



MATATIELE
LOCAL MUNICIPALITY

2021/2022
MONTHLY
SECTION 71
REPORT

MONTH ENDED
31 JUNE 2022

TABLE OF CONTENTS

	PAGE
Glossary	3-4
Legislative Framework	4
SECTION 1	
Resolutions	5
Executive summary	6-7
In-year budget statement tables	8-17
SECTION 2	
Debtors Analysis	18-19
Creditors Analysis	19
Investment Portfolio	20
Grants Management	21-22
Employee Related Costs & Remuneration of Councillors	23
Municipal Manager's quality certificate	24

GLOSSARY

Annual Budget – Prescribed in section 16 of the MFMA - the formal means by which a Municipality approve official budget for the next three years.

Adjustment Budget – Prescribed in section 28 of the MFMA – the formal means by which a Municipality may revise its annual budget during the year.

Allocations (Transfers – see DORA) – Money received from Provincial or National Government.

Budget Related Policy(ies) – Policies of a Municipality affecting or affected by the budget, examples include Tariff Policy, Rates Policy, Credit Control and Debt Collection Policies.

Capital Expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet and must be included in the asset register.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality. Payments do not always coincide with budgeted expenditure timings - for example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government (see Allocations / Transfers).

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services and to compensate loss of RSC levies.

Fruitless and Wasteful Expenditure – Expenditure that was made in vain and would/should have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognised Accounting Practice. The new 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 dated April 2009.

MFMA – The Municipal Finance Management Act – Act No. 56 of 2003. The principle piece of legislation relating to municipal financial management. mSCOA – Municipal Standard Chart of Accounts.

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

Operating Expenditure – The day-to-day expenses of the Municipality such as salaries and wages.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the Rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budgeted estimates.

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.

Unauthorised Expenditure – Generally, spending without, or in excess of, an Approved Budget.

Virement – A transfer of funds within a vote.

Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget is divided. In Garden Route District, this means the different GFS classification the budget is divided.

LEGISLATIVE FRAMEWORK

This report has been prepared in terms of the following enabling legislation:

The municipal Finance Management Act No. 56 of 2003

Section 71: Monthly budget Statements

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

PART 1-IN-YEAR REPORT

Section 1-Resolutions

These are the resolutions being presented to Council in the monthly report on the implementation of budget and financial state of affairs of the municipality as required in terms of section 71 of the Municipal Finance Management Act 56 of 2003 and the Municipal Budget and Reporting Regulations

Regulation 28 of the Municipal Budget and Reporting Regulations states:

“The monthly budget statement of a municipality must be in the format specified in the Schedule C and include all required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.”

Recommendations:

- That, Council takes note of the monthly budget statement and supporting documentation for the month 30 June 2022.
- That, the submission of section 71 reports and to Provincial and National Treasuries 10 days after the end of each month be noted by Council.

Section 2-Executive summary

2.1 Introduction

The aim of the Financial Monitoring Report (FMR) is to provide a monthly update and report on the municipality's consolidated performance in terms of the budget, indicate any material variances from Service delivery and Budget Implementation Plan (SDBIP) and provide any remedial action or corrective steps to be taken.

2.2 Consolidated Performance (Revenue & Expenditure)

Revenue by source

The total revenue received for the month ended 30th June 2022 amounted to **R 31,423,049** which represents **5%** of the total annual Adjusted budget of **R 604,719,870** (including grants) with an increase of **R31,501,710** against approved budget figure of **R573,218,160**. The majority of the revenue recognised this month of **R 9,988,673** relates to Electricity sales & Service Charges recognised this month. Revenue recognised to date represents **96%** of the total revenue budget.

Operating Expenditure by type

Operating expenditure for the month ended 30th June 2022 amounted to **R 34,206,793** which represents **7%** of total adjusted operational expenditure of **R 467,569,612** with an increase of **R37,223,716** against approved operating expenditure budget figure of **R430,345,896**. This month expenditure the majority relates to bulk purchases, Employee related costs, Licence fees and payment of monthly contracted services. Operating expenditure incurred to date represents **81%** of the total operating expenditure budget.

Capital Expenditure

The approved adjusted Capital budget amounts to **R237,655,515** with an increase of **R44,782,995** against annual capital budget for the financial year which amounted to **R192,872,520**. Capital expenditure incurred for the month ended 30th June 2022 amounted to **R25,106,386** this represents **11%** of the approved adjusted capital expenditure budget. Capital expenditure incurred to date represents **75%** of the total capital expenditure budget.

2.3 Material variances from the SDBIP

Variances and deficiencies are identified in terms of the SDBIP. These are reported on and monitored by the Performance Management Unit, situated in the Office of the Municipal Manager, as applicable.

2.4 Remedial or corrective steps

HODs and unit managers are sent monthly income and expenditure reports to monitor expenditure and revenue performance of each department, ensure spending is within budget and is aligned to the IDP's Strategic Goals.

