	200 518	200 518	21 825	45 558	50 130	(4 571)	-9%	200 518
Waste water management	2 509	893	893	16	46	223	(177)	-79%	893
Waste management	-	-	-	-	-	-	-	-	-
<b>Other</b>	<b>-</b>	<b>212</b>	<b>212</b>	<b>-</b>	<b>-</b>	<b>53</b>	<b>(53)</b>	<b>-100%</b>	<b>212</b>
<b>Total Expenditure - Functional</b>	<b>634 419</b>	<b>684 154</b>	<b>684 154</b>	<b>44 907</b>	<b>121 643</b>	<b>171 039</b>	<b>(49 397)</b>	<b>-29%</b>	<b>684 154</b>
<b>Surplus/ (Deficit) for the year</b>	<b>213 221</b>	<b>243 167</b>	<b>243 167</b>	<b>6 456</b>	<b>181 319</b>	<b>60 791</b>	<b>120 528</b>	<b>198%</b>	<b>243 167</b>

This table assess the revenue by department and then the expenditure for the period ending 30 September 2023. Revenue receipts in September have largely constituted of equitable share and service charges which is water and sanitation. The overall budgeted revenue cash receipt for the month of September is 6%.

Expenditure by standard classification presents the expenditures by the departments. Water Services Department has the largest expenditure for the month of September as the department responsible for the repairs and maintenance of the municipal assets and also with the largest staff complement, shares the greatest bulk of this budget and hence the expenditure of R25, 1million.

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) - M03 September**

Vote Description	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>Revenue by Vote</b>									
Vote 01 - Summary Council	-	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	449 162	470 822	470 822	2 425	198 960	117 705	81 254	69,0%	470 822
Vote 04 - Summary Corporate Services	372	372	372	-	63	93	(30)	-32,0%	372
Vote 05 - Summary Social Services & Development Planning	32	17 654	17 654	8	11	4 414	(4 402)	-99,7%	17 654
Vote 06 - Summary Infrastructure Services	308 606	354 861	354 861	42 124	84 364	88 715	(4 351)	-4,9%	354 861
Vote 07 - Summary Water Services	89 467	83 613	83 613	6 805	19 562	20 903	(1 341)	-6,4%	83 613
Vote 15 - Other	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>847 640</b>	<b>927 322</b>	<b>927 322</b>	<b>51 362</b>	<b>302 961</b>	<b>231 830</b>	<b>71 131</b>	<b>30,7%</b>	<b>927 322</b>
<b>Expenditure by Vote</b>									
Vote 01 - Summary Council	18 112	19 937	19 937	1 121	5 865	4 984	880	17,7%	19 937
Vote 02 - Summary Municipal Manager	22 043	22 917	22 917	1 549	5 503	5 729	(227)	-4,0%	22 917
Vote 03 - Summary Budget And Treasury Office	94 203	90 559	90 559	5 293	15 296	22 640	(7 344)	-32,4%	90 559
Vote 04 - Summary Corporate Services	90 576	86 586	86 586	6 448	20 163	21 647	(1 483)	-6,9%	86 586
Vote 05 - Summary Social Services & Development Planning	50 497	75 394	75 394	2 633	14 533	18 849	(4 315)	-22,9%	75 394
Vote 06 - Summary Infrastructure Services	121 509	128 353	128 353	2 727	7 667	32 088	(24 421)	-76,1%	128 353
Vote 07 - Summary Water Services	237 478	260 408	260 408	25 135	52 616	65 102	(12 487)	-19,2%	260 408
Vote 15 - Other	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>634 419</b>	<b>684 154</b>	<b>684 154</b>	<b>44 907</b>	<b>121 643</b>	<b>171 039</b>	<b>(49 397)</b>	<b>-28,9%</b>	<b>684 154</b>
<b>Surplus/ (Deficit) for the year</b>	<b>213 221</b>	<b>243 167</b>	<b>243 167</b>	<b>6 456</b>	<b>181 319</b>	<b>60 791</b>	<b>120 528</b>	<b>198,3%</b>	<b>243 167</b>

## Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 30 September 2023.

DC43 Harry Gwala - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	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>Revenue</b>									
<b>Exchange Revenue</b>									
Service charges - Electricity	-	-	-	-	-	-	-	-	-
Service charges - Water	64 525	61 123	61 123	4 559	13 008	15 281	(2 272)	-15%	61 123
Service charges - Waste Water Management	13 149	15 069	15 069	1 164	3 430	3 767	(338)	-9%	15 069
Service charges - Waste management	-	-	-	-	-	-	-	-	-
Sale of Goods and Rendering of Services	741	876	876	66	73	219	(146)	-67%	876
Interest earned from Receivables	14 117	11 960	11 960	1 454	4 257	2 990	1 267	42%	11 960
Interest from Current and Non Current Assets	10 858	5 713	5 713	2 306	5 596	1 428	-	-	5 713
Operational Revenue	810	388	388	8	75	97	(22)	-23%	388
<b>Non-Exchange Revenue</b>									
Property rates	-	-	-	-	-	-	-	-	-
Surcharges and Taxes	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Licence and permits	-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	452 460	493 840	493 840	2 233	196 645	123 460	73 185	-	493 840
Gains on disposal of Assets	-	-	-	-	-	-	-	-	-
Other Gains	3 755	-	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>560 414</b>	<b>588 970</b>	<b>588 970</b>	<b>11 789</b>	<b>223 084</b>	<b>147 242</b>	<b>75 841</b>	<b>52%</b>	<b>588 970</b>
<b>Expenditure By Type</b>									
Employee related costs	245 578	256 783	256 783	20 574	61 149	64 196	(3 048)	-5%	256 783
Remuneration of councillors	6 988	8 119	8 119	530	1 597	2 030	(433)	-21%	8 119
Bulk purchases - electricity	-	-	-	-	-	-	-	-	-
Inventory consumed	33 986	28 431	28 431	4 113	6 494	7 108	(614)	-	28 431
Debt impairment	(1 202)	28 300	28 300	-	-	7 075	(7 075)	-100%	28 300
Depreciation and amortisation	92 556	97 007	97 007	-	-	24 252	(24 252)	-100%	97 007
Interest	113	100	100	-	2	25	(23)	-91%	100
Contracted services	134 274	140 220	140 260	14 959	26 379	35 062	(8 683)	-25%	140 260
Transfers and subsidies	15 290	2 500	2 500	-	-	625	(625)	-100%	2 500
Irrecoverable debts written off	34 790	30 418	30 418	-	-	7 604	(7 604)	-	30 418
Operational costs	69 172	92 277	92 237	4 730	26 022	23 062	2 960	13%	92 237
Losses on Disposal of Assets	2 875	-	-	-	-	-	-	-	-
Other Losses	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>634 419</b>	<b>684 154</b>	<b>684 154</b>	<b>44 907</b>	<b>121 643</b>	<b>171 039</b>	<b>(49 397)</b>	<b>-29%</b>	<b>684 154</b>
<b>Surplus/(Deficit)</b>	<b>(74 005)</b>	<b>(95 185)</b>	<b>(95 185)</b>	<b>(33 117)</b>	<b>101 441</b>	<b>(23 797)</b>	<b>125 238</b>	<b>(0)</b>	<b>(95 185)</b>
Transfers and subsidies - capital (monetary allocations)	283 338	321 352	321 352	39 573	79 878	-	79 878	#DIV/0!	321 352
Transfers and subsidies - capital (in-kind)	3 888	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>213 221</b>	<b>226 167</b>	<b>226 167</b>	<b>6 456</b>	<b>181 319</b>	<b>(23 797)</b>			<b>226 167</b>
Income Tax	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>	<b>213 221</b>	<b>226 167</b>	<b>226 167</b>	<b>6 456</b>	<b>181 319</b>	<b>(23 797)</b>			<b>226 167</b>
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>	<b>213 221</b>	<b>226 167</b>	<b>226 167</b>	<b>6 456</b>	<b>181 319</b>	<b>(23 797)</b>			<b>226 167</b>
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>213 221</b>	<b>226 167</b>	<b>226 167</b>	<b>6 456</b>	<b>181 319</b>	<b>(23 797)</b>			<b>226 167</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.