Section 3

IN-YEAR BUDGET STATEMENT TABLES

3.1 Monthly budget statements

3.1.1 Table C1 Monthly Budget Statement Summary

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	46 575	54 088	54 088	–	48 726	54 088	(5 363)	-10%	54 088
Service charges	68 589	70 532	70 532	10 953	68 146	70 532	(2 387)	-3%	70 532
Investment revenue	8 835	14 650	14 650	836	9 139	14 650	(5 511)	-38%	14 650
Transfers and subsidies	306 535	267 313	269 537	130	267 307	269 537	(2 230)	-1%	269 537
Other own revenue	21 978	21 163	21 163	2 791	24 896	21 163	3 733	18%	21 163
Total Revenue (excluding capital transfers and contributions)	452 512	427 747	429 971	14 719	418 213	429 971	(11 758)	-3%	429 971
Employee costs	117 964	132 261	132 261	11 183	124 491	132 261	(7 770)	-6%	132 261
Remuneration of Councillors	19 979	21 690	21 690	54	19 653	21 690	(2 037)	-9%	21 690
Depreciation & asset impairment	82 540	35 300	70 300	–	22 765	70 300	(47 535)	-68%	70 300
Finance charges	33	–	–	–	1	–	1	#DIV/0!	–
Inventory consumed and bulk purchases	53 954	57 379	69 281	4 596	58 274	69 281	(11 007)	-16%	69 281
Transfers and subsidies	–	–	–	–	–	–	–	–	–
Other expenditure	162 196	183 716	174 038	18 374	153 039	174 038	(20 999)	-12%	174 038
Total Expenditure	436 665	430 346	467 570	34 297	378 223	467 570	(89 347)	-19%	467 570
Surplus/(Deficit)	15 848	(2 599)	(37 599)	(19 496)	39 901	(37 599)	77 500	-296%	(37 599)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	92 926	145 471	174 749	16 713	160 162	174 749	(14 587)	-8%	174 749
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)	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	106 774	142 872	137 150	(2 784)	200 153	137 150	63 002	46%	137 150
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	106 774	142 872	137 150	(2 784)	200 153	137 150	63 002	46%	137 150
Capital expenditure & funds sources									
Capital expenditure	147 469	182 873	237 656	25 106	179 322	237 656	(58 333)	-23%	237 656
Capital transfers recognised	78 907	142 872	172 150	14 427	139 975	172 150	(32 175)	-19%	172 150
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	68 561	50 000	65 505	10 462	39 347	65 505	(26 158)	-40%	65 505
Total sources of capital funds	147 469	182 873	237 656	24 889	179 322	237 656	(58 333)	-23%	237 656
Financial position									
Total current assets	376 081	264 567	235 326	–	432 318	–	–	–	235 326
Total non current assets	1 130 191	1 152 868	1 162 651	–	1 266 748	–	–	–	1 162 651
Total current liabilities	133 338	(62 264)	(64 459)	–	145 961	–	–	–	(64 459)
Total non current liabilities	32 753	(29 578)	(29 578)	–	32 753	–	–	–	(29 578)
Community wealth/Equity	1 340 180	1 506 287	1 492 015	–	1 540 333	–	–	–	1 492 015
Cash flows									
Net cash from (used) operating	500 027	153 450	182 511	(39 312)	273 663	182 511	(91 152)	-50%	182 511
Net cash from (used) investing	(161 457)	(192 872)	(237 656)	(28 185)	(188 241)	(237 656)	(49 414)	21%	(237 656)
Net cash from (used) financing	110	–	–	6	82	345	264	78%	–
Cash/cash equivalents at the month/year end	461 876	130 887	111 605	–	369 826	111 950	(197 976)	-177%	169 278
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	11 817	4 149	3 542	3 101	2 841	2 468	37 619	138 959	204 496
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	–	–

3.1.2 Table C2: Monthly Budget Statement –Financial Performance (Standard Classification)

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		369 360	341 497	341 497	2 741	333 860	341 497	(7 637)	-2%	341 497
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		369 360	341 497	341 497	2 741	333 860	341 497	(7 637)	-2%	341 497
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		9 482	13 841	13 841	793	11 878	13 841	(1 963)	-14%	13 841
Community and social services		4 965	7 602	7 602	120	6 169	7 602	(1 433)	-19%	7 602
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		4 517	6 239	6 239	673	5 709	6 239	(531)	-9%	6 239
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		61 176	52 183	77 183	4 728	65 471	77 183	(11 712)	-15%	77 183
Planning and development		891	202	202	5	167	202	(35)	-17%	202
Road transport		60 486	51 981	76 981	4 723	65 304	76 981	(11 677)	-15%	76 981
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		185 421	165 697	172 199	23 161	167 166	172 199	(5 032)	-3%	172 199
Energy sources		91 020	150 099	154 377	22 191	153 668	154 377	(709)	0%	154 377
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		14 401	15 598	17 822	970	13 498	17 822	(4 323)	-24%	17 822
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	545 438	573 218	604 720	31 423	578 375	604 720	(26 345)	-4%	604 720
Expenditure - Functional										
Governance and administration		214 111	254 309	242 456	20 483	213 973	242 456	(28 483)	-12%	242 456
Executive and council		24 449	28 860	28 660	934	28 426	28 660	(234)	-1%	28 660
Finance and administration		186 374	221 705	209 852	19 144	181 167	209 852	(28 685)	-14%	209 852
Internal audit		3 287	3 744	3 944	404	4 380	3 944	436	11%	3 944
Community and public safety		32 878	42 778	42 333	4 117	34 629	42 333	(7 705)	-18%	42 333
Community and social services		13 826	20 523	19 973	2 485	15 815	19 973	(4 158)	-21%	19 973
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		19 052	22 255	22 360	1 652	18 814	22 360	(3 546)	-16%	22 360
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		62 485	49 016	66 381	2 885	41 977	66 381	(24 403)	-37%	66 381
Planning and development		17 620	21 954	23 254	980	19 907	23 254	(3 347)	-14%	23 254
Road transport		44 865	27 062	43 127	1 905	22 070	43 127	(21 056)	-48%	43 127
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		127 191	84 242	116 400	6 722	87 643	116 400	(28 757)	-25%	116 400
Energy sources		96 944	60 140	93 374	4 619	67 033	93 374	(26 341)	-28%	93 374
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		30 246	24 102	23 026	2 103	20 610	23 026	(2 415)	-10%	23 026
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	436 685	430 346	467 570	34 207	378 223	467 570	(89 347)	-19%	467 570
Surplus/ (Deficit) for the year		108 774	142 872	137 150	(2 784)	200 153	137 150	63 002	46%	137 150