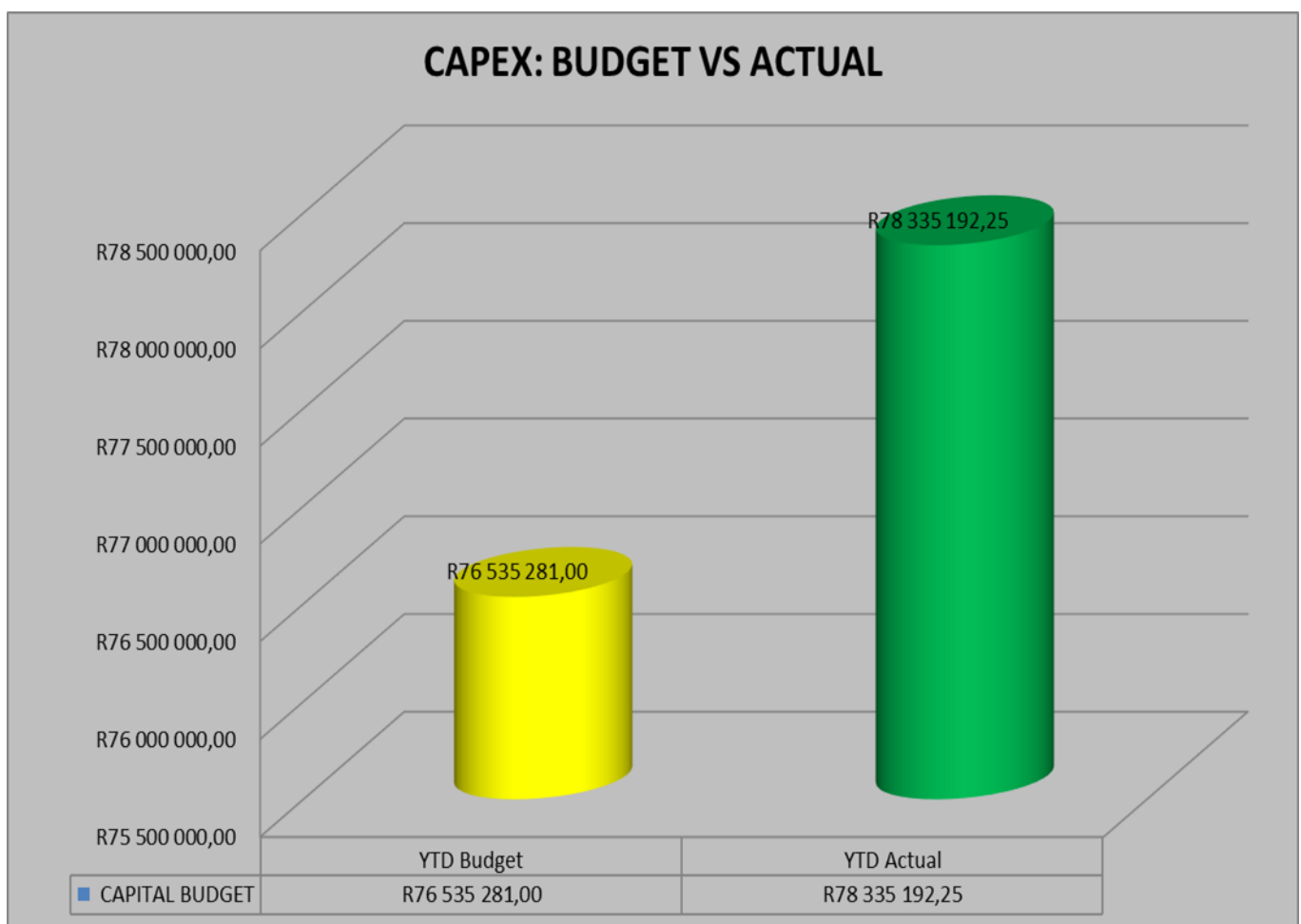
DC43 Harry Gwala - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding - M03 September)

Vote Description	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>Multi-Year expenditure appropriation</b>									
Vote 01 - Summary Council	-	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	275	-	-	-	-	-	-	-	-
Vote 04 - Summary Corporate Services	7 727	9 641	9 641	-	549	2 410	(1 861)	-77%	9 641
Vote 05 - Summary Social Services & Development Planning	408	2 267	2 267	-	-	567	(567)	-100%	2 267
Vote 06 - Summary Infrastructure Services	47 306	55 292	70 392	9 293	27 012	16 568	10 444	63%	70 392
Vote 07 - Summary Water Services	213 402	238 941	223 841	33 507	50 774	56 990	(6 216)	-11%	223 841
Vote 15 - Other	-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>269 118</b>	<b>306 141</b>	<b>306 141</b>	<b>42 801</b>	<b>78 335</b>	<b>76 535</b>	<b>1 800</b>	<b>2%</b>	<b>306 141</b>
<b>Total Capital single-year expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure</b>	<b>269 118</b>	<b>306 141</b>	<b>306 141</b>	<b>42 801</b>	<b>78 335</b>	<b>76 535</b>	<b>1 800</b>	<b>2%</b>	<b>306 141</b>
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>	<b>8 002</b>	<b>10 308</b>	<b>10 308</b>	<b>-</b>	<b>549</b>	<b>2 577</b>	<b>(2 028)</b>	<b>-79%</b>	<b>10 308</b>
Executive and council	-	-	-	-	-	-	-	-	-
Finance and administration	8 002	10 308	10 308	-	549	2 577	(2 028)	-79%	10 308
Internal audit	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>	<b>270</b>	<b>1 600</b>	<b>1 600</b>	<b>-</b>	<b>-</b>	<b>400</b>	<b>(400)</b>	<b>-100%</b>	<b>1 600</b>
Community and social services	270	1 600	1 600	-	-	400	(400)	-100%	1 600
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	<b>41 851</b>	<b>27 618</b>	<b>42 718</b>	<b>5 631</b>	<b>22 946</b>	<b>9 650</b>	<b>13 296</b>	<b>138%</b>	<b>42 718</b>
Planning and development	41 851	27 618	42 718	5 631	22 946	9 650	13 296	138%	42 718
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	<b>218 995</b>	<b>266 615</b>	<b>251 515</b>	<b>37 169</b>	<b>54 840</b>	<b>63 908</b>	<b>(9 069)</b>	<b>-14%</b>	<b>251 515</b>
Energy sources	-	-	-	-	-	-	-	-	-
Water management	174 461	198 174	183 074	29 762	41 750	46 798	(5 049)	-11%	183 074
Waste water management	44 534	68 441	68 441	7 408	13 090	17 110	(4 020)	-23%	68 441
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>269 118</b>	<b>306 141</b>	<b>306 141</b>	<b>42 801</b>	<b>78 335</b>	<b>76 535</b>	<b>1 800</b>	<b>2%</b>	<b>306 141</b>
<b>Funded by:</b>									
National Government	247 421	277 584	277 584	42 801	77 786	69 396	8 390	12%	277 584
Provincial Government	3 888	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	<b>251 309</b>	<b>277 584</b>	<b>277 584</b>	<b>42 801</b>	<b>77 786</b>	<b>69 396</b>	<b>8 390</b>	<b>12%</b>	<b>277 584</b>
<b>Borrowing</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Internally generated funds</b>	<b>17 809</b>	<b>28 557</b>	<b>28 557</b>	<b>-</b>	<b>549</b>	<b>7 139</b>	<b>(6 590)</b>	<b>-92%</b>	<b>28 557</b>
<b>Total Capital Funding</b>	<b>269 118</b>	<b>306 141</b>	<b>306 141</b>	<b>42 801</b>	<b>78 335</b>	<b>76 535</b>	<b>1 800</b>	<b>2%</b>	<b>306 141</b>

As alluded to above, the capital expenditure programme for the period ending 30 September 2023 was R78, 3m which represents 101% of capital expenditure against year to date budget of R76, 5million.

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

**Chart 1: 2023/2024 FIRST QUARTER CAPEX**



As at 30 September 2023, the year to date actual expenditure was R78, 3million against a YTD budget of R76, 5million. In monetary terms, these figures represent 101 per cent performance against the capital development programme as at 30 September 2023.

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

DC43 Harry Gwala - Table C6 Consolidated Monthly Budget Statement - Financial Position - M03 September

Description	2022/23	Budget Year 2023/24			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>					
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	124 641	84 290	84 290	291 171	84 290
Trade and other receivables from exchange transactions	32 136	28 499	28 499	36 433	28 499
Receivables from non-exchange transactions	2 318	2 336	2 336	2 316	2 336
Current portion of non-current receivables	-	-	-	-	-
Inventory	716	513	513	716	513
VAT	34 688	32 160	32 160	29 219	32 160
Other current assets	(5)	62	62	(117)	62
<b>Total current assets</b>	<b>194 494</b>	<b>147 860</b>	<b>147 860</b>	<b>359 738</b>	<b>147 860</b>
<b>Non current assets</b>					
Investments					
Investment property	-	-	-	-	-
Property, plant and equipment	2 927 280	2 954 832	2 954 832	3 005 615	2 954 832
Biological assets					
Living and non-living resources					
Heritage assets					
Intangible assets	515	972	972	515	972
Trade and other receivables from exchange transactions	-	-	-	-	-
Non-current receivables from non-exchange transactions					
Other non-current assets	0	0	0	0	0
<b>Total non current assets</b>	<b>2 927 796</b>	<b>2 955 803</b>	<b>2 955 803</b>	<b>3 006 131</b>	<b>2 955 803</b>
<b>TOTAL ASSETS</b>	<b>3 122 289</b>	<b>3 103 663</b>	<b>3 103 663</b>	<b>3 365 869</b>	<b>3 103 663</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft	-	-	-	-	-
Financial liabilities	12 806	10 394	10 394	12 806	10 394
Consumer deposits	2 415	2 324	2 324	2 472	2 324
Trade and other payables from exchange transactions	92 367	75 527	75 527	69 338	75 527
Trade and other payables from non-exchange transactions	21 177	1 483	1 483	104 250	1 483
Provision	16 020	15 194	15 194	16 020	15 194
VAT	7 535	6 600	6 600	9 694	6 600
Other current liabilities	-	-	-	-	-
<b>Total current liabilities</b>	<b>152 320</b>	<b>111 522</b>	<b>111 522</b>	<b>214 581</b>	<b>111 522</b>
<b>Non current liabilities</b>					
Financial liabilities	(0)	-	-	(0)	-
Provision	27 735	28 869	28 869	27 735	28 869
Long term portion of trade payables	-	-	-	-	-
Other non-current liabilities	-	-	-	-	-
<b>Total non current liabilities</b>	<b>27 735</b>	<b>28 869</b>	<b>28 869</b>	<b>27 735</b>	<b>28 869</b>
<b>TOTAL LIABILITIES</b>	<b>180 055</b>	<b>140 391</b>	<b>140 391</b>	<b>242 316</b>	<b>140 391</b>
<b>NET ASSETS</b>	<b>2 942 235</b>	<b>2 963 272</b>	<b>2 963 272</b>	<b>3 123 553</b>	<b>2 963 272</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated surplus/(deficit)	2 942 235	2 963 272	2 963 272	3 123 553	2 963 272
Reserves and funds	-	-	-	-	-
Other	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2 942 235</b>	<b>2 963 272</b>	<b>2 963 272</b>	<b>3 123 553</b>	<b>2 963 272</b>

Table C7 below display the Cash Flow Statement for the period ending 30 September 2023.