This table reflects the operating budget (Financial Performance) in standard classification, the main functions are Governance and Administration, Community and Public Safety, Economic and Environmental Services and Trading services.

3.1.3 Table C3: Monthly Budget Statement –Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2020/21 Audited Outcome	Budget Year		Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		369 139	341 022	341 022	2 724	333 327	341 022	(7 695)	-2.3%	341 022
Vote 3 - Corporate		221	475	475	18	533	475	58	12.3%	475
Vote 4 - Development and Planning		358	202	202	5	167	202	(35)	-17.4%	202
Vote 5 - Community		23 883	29 439	31 663	1 763	25 376	31 663	(6 287)	-19.9%	31 663
Vote 6 - Infrastructure		151 838	202 080	231 358	26 914	218 972	231 358	(12 386)	-5.4%	231 358
Vote 7 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	545 438	573 218	604 720	31 423	578 375	604 720	(26 345)	-4.4%	604 720
Expenditure by Vote	1									
Vote 1 - Executive and council		24 449	28 860	28 660	934	28 426	28 660	(234)	-0.8%	28 660
Vote 2 - Finance and Admin		122 852	153 257	142 837	13 734	119 029	142 837	(23 808)	-16.7%	142 837
Vote 3 - Corporate		65 462	68 449	67 015	5 420	62 107	67 015	(4 908)	-7.3%	67 015
Vote 4 - Development and Planning		15 680	21 954	23 254	970	19 939	23 254	(3 315)	-14.3%	23 254
Vote 5 - Community		63 125	66 880	66 359	6 220	55 239	66 359	(10 120)	-15.5%	66 359
Vote 6 - Infrastructure		141 810	87 202	136 501	6 525	89 103	136 501	(47 397)	-34.7%	136 501
Vote 7 - Internal Audit		3 287	3 744	3 944	404	4 380	3 944	436	11.1%	3 944
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	436 665	430 346	467 570	34 207	378 223	467 570	(89 347)	-19.1%	467 570
Surplus/ (Deficit) for the year	2	108 774	142 872	137 150	(2 784)	200 153	137 150	63 002	45.9%	137 150

Reporting per municipal vote provides details on the spread of spending over the various function of council. Revenue is mainly budgeted under the Executive and Council function and therefore the majority of the revenue will be reflected under this function.