DC43 Harry Gwala - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M03 September

Description	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>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates	18	-	-	1	2	-	2	#DIV/0!	-
Service charges	51 062	61 100	61 100	5 320	15 542	15 275	267	2%	61 100
Other revenue	1 483 328	53 987	53 987	173 972	646 095	13 497	632 598	4687%	53 987
Transfers and Subsidies - Operational	468 100	493 840	493 840	-	197 596	123 460	74 136	60%	493 840
Transfers and Subsidies - Capital	316 011	321 352	321 352	71 000	162 000	80 338	81 662	102%	321 352
Interest	10 858	5 713	5 713	2 306	5 596	1 428	4 168	292%	5 713
Dividends							-		
<b>Payments</b>									
Suppliers and employees	(826 315)	(611 117)	(611 117)	(90 745)	(237 206)	(152 779)	84 427	-55%	(611 117)
Interest	-	(100)	(100)	-	-	(25)	(25)	100%	(100)
Transfers and Subsidies	-	-	-	-	-	-	-		-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>1 503 062</b>	<b>324 776</b>	<b>324 776</b>	<b>161 853</b>	<b>789 623</b>	<b>81 194</b>	<b>(708 430)</b>	<b>-873%</b>	<b>324 776</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	(269 118)	(306 141)	(306 141)	(42 801)	(78 335)	(76 535)	1 800	-2%	(306 141)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(269 118)</b>	<b>(306 141)</b>	<b>(306 141)</b>	<b>(42 801)</b>	<b>(78 335)</b>	<b>(76 535)</b>	<b>1 800</b>	<b>-2%</b>	<b>(306 141)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans							-		
Borrowing long term/refinancing							-		
Increase (decrease) in consumer deposits	-	149	149	7	7	37	(30)	-81%	149
<b>Payments</b>									
Repayment of borrowing	-	(2 400)	(2 400)	-	-	(600)	(600)	100%	(2 400)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>-</b>	<b>(2 251)</b>	<b>(2 251)</b>	<b>7</b>	<b>7</b>	<b>(563)</b>	<b>(570)</b>	<b>101%</b>	<b>(2 251)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>1 233 945</b>	<b>16 384</b>	<b>16 384</b>	<b>119 060</b>	<b>711 295</b>	<b>4 096</b>			<b>16 384</b>
Cash/cash equivalents at beginning:	50 226	67 907	67 907	(4 328)	124 641	67 907			124 641
Cash/cash equivalents at month/year end:	1 284 171	84 290	84 290		835 936	72 003			141 024

## PART 2 – SUPPORTING DOCUMENTATION

### 2.1 Debtors Analysis

The table presented below summarises the Debtors Age Analysis as at 30 September 2023.

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

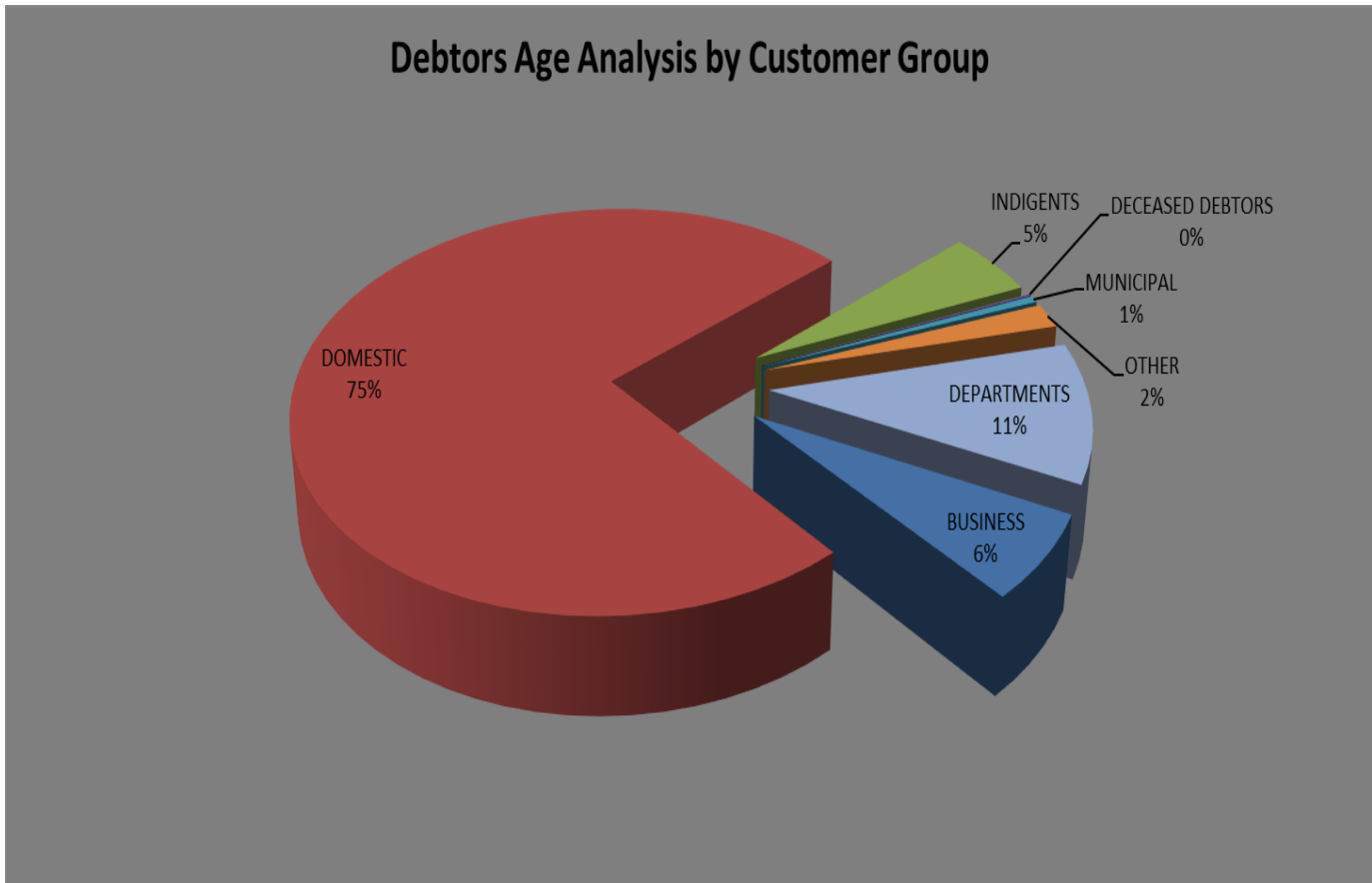
DC43 Harry Gwala - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

Description	Budget Year 2023/24									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
R thousands										
<b>Debtors Age Analysis By Income Source</b>										
Trade and Other Receivables from Exchange Transactions - Water	5 126	3 523	2 611	9 427	2 511	2 227	19 048	113 726	158 199	146 940
Trade and Other Receivables from Exchange Transactions - Electricity									-	-
Receivables from Non-exchange Transactions - Property Rates									-	-
Receivables from Exchange Transactions - Waste Water Management	2 002	1 376	1 020	3 683	981	870	7 441	44 429	61 802	57 404
Receivables from Exchange Transactions - Waste Management									-	-
Receivables from Exchange Transactions - Property Rental Debtors									-	-
Interest on Arrear Debtor Accounts	857	589	437	1 576	420	372	3 184	19 010	26 444	24 562
Recoverable unauthorised, irregular, fruitless and wasteful expenditure									-	-
Other									-	-
<b>Total By Income Source</b>	<b>7 985</b>	<b>5 487</b>	<b>4 068</b>	<b>14 685</b>	<b>3 912</b>	<b>3 470</b>	<b>29 674</b>	<b>177 165</b>	<b>246 446</b>	<b>228 905</b>
<b>2022/23 - totals only</b>	<b>8662564</b>	<b>5014996</b>	<b>4507576</b>	<b>3861273</b>	<b>3809415</b>	<b>3997231</b>	<b>16780979</b>	<b>201469403</b>	<b>248 103</b>	<b>229 918</b>
<b>Debtors Age Analysis By Customer Group</b>										
Organs of State	4 259	1 723	1 078	2 152	852	598	14 506	3 746	28 914	21 854
Commercial	902	551	424	779	622	467	1 646	10 973	16 363	14 487
Households	2 824	3 214	2 566	11 754	2 437	2 405	13 522	162 445	201 168	192 564
Other									-	-
<b>Total By Customer Group</b>	<b>7 985</b>	<b>5 487</b>	<b>4 068</b>	<b>14 685</b>	<b>3 912</b>	<b>3 470</b>	<b>29 674</b>	<b>177 165</b>	<b>246 446</b>	<b>228 905</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.