3.1.4 Table C4: Monthly Budget Statement –Financial Performance (revenue by source and expenditure by type)

Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		46 575	54 088	54 088	–	48 726	54 088	(5 363)	-10%	54 088
Service charges - electricity revenue		57 058	55 007	55 007	9 995	56 530	55 007	1 524	3%	55 007
Service charges - water revenue		–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–
Service charges - refuse revenue		11 531	15 526	15 526	958	11 615	15 526	(3 911)	-25%	15 526
Rental of facilities and equipment		1 397	1 245	1 245	103	1 297	1 245	52	4%	1 245
Interest earned - external investments		8 835	14 650	14 650	836	9 139	14 650	(5 511)	-38%	14 650
Interest earned - outstanding debtors		13 357	11 799	11 799	1 808	16 631	11 799	4 832	41%	11 799
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		762	2 094	2 094	464	2 061	2 094	(33)	-2%	2 094
Licences and permits		3 787	4 525	4 525	210	3 705	4 525	(819)	-18%	4 525
Agency services		–	–	–	–	–	–	–	–	–
Transfers and subsidies		306 535	267 313	269 537	130	267 307	269 537	(2 230)	-1%	269 537
Other revenue		873	1 501	1 501	207	1 202	1 501	(299)	-20%	1 501
Gains		1 801	–	–	–	–	–	–	–	–
		452 512	427 747	429 971	14 710	418 213	429 971	(11 758)	-3%	429 971
Total Revenue (excluding capital transfers and contributions)										
Expenditure By Type										
Employee related costs		117 964	132 261	132 261	11 183	124 491	132 261	(7 770)	-6%	132 261
Remuneration of councillors		19 979	21 690	21 690	54	19 653	21 690	(2 037)	-9%	21 690
Debt impairment		34 121	7 000	7 000	–	–	7 000	(7 000)	-100%	7 000
Depreciation & asset impairment		82 540	35 300	70 300	–	22 765	70 300	(47 535)	-68%	70 300
Finance charges		33	–	–	–	1	–	1	#DIV/0!	–
Bulk purchases - electricity		48 196	50 000	62 000	3 970	52 203	62 000	(9 797)	-16%	62 000
Inventory consumed		5 757	7 379	7 281	625	6 071	7 281	(1 210)	-17%	7 281
Contracted services		93 160	105 630	105 286	14 818	104 427	105 286	(859)	-1%	105 286
Transfers and subsidies		–	–	–	–	–	–	–	–	–
Other expenditure		34 915	71 066	61 752	3 556	48 612	61 752	(13 141)	-21%	61 752
Losses		–	–	–	–	–	–	–	–	–
Total Expenditure		436 665	430 346	467 570	34 207	378 223	467 570	(89 347)	-19%	467 570
Surplus/(Deficit)		15 848	(2 599)	(37 599)	(19 496)	39 991	(37 599)	77 590	(0)	(37 599)
Transfers and subsidies - capital (monetary allocations) (Provincial and District)		92 926	145 471	174 749	16 713	160 162	174 749	(14 587)	(0)	174 749
Transfers and subsidies - capital (monetary allocations) (Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		108 774	142 872	137 150	(2 784)	200 153	137 150			137 150
Taxation		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		108 774	142 872	137 150	(2 784)	200 153	137 150			137 150
Attributable to minorities		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		108 774	142 872	137 150	(2 784)	200 153	137 150			137 150
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year		108 774	142 872	137 150	(2 784)	200 153	137 150			137 150

Revenue by Source

Revenue by source explains the types of income budgeted for and the performance of these individually.

Property Rates

Property rates revenue is the major part of the municipal own revenue and represents 9% of the total adjusted own revenue budget.

The municipality bills both annual and monthly rates at the beginning of the financial year i.e. July. No property rates billed for this Month as the Municipality bills for 10 months each year, income received from property rates for the month of 30th June 2022 amounted to R522,670.

Services Charges

Revenue from service charges includes electricity sales and revenue from waste removal. The total income from services charges amounted to R 10,953,407 for the month ended 30th June 2022.

Rental of Facilities

Revenue from rental of facilities includes site rentals, stadium hire, nature reserve chalets & rental of other facilities. The total income for rental of facilities amounted to R 102,746 for the month ended 30th June 2022

Interest earned on Investments

Reflects the interest in respect funds not immediately needed in the operations of the municipality, these short-term investments made with financial institutions include conditional grants. Interest on investments for the month ended 30th June 2022 amounted to R 836,361.

Interest on Outstanding Debtors

Interest on overdue accounts for the month ended 30th June 2022 amounted to R 1,807,741 the majority of the debtors are the government departments.

Fines, penalties and Forfeits

Revenue from fines, penalties and forfeits has an annual budget of R 2,093,700 for the month ended 30th June 2022 an amount revenue of R 463,936 has been recognised for this category and was received from traffic fines.

Licences and permits

The budget for licences and permits amounts to R4,524,696 for the 2021/22 budget year. For the month ended 30th June 2022 an amount of R 209,626 was recognised and represents 5% of the total revenue budget for this category. Majority of revenue is from Learner Licence Application.

Transfers and Subsidies-Operational

The transfers recognised represents the allocations as promulgated in the National and Provincial Division of Revenue Acts respectively. Total Revenue recognised on operational grants amounted to R 129,741 for the month ended 30th June 2022.

Transfers and Subsidies-Capital

The transfers recognised represents the allocations as promulgated in the National and Provincial Division of Revenue Acts respectively. Total Revenue recognised on capital grants amounted to R16,712,741 for the month ended 30th June 2022.

Other Revenue

Other revenue consists mostly burial fees, building plan, clearance certificates, rezoning and other revenue. Other revenue amounted to R 206,750 for the month ended 30th June 2022.

Operating Expenditure by type

Employee related costs/ Remuneration of Councillors

Remuneration related expenditure for the month ended 30th June 2022 amounted R11,237,095 of the expenditure R 54,163 relates to Remuneration of Councillors and R11,182,932 to Managers and staff that represents 7% of the budgeted amount for this category. The year to date expenditure represents 94% of the budget amount.

Debt Impairment /Depreciation and Asset impairment

There was no expenditure on Debt/Depreciation and Asset Impairment for the month ended 30th June 2022. The overall expenditure to date represents 32% against Annual budget of R70,300,000 of the budget allocated on this category.

Bulk Purchases

Bulk Purchases related expenditure for the month ended 30th June 2022 amounted R 3,970,457 this represents 6% against of the budget of this category.

Other Materials

Other material consists of inventory purchases for material and supplies and amounted to R 625,195 for the month ended 30th June 2022.

Contracted Services

Expenditure under this category consists of repairs and maintenance of municipal fleet, repairs and maintenance of buildings and facilities, debt collection contract, waste removal, grass cutting, accounting and auditing contracts and all municipal and financial systems utilised by the municipality. The contracted services for the month ended 30th June 2022 amounted to R 14,817,565.

Other Expenditure

Other expenditure reflects all other expenses not specifically mentioned and consists of the following:

- Skills development levy
- Remuneration of ward committee
- Telephone expenses
- Fuel and Oil
- Travel and subsistence expenses.

Other expenditure amounted to R 3,556,479 for the month ended 30th June 2022.

3.1.5 Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding)

Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate		-	-	-	-	-	-	-	-	-
Vote 4 - Development and Planning		-	-	-	-	-	-	-	-	-
Vote 5 - Community		-	-	-	-	-	-	-	-	-
Vote 6 - Infrastructure		-	-	-	-	-	-	-	-	-
Vote 7 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Executive and council		-	90	90	-	74	90	(16)	-18%	90
Vote 2 - Finance and Admin		4 061	796	2 136	(57)	562	2 106	(1 524)	-74%	2 106
Vote 3 - Corporate		2 516	8 710	8 710	192	4 547	8 710	(2 163)	-32%	6 710
Vote 4 - Development and Planning		488	218	218	-	183	218	(35)	-29%	218
Vote 5 - Community		964	4 962	5 067	782	2 489	5 067	(2 578)	-51%	5 067
Vote 6 - Infrastructure		139 420	188 138	223 416	24 210	171 488	223 416	(51 927)	-23%	223 416
Vote 7 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	147 466	192 873	237 656	25 106	179 322	237 656	(58 334)	-25%	237 656
Total Capital Expenditure		147 466	192 873	237 656	25 106	179 322	237 656	(58 334)	-25%	237 656
Capital Expenditure - Functional Classification										
Governance and administration		6 576	7 526	8 936	134	5 182	8 936	(3 773)	-42%	8 936
Executive and council		-	90	90	-	74	90	(16)	-18%	90
Finance and administration		6 576	7 436	8 886	134	5 109	8 886	(3 757)	-42%	8 886
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		839	1 762	1 867	199	1 379	1 867	(487)	-27%	1 867
Community and social services		675	410	410	85	186	410	(244)	-69%	410
Sports and recreation		-	-	-	-	-	-	-	-	-
Public safety		155	1 352	1 457	45	1 204	1 457	(253)	-17%	1 457
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		82 344	82 286	117 175	11 428	82 988	117 175	(34 215)	-29%	117 175
Planning and development		488	218	218	-	183	218	(35)	-29%	218
Road transport		91 856	81 967	116 957	11 420	82 798	116 957	(34 166)	-29%	116 967
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		47 718	101 389	108 638	13 442	89 389	108 638	(19 049)	-18%	108 638
Energy services		47 564	98 180	106 458	12 790	86 691	106 458	(17 767)	-17%	106 458
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		154	3 200	3 200	652	1 119	3 200	(2 081)	-66%	3 200
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	147 466	192 873	237 656	25 106	179 322	237 656	(58 334)	-25%	237 656
Funded by:										
National Government		78 786	142 872	172 150	14 427	139 975	172 150	(32 175)	-19%	172 150
Provincial Government		121	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations)		-	-	-	-	-	-	-	-	-
(National / Provincial Departmental Agencies, Households)		-	-	-	-	-	-	-	-	-
Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		78 987	142 872	172 150	14 427	139 975	172 150	(32 175)	-19%	172 150
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds	6	68 581	50 000	65 505	10 482	38 983	65 505	(26 522)	-40%	65 505
Total Capital Funding		147 466	192 873	237 656	24 889	178 938	237 656	(58 697)	-25%	237 656

The annual Adjusted Capital is **R237,655,515** with an increase of **R44,782,995** against approved annual capital budget for the financial year which amounted to **R 192,872,520**

Capital expenditure incurred for the month ended 30th June 2022 amounted to

R 25,106,386. This represents **11%** of the approved capital expenditure budget. Capital expenditure incurred to date represents **75%** of the total capital expenditure budget.