**Table 2.1.2: Debtors Age Analysis by Customer Category**

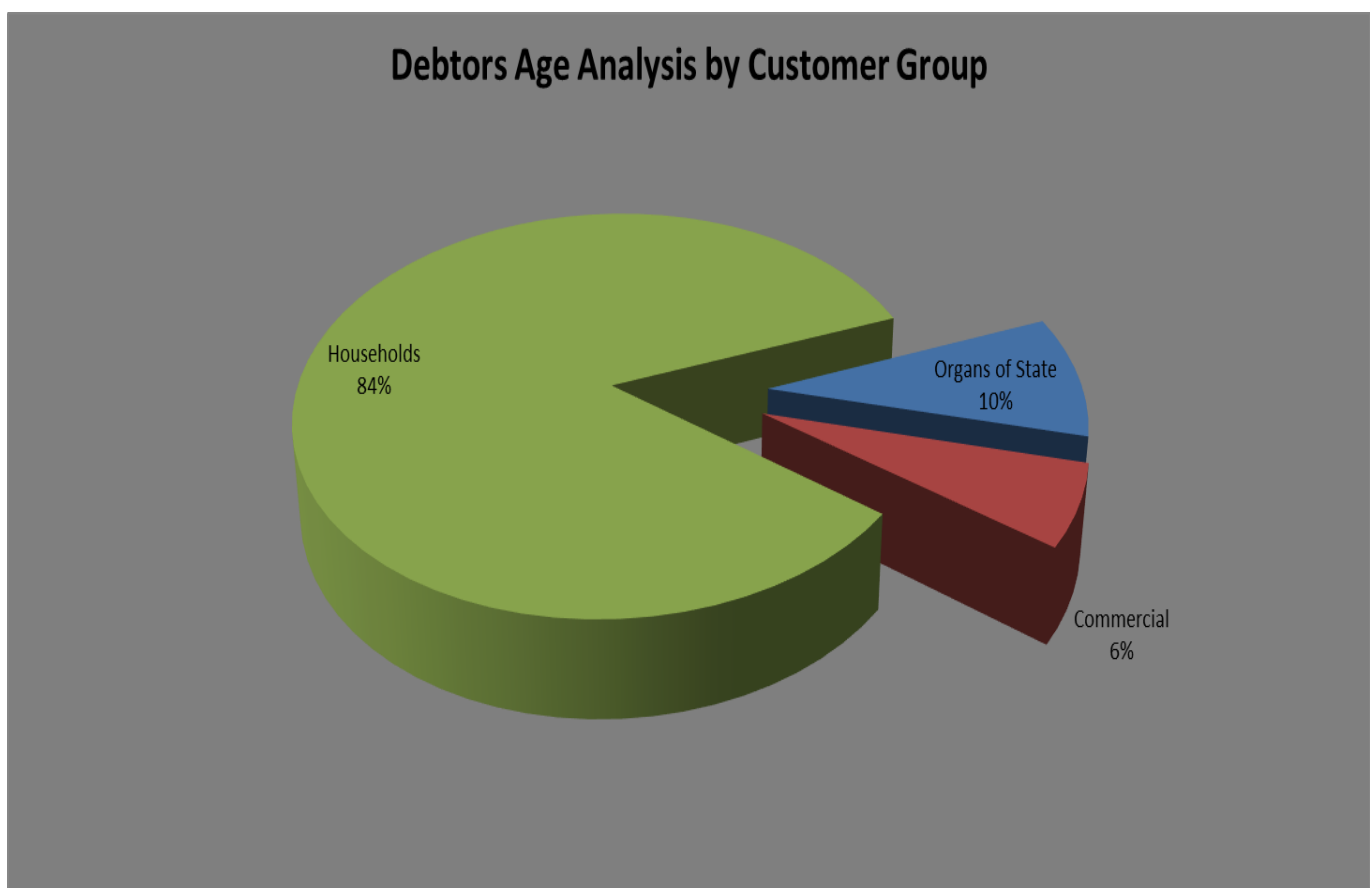
Table 2.1.2 analyses consumer debt by Category. A further analysis in the form of a chart is provided below.



## 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: 84%
- ✓ Government 10%
- ✓ Business 6%



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 per Area

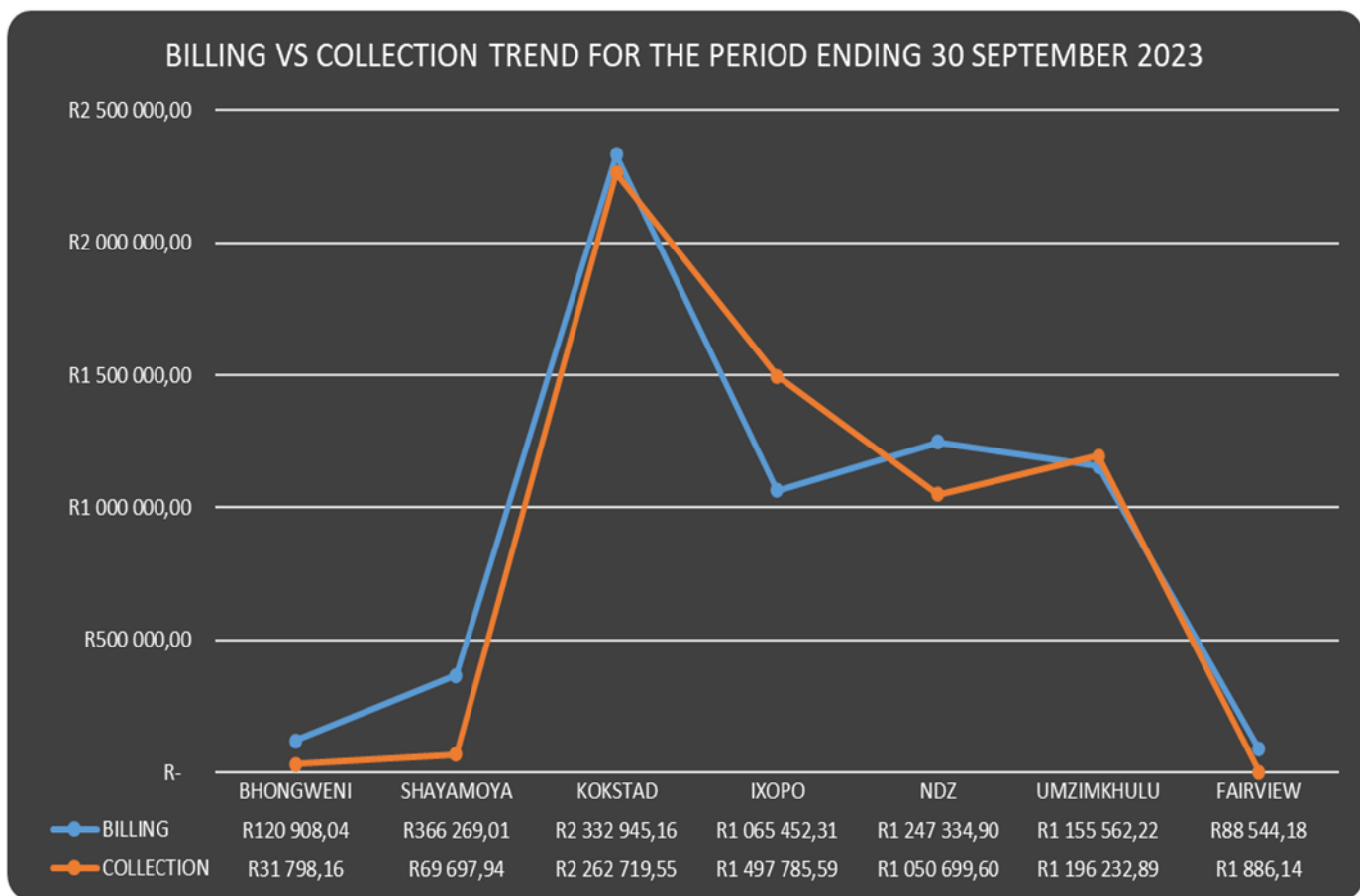
AREA	AMOUNT	SEPTEMBER 2023	AUGUST 2023
Unallocated receipts	R 92 121,50	1%	3%
Bhongweni	R 31 798,16	1%	0%
Shayamoya	R 69 697,94	1%	0%
Kokstad	R 2 262 719,55	36%	41%
Ixopo	R 1 497 785,59	24%	22%
NDZ	R 1 050 699,60	17%	15%
Umzimkulu	R 1 196 232,89	19%	18%
Fairview	R 1 886,14	0%	0%
<b>TOTAL RECEIPTS INCL VAT</b>	<b>R 6 202 941,37</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 September 2023 is R6, 2million. The collection for prepaid in the month of September is R 861 587. Total cash collected including prepaid for the month ending 31 September is R 7,064,527.

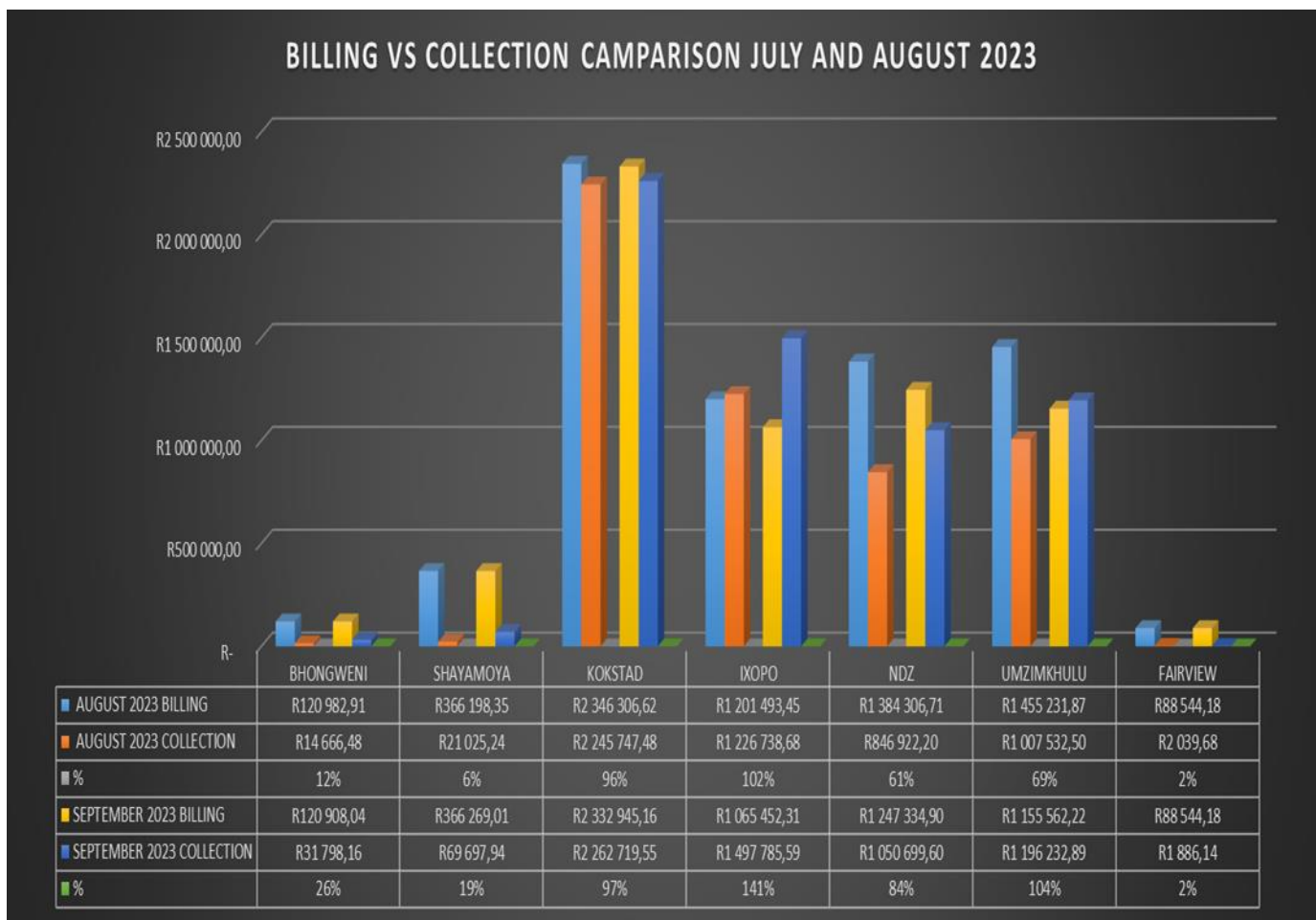
### BILLING VS COLLECTION

Billing vs Collection trend for September 2023.

The chart that follows below shows the comparison between billing and collection trend for the period ending 31 September 2023



**BILLING VS COLLECTION (COMPARISON BETWEEN AUGUST AND SEPTEMBER 2023)**



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

The municipality's total outstanding debtors amounted to R 246,445,712 as at 30 September 2023 compared with the R 245,129,580 as at 31 August 2023. Current debt represents 3% of the total outstanding debt compared with the 4% of August 2023; 30 days and older debt 2% compared with the 2% for August 2023; 60 days and older debt 2% compared with the 6% of August 2023; and 90 days 6% compared with the 2% of August 2023; 120 days to History and older 87% compared with the 87% for August 2023.

Current debt increased with R 1,316,131 to R 246,445,712 in the month ending 30 September compared with the R 245,129,580 as at 31 August 2023; 30 days + debt increased with R 309,323; 60 days + decreased with R 11,042,135; 90 days + debt increased with R 10,683,624 and 120 + days and older debt as at 30 September 2023 has increased with R 2,792,078 to R 207,516,433 compared with the R 210,308,511 as at 30 August 2023.

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

Business debtors owes the municipality R 16,019,475 (7%); Municipal debtors R 1,330,016 (0%); domestic debtors R 183,931,090 (75%); Government accounts R 27,025,262 (11%); Indigent debtors R 12,946,272 (5%); Deceased R 361,188 and other debtors R 4,832,408 (2%) of the total outstanding debt of R 246,445,712.

## 2.2 Creditors Analysis

Table SC presents the aged creditors as at 30 September 2023

DC43 Harry Gwala - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September									
Description	Budget Year 2023/24								
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
<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	488	3	731	-	-	-	-	-	1 222
Auditor General									-
Other									-
<b>Total By Customer Type</b>	<b>488</b>	<b>3</b>	<b>731</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 222</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 30 September 2023.

### Cash and Bank Balances (Investments)

**CASH AND INVESTMENT REGISTER AS AT 30 SEPTEMBER 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	106 588	663	(21 504)	-	85 746
FIRST NATIONAL BANK	CALL ACCOUNT	59 448	336	(36 140)	71 000	94 643
FIRST NATIONAL BANK	ADMIN CALL	45 325	272	(22 309)	-	23 289
INVESTEC	FIXED DEPOSIT	36 952	246	-	-	37 198
FIRST NATIONAL BANK	FIXED DEPOSIT	26 541	144	(14 650)	-	12 036
FIRST NATIONAL BANK	CALL ACCOUNT	13	0	-	-	13
FIRST NATIONAL BANK	CALL ACCOUNT	13	0	-	-	13
FIRST NATIONAL BANK	CALL ACCOUNT	20	0	-	-	20
FIRST NATIONAL BANK	FIXED DEPOSIT	53	0	-	-	53
NEDBANK	FIXED DEPOSIT	94	1	-	-	95
ABSA BANK	FIXED DEPOSIT	33 405	625	-	-	34 029
FIRST NATIONAL BANK	CURRENT ACCOUNT	17 783	-	-	-	17 783
<b>Municipality sub-total</b>		<b>326 235</b>	<b>2 287</b>	<b>(94 603)</b>	<b>71 000</b>	<b>304 919</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>		<b>326 235</b>		<b>(94 603)</b>	<b>71 000</b>	<b>304 919</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 - M03 September

Description	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>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	<b>452 460</b>	<b>493 840</b>	<b>493 840</b>	<b>2 233</b>	<b>196 645</b>	<b>123 460</b>	<b>73 185</b>	<b>59,3%</b>	<b>493 840</b>
Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	-	-	-
Equitable Share	432 161	463 631	463 631	-	193 180	115 908	77 272	66,7%	463 631
Expanded Public Works Programme Integrated Grant	5 221	6 168	6 168	603	1 784	1 542	242	15,7%	6 168
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant	1 200	1 200	1 200	50	100	300	(200)	-66,7%	1 200
Municipal Disaster Relief Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	9 479	20 450	20 450	980	980	5 112	(4 133)	-80,8%	20 450
Rural Road Asset Management Systems Grant	2 381	2 391	2 391	600	600	598	2	0,4%	2 391
Water Services Infrastructure Grant	2 018	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Capacity Building and Other Grants	-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-	-
<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>
Chemical Industry Seta	-	-	-	-	-	-	-	-	-
Parent Municipality	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	<b>452 460</b>	<b>493 840</b>	<b>493 840</b>	<b>2 233</b>	<b>196 645</b>	<b>123 460</b>	<b>73 185</b>	<b>59,3%</b>	<b>493 840</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	<b>283 338</b>	<b>321 352</b>	<b>321 352</b>	<b>39 573</b>	<b>79 878</b>	<b>80 338</b>	<b>(460)</b>	<b>-0,6%</b>	<b>321 352</b>
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	200 355	221 352	221 352	34 412	51 441	55 338	(3 897)	-7,0%	221 352
Neighbourhood Development Partnership Grant	-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant	-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant	-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant	82 982	100 000	100 000	5 161	28 437	25 000	3 437	13,7%	100 000
<b>Provincial Government:</b>	<b>3 888</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Infrastructure Grant	3 888	-	-	-	-	-	-	-	-
<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>287 226</b>	<b>321 352</b>	<b>321 352</b>	<b>39 573</b>	<b>79 878</b>	<b>80 338</b>	<b>(460)</b>	<b>-0,6%</b>	<b>321 352</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>739 685</b>	<b>815 192</b>	<b>815 192</b>	<b>41 806</b>	<b>276 522</b>	<b>203 798</b>	<b>72 724</b>	<b>35,7%</b>	<b>815 192</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 - M03 September

Description	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>	559 984	581 732	581 732	39 407	109 070	145 434	(36 364)	-25,0%	581 732
Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	-	-	-
Equitable Share	535 976	550 194	550 194	37 616	104 713	137 549	(32 837)	-23,9%	550 194
Expanded Public Works Programme Integrated Grant	9 729	7 490	7 490	630	1 850	1 873	(23)	-1,2%	7 490
Local Government Financial Management Grant	847	1 207	1 207	52	92	302	(210)	-69,5%	1 207
Municipal Disaster Relief Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	9 606	20 450	20 450	587	1 894	5 112	(3 219)	-63,0%	20 450
Rural Road Asset Management Systems Grant	2 070	2 391	2 391	522	522	598	(76)	-12,7%	2 391
Water Services Infrastructure Grant	1 755	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>	-	-	-	-	-	-	-	-	-
Capacity Building and Other Grants	-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>	-	-	-	-	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>	-	-	-	-	-	-	-	-	-
Chemical Industry Seta	-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>	<b>559 984</b>	<b>581 732</b>	<b>581 732</b>	<b>39 407</b>	<b>109 070</b>	<b>145 434</b>	<b>(36 364)</b>	<b>-25,0%</b>	<b>581 732</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	247 421	277 584	277 584	42 801	77 786	69 396	8 390	12,1%	277 584
Local Government Financial Management Grant	275	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	171 657	190 627	190 627	33 129	47 875	47 657	218	0,5%	190 627
Regional Bulk Infrastructure Grant	-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant	75 489	86 957	86 957	9 671	29 911	21 739	8 172	37,6%	86 957
<b>Provincial Government:</b>	<b>3 888</b>	-	-	-	-	-	-	-	-
Infrastructure Grant	3 888	-	-	-	-	-	-	-	-
<b>District Municipality:</b>	-	-	-	-	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>	-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>	<b>251 309</b>	<b>277 584</b>	<b>277 584</b>	<b>42 801</b>	<b>77 786</b>	<b>69 396</b>	<b>8 390</b>	<b>12,1%</b>	<b>277 584</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>811 293</b>	<b>859 316</b>	<b>859 316</b>	<b>82 207</b>	<b>186 856</b>	<b>214 830</b>	<b>(27 974)</b>	<b>-13,0%</b>	<b>859 316</b>

## 2.5 Councillor and Staff Benefits



Table SC8 presents the expenditure of councillor and staff benefits at 30 September 2023.