3.1.6 C6 Monthly Budget Statement –Financial Position

Description	Ref	2020/21	Budget Year 2021/22			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		11 295	669	7 244	8 715	7 244
Call investment deposits		213 127	140 275	104 361	228 017	104 361
Consumer debtors		66 327	33 127	33 127	101 765	33 127
Other debtors		83 194	88 896	88 896	91 931	88 896
Current portion of long-term receivables		-	-	-	-	-
Inventory		2 137	1 600	1 698	1 890	1 698
Total current assets		376 081	264 567	235 326	432 318	235 326
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		-	-	-	-	-
Investment property		4 960	2 327	2 327	4 960	2 327
Investments in Associate		-	-	-	-	-
Property, plant and equipment		1 124 828	1 148 451	1 158 330	1 280 712	1 158 330
Biological		-	-	-	-	-
Intangible		403	590	494	206	494
Other non-current assets		-	1 500	1 500	870	1 500
Total non current assets		1 130 191	1 152 868	1 162 651	1 286 748	1 162 651
TOTAL ASSETS		1 506 272	1 417 435	1 397 978	1 719 067	1 397 978
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		-	-	-	-	-
Consumer deposits		1 497	(345)	(345)	1 578	(345)
Trade and other payables		116 524	(49 940)	(52 115)	129 085	(52 115)
Provisions		15 318	(11 998)	(11 998)	15 318	(11 998)
Total current liabilities		133 338	(62 284)	(64 459)	145 981	(64 459)
Non current liabilities						
Borrowing		-	-	-	-	-
Provisions		32 753	(29 578)	(29 578)	32 753	(29 578)
Total non current liabilities		32 753	(29 578)	(29 578)	32 753	(29 578)
TOTAL LIABILITIES		166 092	(91 861)	(94 037)	178 734	(94 037)
NET ASSETS	2	1 340 180	1 509 297	1 492 015	1 540 333	1 492 015
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		887 720	1 739 743	1 722 461	1 087 873	1 722 461
Reserves		452 460	(230 446)	(230 446)	452 460	(230 446)
TOTAL COMMUNITY WEALTH/EQUITY	2	1 340 180	1 509 297	1 492 015	1 540 333	1 492 015

The table reflects the financial position of the month ending 30th June 2022

3.1.7 C7 Monthly Budget Statement –Cash Flow

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		17 483	45 975	45 975	555	36 620	45 975	(9 355)	-20%	45 975
Service charges		54 759	60 729	60 729	6 247	62 021	60 729	1 292	2%	60 729
Other revenue		33 631	9 365	9 365	2 029	15 705	9 365	6 340	68%	9 365
Transfers and Subsidies - Operational		309 461	267 313	267 313	18	266 202	267 313	(1 111)	0%	267 313
Transfers and Subsidies - Capital		92 926	145 471	174 749	-	174 749	174 749	0	0%	174 749
Interest		8 578	-	14 650	836	4 385	14 650	(10 265)	-70%	14 650
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(16 811)	(375 402)	(390 269)	(48 996)	(286 018)	(390 269)	(104 252)	27%	(390 269)
Finance charges		-	-	-	-	-	-	-	-	-
Transfers and Grants		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		500 027	153 450	182 511	(39 312)	273 663	182 511	(91 152)	-50%	182 511
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		(161 457)	(192 872)	(237 656)	(28 185)	(188 241)	(237 656)	(49 414)	21%	(237 656)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(161 457)	(192 872)	(237 656)	(28 185)	(188 241)	(237 656)	(49 414)	21%	(237 656)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		110	-	-	6	82	345	(264)	-76%	-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		110	-	-	6	82	345	264	76%	-
NET INCREASE/ (DECREASE) IN CASH HELD		338 680	(39 422)	(55 144)	(67 491)	85 504	(54 799)			(55 144)
Cash/cash equivalents at beginning:		153 196	178 309	166 749		224 422	166 749			224 422
Cash/cash equivalents at month/year end:		491 876	138 887	111 605		309 926	111 950			169 278

PART 2 –SUPPORTING DOCUMENTATION
SECTION 4 _DEBTORS' ANALYSIS
Supporting Table SC3

Description	NT Code	Budget Year 2021/22										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts I.L.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	4 867	1 298	498	779	444	271	2 566	6 483	17 206	10 543	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	110	700	625	572	557	536	26 816	49 508	79 425	77 989	(11)	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	1 478	485	423	400	385	374	1 780	19 954	25 280	22 893	(4)	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	7	7	7	-	-
Interest on Arrear Debtor Accounts	1810	2 760	1 378	1 358	1 348	1 317	1 286	6 072	34 203	49 723	44 227	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	2 802	288	637	2	137	1	365	26 804	32 855	29 526	-	-
Total By Income Source	2000	11 817	4 148	3 542	3 101	2 841	2 468	27 619	138 959	204 496	184 988	(15)	-
2021/22 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	4 086	2 133	1 527	1 828	1 505	1 264	31 411	53 104	96 858	89 112	-	-
Commercial	2300	6 593	1 129	1 148	422	460	368	1 948	36 705	47 791	38 923	(15)	-
Households	2400	1 137	888	869	850	867	836	4 260	50 150	69 847	56 952	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	11 817	4 148	3 542	3 101	2 841	2 468	37 619	138 959	204 496	184 988	(15)	-

The total debt book for 30th June 2022 inclusive of R 4,380,529 advanced payments resulting to a total of R 204,495,629

The total debt book for June 2022 of R200 115 100.23 (including current of R 7 306 022.86 which is not yet due) has decreased by R5298876.57 from the previous month closing balance of R 198 107 953.94. Debt is made up of the following:

Residential debt:

R 71 685 887.03

Commercial debt

R 33 044 609.29

Government debt

R 92 614 263.13

Other

R 2 770 340.78

The municipality implements the credit control and debt collection policy.

There are two areas in which the municipality is not able to collect and the debt totals to

Maluti

R 52 622 959.36(including current)

Cedarville

R 4 666 114.81(including current)

(both areas are handed over for collection)

The municipality makes use of debt collectors in implementing the credit and debt collection policy. A new service provider has been appointed to start looking at debt that is older than 90 days.