DC43 Harry Gwala - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

Summary of Employee and Councillor remuneration	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	3 902	4 394	4 394	311	932	1 099	(167)	-15%	4 394
Pension and UIF Contributions	469	545	545	36	108	136	(28)	-20%	545
Medical Aid Contributions	153	186	186	11	32	46	(15)	-32%	186
Cellphone Allowance	491	534	534	41	122	134	(11)	-8%	534
Other benefits and allowances	1 973	2 460	2 460	132	403	615	(212)	-34%	2 460
<b>Sub Total - Councillors</b>	<b>6 988</b>	<b>8 119</b>	<b>8 119</b>	<b>530</b>	<b>1 597</b>	<b>2 030</b>	<b>(433)</b>	<b>-21%</b>	<b>8 119</b>
% increase		16,2%	16,2%						16,2%
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	4 029	2 186	2 186	303	1 038	546	492	90%	2 186
Pension and UIF Contributions	15	6	6	-	-	2	(2)	-100%	6
Medical Aid Contributions	66	35	35	4	12	9	3	37%	35
Performance Bonus	81	117	117	55	55	29	25	87%	117
Motor Vehicle Allowance	813	501	501	68	193	125	68	54%	501
Cellphone Allowance	105	58	58	8	24	15	10	68%	58
Housing Allowances	212	110	110	23	63	28	36	129%	110
Other benefits and allowances	246	176	176	16	54	44	10	22%	176
Payments in lieu of leave	332	576	576	-	-	144	(144)	-100%	576
Acting and post related allowance	53	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>	<b>5 950</b>	<b>3 765</b>	<b>3 765</b>	<b>477</b>	<b>1 440</b>	<b>941</b>	<b>498</b>	<b>53%</b>	<b>3 765</b>
% increase		-36,7%	-36,7%						-36,7%
<b>Other Municipal Staff</b>									
Basic Salaries and Wages	142 683	147 894	147 894	12 360	36 148	36 974	(825)	-2%	147 894
Pension and UIF Contributions	21 654	22 732	22 732	1 896	5 636	5 683	(47)	-1%	22 732
Medical Aid Contributions	10 412	10 766	10 766	881	2 662	2 692	(30)	-1%	10 766
Overtime	19 197	20 962	20 962	1 690	4 871	5 241	(370)	-7%	20 962
Performance Bonus	10 281	10 291	10 291	941	2 984	2 573	411	16%	10 291
Motor Vehicle Allowance	20 410	22 548	22 548	1 633	4 917	5 637	(720)	-13%	22 548
Cellphone Allowance	1 132	1 242	1 242	92	272	310	(39)	-12%	1 242
Housing Allowances	636	740	740	54	164	185	(21)	-11%	740
Other benefits and allowances	6 003	7 279	7 279	473	1 375	1 820	(445)	-24%	7 279
Payments in lieu of leave	1 267	620	620	17	194	155	40	25%	620
Long service awards	1 547	1 205	1 205	17	389	301	88	29%	1 205
Post-retirement benefit obligations	4 244	-	-	-	-	-	-	-	-
Acting and post related allowance	163	221	221	43	96	55	41	74%	221
<b>Sub Total - Other Municipal Staff</b>	<b>239 628</b>	<b>246 501</b>	<b>246 501</b>	<b>20 097</b>	<b>59 709</b>	<b>61 626</b>	<b>(1 917)</b>	<b>-3%</b>	<b>246 501</b>
% increase		2,9%	2,9%						2,9%
<b>Total Parent Municipality</b>	<b>252 566</b>	<b>258 385</b>	<b>258 385</b>	<b>21 104</b>	<b>62 745</b>	<b>64 597</b>	<b>(1 851)</b>	<b>-3%</b>	<b>258 385</b>
		2,3%	2,3%						2,3%
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>									
<b>Board Members of Entities</b>									
Basic Salaries and Wages	-	150	150	-	-	38	(38)	-100%	150
<b>Sub Total - Executive members Board</b>	<b>-</b>	<b>150</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>(38)</b>	<b>-100%</b>	<b>150</b>
% increase		#DIV/0!	#DIV/0!						#DIV/0!
<b>Sub Total - Senior Managers of Entities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
% increase									
<b>Other Staff of Entities</b>									
Basic Salaries and Wages	-	6 055	6 055	-	-	1 514	(1 514)	-100%	6 055
Pension and UIF Contributions	-	20	20	-	-	5	(5)	-100%	20
Payments in lieu of leave	-	242	242	-	-	61	(61)	-100%	242
Acting and post related allowance	-	50	50	-	-	13			50
<b>Sub Total - Other Staff of Entities</b>	<b>-</b>	<b>6 367</b>	<b>6 367</b>	<b>-</b>	<b>-</b>	<b>1 592</b>	<b>(1 592)</b>	<b>-100%</b>	<b>6 367</b>
% increase		#DIV/0!	#DIV/0!						#DIV/0!
<b>Total Municipal Entities</b>	<b>-</b>	<b>6 517</b>	<b>6 517</b>	<b>-</b>	<b>-</b>	<b>1 629</b>	<b>(1 629)</b>	<b>-100%</b>	<b>6 517</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>252 566</b>	<b>264 902</b>	<b>264 902</b>	<b>21 104</b>	<b>62 745</b>	<b>66 226</b>	<b>(3 481)</b>	<b>-5%</b>	<b>264 902</b>
% increase		4,9%	4,9%						4,9%
<b>TOTAL MANAGERS AND STAFF</b>	<b>245 578</b>	<b>256 633</b>	<b>256 633</b>	<b>20 574</b>	<b>61 149</b>	<b>64 159</b>	<b>(3 010)</b>	<b>-5%</b>	<b>256 633</b>

## 2.6 Material Variances to the SDBIP

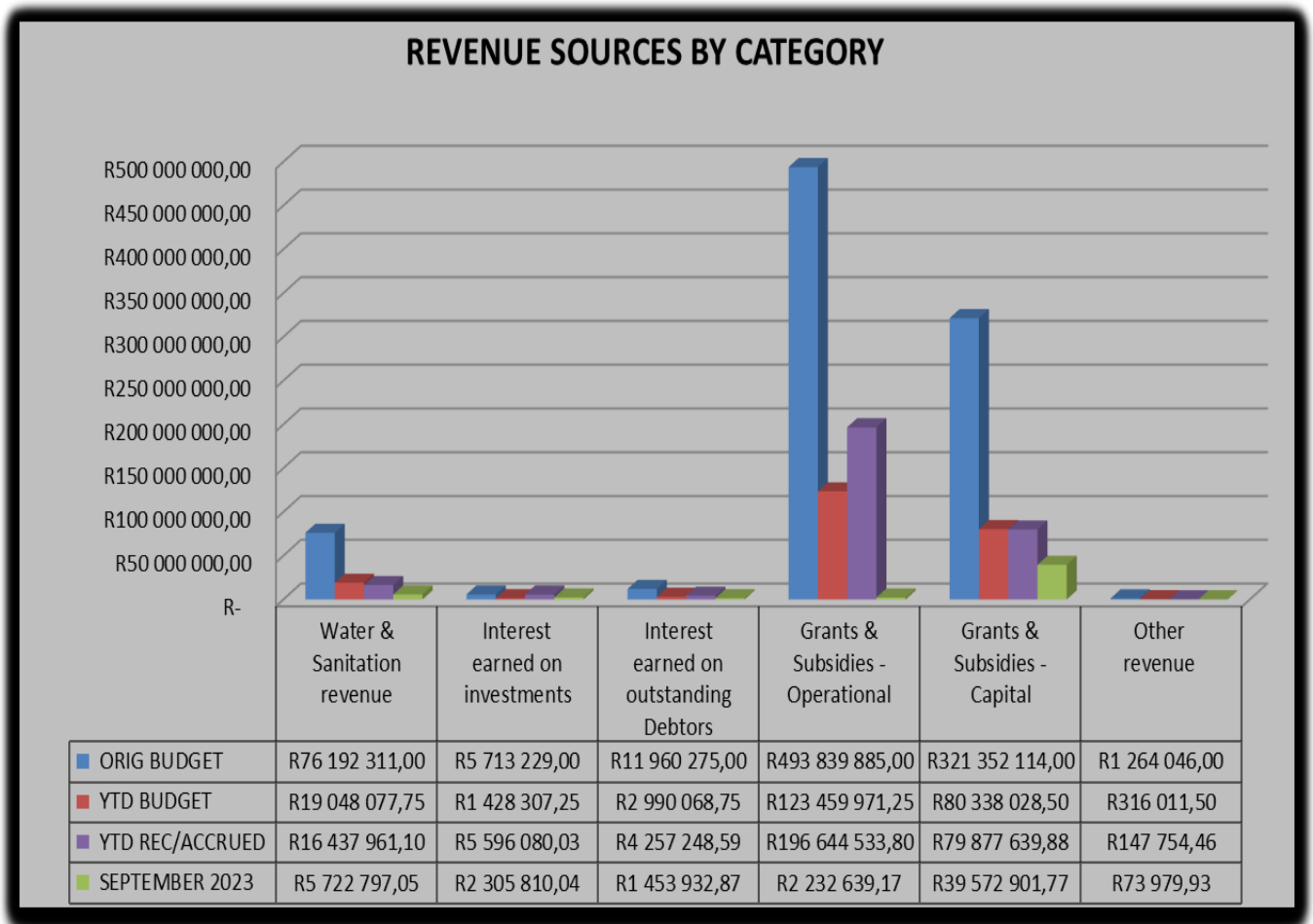
The following section analyses material variances between the actual targets as at 30 September 2023 and the budget for the same period. This report analyses each major component under following headings;

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

### **REVENUE**

The chart displays a comparison between the 2023/2024 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 30 September 2023 was R16, 4million against a year to date **budget** of R19million which is 86 per cent of year to date budget.

### **Interest Earned on External Investments**

The interest earned on external investments year to date actual is R5, 5m against year to budget of R1, 4m representing 392 per cent of the year to date budget.

### **Transfers Recognised - Operational**

The operational grants revenue of R196, 6million against a year to date budget of R123, 4million is largely attributable to the YTD equitable share received.

### **Transfers Recognised – Capital**

The total capital budget for the current year amounts to R306, 1m excluding vat. The YTD actual on capital amounts to R79, 8million, or 99% of the planned expenditure. Capital expenditure is mainly funded by means of National grants.

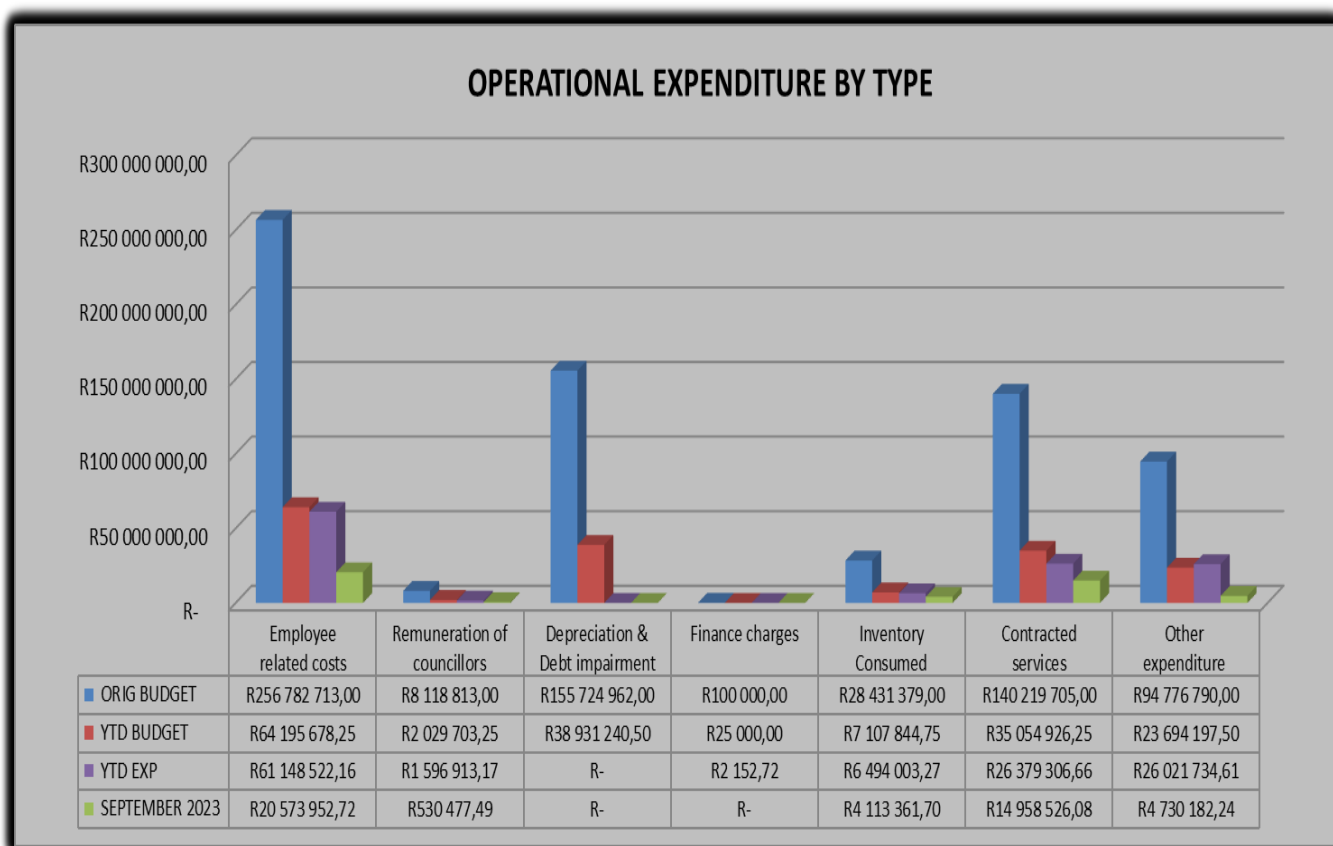
### **Other Revenue**

The YTD performance of other revenue is R 147 754 against YTD budget of R 316 012.

## 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: 2023/24 Financial Year Opex**



### Employee Related Costs

The YTD budget for employee related costs is R64, 1million against a YTD actual of R61, 1million which is 95% of the YTD budget.

## **Remuneration of Councillors**

The remuneration of councillor's year to date expenditure is at R1 ,5m against a YTD budget of R2m representing 79% of the year to date budget.

## **Finance Charges**

The YTD budget for finance charges is R25 000 against a YTD actual of R2 151 which is 9% of the YTD budget.

## **Inventory Consumed**

The inventory consumed has the original budget of R28, 4m. The year to date expenditure for inventory is R6, 4m against a YTD budget of R7, 1million representing 91 per cent expenditure of the year to date budget.

## **Contracted Services**

The original budget for contracted services is R 140, 9million. The year to date expenditure for Contracted Services is R26, 3m against a YTD budget of R35million representing 75 per cent of planned expenditure.

## **Other Expenditure**

The YTD budget for other expenditure was at R23, 6million against a YTD expenditure of R 26million or 110 per cent and expenditure for the month of September 2023 is R 4, 7million. Other expenditure includes R6million that was transferred to Development Agency.

## **Performance assessment**

The Performance Assessment Report will be available on the fourth quarter in terms of Sec 52 (d) of 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 - M03 September**

Description	Budget Year 2023/24												2023/24 Medium Term Revenue & Expenditure Framework		
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
<b>Cash Receipts By Source</b>															
Property rates	1	1	1	-	-	-	-	-	-	-	-	(2)	-	-	-
Service charges - Electricity revenue															
Service charges - Water revenue	4 359	4 321	4 356	4 094	4 094	4 094	4 094	4 094	4 094	4 094	4 094	3 341	49 132	51 420	53 796
Service charges - Waste Water Management	687	854	964	997	997	997	997	997	997	997	997	1 485	11 969	12 520	13 096
Interest earned - external investments	835	2 455	2 306	476	476	476	476	476	476	476	476	(3 692)	5 713	5 948	6 193
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits	2	1	8	1	1	1	1	1	1	1	1	(6)	16	17	18
Transfers and Subsidies - Operational	193 180	4 416	-	41 153	41 153	41 153	41 153	41 153	41 153	41 153	41 153	(32 983)	493 840	519 283	547 916
Other revenue	387 396	84 724	173 964	4 498	4 498	4 498	4 498	4 498	4 498	4 498	4 498	(628 093)	53 971	48 791	49 817
<b>Cash Receipts by Source</b>	<b>585 625</b>	<b>94 316</b>	<b>179 293</b>	<b>50 744</b>	<b>50 744</b>	<b>50 744</b>	<b>50 744</b>	<b>50 744</b>	<b>50 744</b>	<b>50 744</b>	<b>50 744</b>	<b>(656 258)</b>	<b>608 927</b>	<b>632 032</b>	<b>664 642</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	91 000	-	71 000	26 779	26 779	26 779	26 779	26 779	26 779	26 779	26 779	(54 883)	321 352	357 813	357 670
Borrowing long term/refinancing															
Increase (decrease) in consumer deposits	-	-	7	12	12	12	12	12	12	12	12	43	149	149	149
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments															
<b>Total Cash Receipts by Source</b>	<b>676 625</b>	<b>94 316</b>	<b>250 299</b>	<b>77 536</b>	<b>77 536</b>	<b>77 536</b>	<b>77 536</b>	<b>77 536</b>	<b>77 536</b>	<b>77 536</b>	<b>77 536</b>	<b>(711 098)</b>	<b>930 428</b>	<b>989 993</b>	<b>1 022 461</b>
<b>Cash Payments by Type</b>															
Employee related costs	17 856	22 316	20 593	21 399	21 399	21 399	21 399	21 399	21 399	21 399	21 399	24 829	256 783	261 725	274 026
Remuneration of councillors	-	-	911	677	677	677	677	677	677	677	677	1 796	8 119	8 517	8 917
Interest	-	-	-	8	8	8	8	8	8	8	8	33	100	105	110
Acquisitions - water & other inventory	-	-	-	1 914	1 914	1 914	1 914	1 914	1 914	1 914	1 914	7 658	22 973	24 030	25 135
Contracted services	-	-	-	11 533	11 533	11 533	11 533	11 533	11 533	11 533	11 533	46 130	138 391	177 138	189 612
Other expenditure	40 071	66 189	68 630	14 404	14 404	14 404	14 404	14 404	14 404	14 404	14 404	(117 274)	172 851	171 990	176 804
<b>Cash Payments by Type</b>	<b>57 928</b>	<b>88 505</b>	<b>90 133</b>	<b>49 935</b>	<b>49 935</b>	<b>49 935</b>	<b>49 935</b>	<b>49 935</b>	<b>49 935</b>	<b>49 935</b>	<b>49 935</b>	<b>(36 827)</b>	<b>599 217</b>	<b>643 505</b>	<b>674 604</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	6 733	28 802	42 801	25 512	25 512	25 512	25 512	25 512	25 512	25 512	25 512	23 712	306 141	314 554	315 278
Repayment of borrowing	-	-	-	200	200	200	200	200	200	200	200	800	2 400	2 400	2 400
Other Cash Flows/Payments	-	117	612	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	3 271	12 000	12 000	12 000
<b>Total Cash Payments by Type</b>	<b>64 660</b>	<b>117 424</b>	<b>133 545</b>	<b>76 646</b>	<b>76 646</b>	<b>76 646</b>	<b>76 646</b>	<b>76 646</b>	<b>76 646</b>	<b>76 646</b>	<b>76 646</b>	<b>(9 044)</b>	<b>919 758</b>	<b>972 458</b>	<b>1 004 283</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>611 965</b>	<b>(23 108)</b>	<b>116 754</b>	<b>889</b>	<b>889</b>	<b>889</b>	<b>889</b>	<b>889</b>	<b>889</b>	<b>889</b>	<b>889</b>	<b>(702 054)</b>	<b>10 670</b>	<b>17 535</b>	<b>18 178</b>
Cash/cash equivalents at the month/year beginning:	124 641	736 605	713 497	830 251	831 141	832 030	832 919	833 808	834 697	835 587	836 476	837 365	124 641	135 311	152 846
Cash/cash equivalents at the month/year end:	736 605	713 497	830 251	831 141	832 030	832 919	833 808	834 697	835 587	836 476	837 365	135 311	135 311	152 846	171 024