The following has been handed over:

Residential H/O R 59 653 830.5

Business H/O R 3 153 899.96

Churches H/O R 121 615.56

Farms H/O R 2 392 868.69

R 137 353.09 was collected for June 2022.

SECTION 5 -CREDITORS' ANALYSIS

Supporting Table SC4

Description	NT Code	Budget Year 2021/22								
		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
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	-	-	-	-	-	-	-	-	-

The is no expenditure on this category for this month ended 30th June 2022.

SECTION 6- INVESTMENT POTFOLIO ANALYSIS

Conditional and Unconditional investment monitoring Information

Jun 22					
Investment Management					
Conditional Investments -Description	Opening Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Municipal Infrastructure Grant	23 128 988.26	101 484.36	(15 898 620.48)	(101 484.36)	7 331 852.14
INEP	13 608 559.04	57 915.78	(13 656 474.82)	(57 915.78)	10 000.00
EPWP	-	-	-	-	-
Municipal Electrification Intervention	280 231.20	938.57	-	(938.57)	281 169.77
Library and Archives	-	-	-	-	-
Finance Management Grant	-	-	-	-	-
Smart Grid	56 130.31	188.10	-	(188.10)	56 318.41
Establishment Plan	197 225.22	510.63	-	(510.63)	197 735.85
Housing Development Fund	2 010 373.39	5 204.94	-	(5 204.94)	2 015 578.33
Dedea	611 780.87	1 583.93	-	(1 593.93)	613 364.80
Total Conditional Investments	39 893 288	167 826	-	29 555 095	-
Unconditional Investments -Description	Opening Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Call Acc STD CRR	85 884 582.18	10 000 000.00	-	(265 653.75)	95 884 582.18
Call Acc STD CRR	11 427 300.53	34 281.90	-	(34 281.90)	11 461 582.43
Call ACC FNB Surplus Cash	6 805 395.80	-	-	(34 054.94)	6 805 395.80
Nedbank 32 Days	6 620 413.54	26 391.09	-	(26 391.09)	6 646 804.63
Nedbank	25 998 525.30	75 866 367.44	(40 000 000.00)	(114 729.48)	61 864 892.74
Nedbank relief fund	791 813.51	2 652.05	-	(2 652.05)	794 465.56
Nedbank COV -19 Solidarity	95 802.57	331.44	-	(331.44)	96 134.01
Nedbank Retention	27 513 220.87	92 150.38	-	(92 150.38)	27 605 371.25
Termination Guarantee	144 640.82	-	-	(484.42)	144 640.82
Account Gaurantee	6 202 000.00	-	-	(20 772.41)	6 202 000.00
Nedbank	20 214 465.75	40 150.69	(20 254 616.44)	(40 150.69)	-
Nedbank	40 274 400.00	67 200.00	(40 341 600.00)	(67 200.00)	-
Total Unconditional	231 972 561	86 129 525	-	100 596 216	-
Total	271 865 849	86 297 351	-	130 151 312	-
				866 689	228 011 889

The municipality invests surplus funds in order to maximise the interest and to have cash readily available when needed and is done in line with the Cash Management and Investments policy. As at 30th June 2022 the conditional investments amounted to R 10,506,019 and unconditional investments amounted to R217,505,869.

Total investments as at 30th June 2022 amounted to R 228,011,889.

SECTION 7 _ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

7.1 Supporting Table SC6

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		-	265 363	265 363	-	265 363	265 363	0	0.0%	265 363
Expanded Public Works Programme Integrated Grant		-	4 887	4 887	-	4 887	4 887	-		4 887
Local Government Financial Management Grant		-	1 650	1 650	-	1 650	1 650	0	0.0%	1 650
Equitable Share		-	258 826	258 826	-	258 826	258 826	-		258 826
Provincial Government:		-	1 950	4 174	-	4 174	4 174	-		4 174
Capacity Building and Other : Library		-	1 950	1 950	-	1 950	1 950	-		1 950
DEDEAT		-	-	2 224	-	2 224	2 224	-		2 224
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total Operating Transfers and Grants	5	-	267 313	269 537	-	269 537	269 537	0	0.0%	269 537
Capital Transfers and Grants										
National Government:		-	145 471	174 749	-	174 749	174 749	(0)	0.0%	174 749
Municipal Infrastructure Grant		-	51 971	76 971	-	76 971	76 971	-		76 971
Integrated National Electrification Programme Grant		-	93 500	97 778	-	97 778	97 778	(0)	0.0%	97 778
Provincial Government:		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-	0.0%	-
Other grant providers:		-	-	-	-	-	-	-	0.0%	-
Total Capital Transfers and Grants	5	-	145 471	174 749	-	174 749	174 749	(0)	0.0%	174 749
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	412 784	444 286	-	444 286	444 286	(0)	0.0%	444 286

The transfers recognised represents the allocations as promulgated in the National and Provincial Division of Revenue Acts respectively.