### Capital Expenditure on New Assets by Asset Class

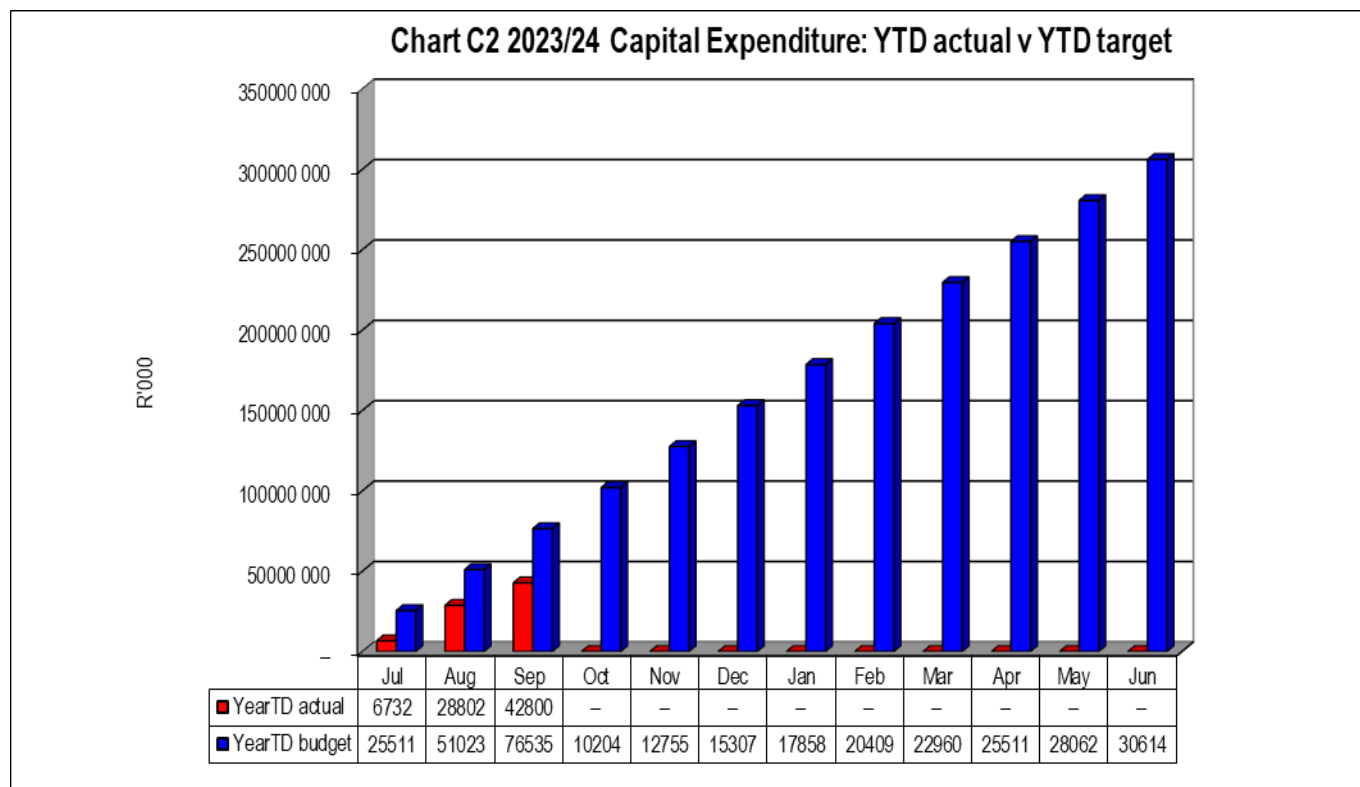
DC43 Harry Gwala - Supporting Table SC13a Consolidated Monthly Budget Statement - capital expenditure on new assets by asset class - M03 September

Description	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>Capital expenditure on new assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	<b>247 862</b>	<b>262 045</b>	<b>262 045</b>	<b>39 139</b>	<b>73 720</b>	<b>65 511</b>	<b>(8 208)</b>	<b>-12,5%</b>	<b>262 045</b>
Water Supply Infrastructure	203 327	191 477	191 477	31 731	60 630	47 869	(12 760)	-26,7%	191 477
Dams and Weirs	18 068	45 242	45 242	666	5 101	11 310	6 209	54,9%	45 242
Boreholes	37 187	33 539	18 439	378	2 899	5 639	2 741	48,6%	18 439
Reservoirs	-	-	-	-	-	-	-	-	-
Pump Stations	3 716	4 935	4 935	1 763	1 763	1 234	(530)	-42,9%	4 935
Water Treatment Works	267	-	-	-	-	-	-	-	-
Bulk Mains	45 795	16 056	31 156	3 303	18 317	6 759	(11 557)	-171,0%	31 156
Distribution	98 295	91 705	91 705	25 620	32 550	22 926	(9 624)	-42,0%	91 705
Distribution Points	-	-	-	-	-	-	-	-	-
PRV Stations	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	44 534	70 568	70 568	7 408	13 090	17 642	4 552	25,8%	70 568
Pump Station	-	6 488	6 488	-	-	1 622	1 622	100,0%	6 488
Reticulation	44 534	41 814	41 814	7 408	13 090	10 454	(2 637)	-25,2%	41 814
Waste Water Treatment Works	-	10 761	10 761	-	-	2 690	2 690	100,0%	10 761
Outfall Sewers	-	-	-	-	-	-	-	-	-
Toilet Facilities	-	11 505	11 505	-	-	2 876	2 876	100,0%	11 505
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	<b>270</b>	<b>804</b>	<b>804</b>	<b>-</b>	<b>-</b>	<b>201</b>	<b>201</b>	<b>100,0%</b>	<b>804</b>
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	270	804	804	-	-	201	201	100,0%	804
Water Rights	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-
Computer Software and Applications	270	804	804	-	-	201	201	100,0%	804
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	<b>410</b>	<b>742</b>	<b>742</b>	<b>-</b>	<b>-</b>	<b>185</b>	<b>185</b>	<b>100,0%</b>	<b>742</b>
Computer Equipment	410	742	742	-	-	185	185	100,0%	742
<b>Furniture and Office Equipment</b>	<b>1 293</b>	<b>2 602</b>	<b>2 602</b>	<b>-</b>	<b>549</b>	<b>651</b>	<b>101</b>	<b>15,6%</b>	<b>2 602</b>
Furniture and Office Equipment	1 293	2 602	2 602	-	549	651	101	15,6%	2 602
<b>Machinery and Equipment</b>	<b>7 430</b>	<b>8 810</b>	<b>8 810</b>	<b>-</b>	<b>-</b>	<b>2 203</b>	<b>2 203</b>	<b>100,0%</b>	<b>8 810</b>
Machinery and Equipment	7 430	8 810	8 810	-	-	2 203	2 203	100,0%	8 810
<b>Transport Assets</b>	<b>-</b>	<b>1 600</b>	<b>1 600</b>	<b>-</b>	<b>-</b>	<b>400</b>	<b>400</b>	<b>100,0%</b>	<b>1 600</b>
Transport Assets	-	1 600	1 600	-	-	400	400	100,0%	1 600
<b>Total Capital Expenditure on new assets</b>	<b>257 265</b>	<b>276 603</b>	<b>276 603</b>	<b>39 139</b>	<b>74 269</b>	<b>69 151</b>	<b>(5 118)</b>	<b>-7,4%</b>	<b>276 603</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 - M03

Description	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>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	14 802	14 802	-	-	3 700	3 700	100,0%	14 802
Water Supply Infrastructure	-	14 802	14 802	-	-	3 700	3 700	100,0%	14 802
<i>Bulk Mains</i>	-	3 890	3 890	-	-	973	973	100,0%	3 890
<i>Distribution</i>	-	10 911	10 911	-	-	2 728	2 728	100,0%	10 911
<b>Machinery and Equipment</b>	-	135	135	-	-	34	34	100,0%	135
Machinery and Equipment	-	135	135	-	-	34	34	100,0%	135
<b>Transport Assets</b>	6 259	5 400	5 400	-	-	1 350	1 350	100,0%	5 400
Transport Assets	6 259	5 400	5 400	-	-	1 350	1 350	100,0%	5 400
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>6 259</b>	<b>20 336</b>	<b>20 336</b>	<b>-</b>	<b>-</b>	<b>5 084</b>	<b>5 084</b>	<b>100,0%</b>	<b>20 336</b>



## 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
- the quarterly report on the implementation of the budget in terms of s52 (d) of the MFMA

For the month of September 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 \_\_\_\_\_