7.2 Supporting Table SC7

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	265 363	265 363	25 001	250 692	265 363	(14 681)	-5.5%	265 363
Expended Public Works Programme Integrated Grant		-	4 887	4 887	-	4 887	4 887	(0)	0.0%	4 887
Local Government Financial Management Grant		-	1 650	1 650	-	1 650	1 650	0	0.0%	1 650
Equitable Share		-	258 826	258 826	25 001	244 145	258 826	(14 681)	-5.7%	258 826
Provincial Government:		(484)	1 950	4 174	260	2 515	4 174	(1 659)	-39.7%	4 174
Capacity Building and Other : Library		(484)	1 950	1 950	260	291	1 950	(1 659)	-85.1%	1 950
DEDEAT: ALIEN PLANT CLEARING		-	-	2 224	-	2 224	2 224	-	-	2 224
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		(484)	267 313	269 537	26 061	253 197	269 537	(16 339)	-6.1%	269 537
Capital expenditure of Transfers and Grants										
National Government:		-	145 471	174 749	26 835	156 162	174 749	(18 587)	-10.6%	174 749
Municipal Infrastructure Grant		-	51 971	76 971	4 124	58 384	76 971	(18 587)	-24.1%	76 971
Integrated National Electrification Programme Grant		-	93 500	97 778	22 711	97 778	97 778	-	-	97 778
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		-	145 471	174 749	26 835	156 162	174 749	(18 587)	-10.6%	174 749
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		(484)	412 784	444 286	52 895	409 359	444 286	(34 926)	-7.9%	444 286

Expenditure performance on grants amounted to R 52,8 million for the month ended 30th June 2022.

The equitable share is used for the day to day running of the Municipality.

SECTIONS 8 EXPENDITURE ON COUNCILLOR AND EMPLOYEE RELATED COSTS

Summary of Employee and Councillor remuneration	Ref	2020/21	Budget Year 2021/22							
		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
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		12 087	13 681	13 681	(4)	12 039	13 681	(1 643)	-12%	13 681
Pension and UIF Contributions		741	808	808	4	671	808	(138)	-17%	808
Medical Aid Contributions		540	141	141	54	542	141	401	284%	141
Motor Vehicle Allowance		129	136	136	-	58	136	(77)	-57%	136
Cellphone Allowance		2 279	2 391	2 391	-	2 213	2 391	(179)	-7%	2 391
Housing Allowances		4 204	4 532	4 532	(0)	4 131	4 532	(401)	-9%	4 532
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		19 979	21 690	21 690	54	19 653	21 690	(2 037)	-9%	21 690
% Increase	4		8.6%	8.6%						8.6%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		1 084	3 200	3 200	309	2 235	3 200	(965)	-30%	3 200
Pension and UIF Contributions		70	139	139	1	34	139	(105)	-75%	139
Medical Aid Contributions		-	121	121	-	-	121	(121)	-100%	121
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		577	1 813	1 813	105	1 033	1 813	(780)	-43%	1 813
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		577	1 390	1 390	56	677	1 390	(712)	-51%	1 390
Other benefits and allowances		170	499	499	52	383	499	(116)	-23%	499
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		2 479	7 162	7 162	524	4 362	7 162	(2 799)	-39%	7 162
% Increase	4		188.9%	188.9%						188.9%
Other Municipal Staff										
Basic Salaries and Wages		75 738	87 626	87 298	6 837	81 296	87 298	(6 003)	-7%	87 298
Pension and UIF Contributions		12 615	14 324	14 324	1 140	13 062	14 324	(1 262)	-9%	14 324
Medical Aid Contributions		5 569	5 134	5 134	408	4 717	5 134	(418)	-8%	5 134
Overtime		2 147	1 916	2 026	184	1 644	2 026	(381)	-19%	2 026
Performance Bonus		5 961	6 332	6 332	1 219	5 865	6 332	(466)	-7%	6 332
Motor Vehicle Allowance		4 996	4 832	4 832	402	4 918	4 832	85	2%	4 832
Cellphone Allowance		6	6	6	1	146	6	140	2284%	6
Housing Allowances		-	2 531	2 531	64	383	2 531	(2 149)	-85%	2 531
Other benefits and allowances		4 344	2 398	2 616	380	5 055	2 616	2 439	93%	2 616
Payments in lieu of leave		3 821	-	-	-	2 681	-	2 681	#DIV/0!	-
Long service awards		290	-	-	25	363	-	363	#DIV/0!	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		115 485	125 089	125 089	10 659	120 129	125 089	(4 970)	-4%	125 089
% Increase	4		8.3%	8.3%						8.3%
Total Parent Municipality		137 943	153 651	153 651	11 237	144 144	153 651	(9 606)	-6%	153 651

Remuneration related expenditure for the month ended 30th June 2022 amounted to R 11,2 million of the expenditure R 54 thousand relates to Remuneration of Councillors and R 11.1 million to Managers and staff.

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

QUALITY CERTIFICATE

I, **Lizo Matiwane**, the Municipal Manager of Matatiele Local Municipality do hereby certify that-

The monthly budget statements (Section 71 Report) on the implementation of the budget and financial state of affairs of the municipality for the month ended 30th June 2022 has been prepared in accordance with the Municipal Finance Management Act 2003 and Regulations made under that Act.

Print Name: Lizo Matiwane

Municipal Manager of Matatiele Local Municipality

Signature:



Date: 13/07/2022