



MATATIELE
LOCAL MUNICIPALITY

2021/2022
MONTHLY
SECTION 71
REPORT

MONTH ENDED
28 FEBRUARY 2022

TABLE OF CONTENTS

	PAGE
Glossary	3
Legislative Framework	4
SECTION 1	
Resolutions	5
Executive summary	6-7
In-year budget statement tables	8-17
SECTION 2	
Debtors Analysis	18
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 28 February 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 28th February 2022 amounted to **R8,746,700** which represents **2%** of the total annual Adjusted budget of **R575,441,871** (including grants) with an increase of **R2,223,711** against approved budget figure of **R573,218,160**. The majority of the revenue recognised this month of **R 17 098 679** related to refuse removal, property rates & electricity revenue collected for the month. Revenue recognised to date represents **72%** of the total adjusted revenue budget.

Operating Expenditure by type

Operating expenditure for the month ended 28th February 2022 amounted to **R 22,080,545** which represents **5%** of total approved Adjusted operational expenditure of **R432,569,611** which increased by **R 2,223,711** from the original operating expenditure budget figure of **R430,345,896**. This month expenditure the majority relates to bulk purchases, Employee related costs and payment of monthly contracted services. Operating expenditure incurred to date represents **59%** of the total adjusted operating expenditure budget.

Capital Expenditure

The approved annual capital budget for the financial year amounted to **R192,872,520** and was increased by **R15,505,000** resulting to a total of **R 208,377,516** adjusted Capital. Capital expenditure incurred for the month ended 28th February 2022 amounted to **R 4,473,847**. This represents **2%** of the approved adjusted capital expenditure budget. Capital expenditure incurred to date represents **49%** of the total adjusted 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	1 691	45 451	36 059	9 392	26%	54 088
Service charges	68 589	70 532	70 532	4 957	42 395	47 022	(4 627)	-10%	70 532
Investment revenue	8 835	14 650	14 650	710	5 464	9 767	(4 303)	-44%	14 650
Transfers and subsidies	306 535	267 313	269 537	(565)	199 034	178 653	20 380	11%	269 537
Other own revenue	21 978	21 163	21 163	1 954	15 686	14 109	1 577	11%	21 163
Total Revenue (excluding capital transfers and contributions)	452 512	427 747	429 971	8 747	308 029	285 610	22 419	8%	429 971
Employee costs	117 964	132 261	132 261	10 000	83 277	88 174	(4 897)	-6%	132 261
Remuneration of Councilors	19 979	21 690	21 690	1 798	12 467	14 460	(1 993)	-14%	21 690
Depreciation & asset impairment	82 540	35 300	35 300	2	22 765	23 533	(768)	-3%	35 300
Finance charges	1	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	53 959	57 379	68 881	755	46 159	40 553	5 606	14%	68 881
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	161 470	183 716	174 438	9 525	91 801	120 629	(28 829)	-24%	174 438
Total Expenditure	435 912	430 346	432 570	22 081	256 468	287 350	(30 881)	-11%	432 570
Surplus/(Deficit)	16 600	(2 599)	(2 599)	(13 334)	51 560	(1 740)	53 300	-3063%	(2 599)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	92 926	145 471	145 471	-	105 940	96 981	8 959	9%	145 471
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	109 528	142 872	142 872	(13 334)	157 500	95 241	62 259	65%	142 872
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	109 528	142 872	142 872	(13 334)	157 500	95 241	62 259	65%	142 872
Capital expenditure & funds sources									
Capital expenditure	147 469	192 873	208 378	4 410	106 866	131 683	(24 816)	-19%	208 378
Capital transfers recognised	78 907	142 872	142 872	1 875	94 068	95 248	(1 181)	-1%	142 872
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	68 561	50 000	65 505	2 389	12 653	36 434	(23 782)	-65%	65 505
Total sources of capital funds	147 469	192 873	208 378	4 264	106 720	131 683	(24 962)	-19%	208 378
Financial position									
Total current assets	376 086	264 567	251 217	-	435 473	-	-	-	251 217
Total non current assets	1 130 191	1 152 868	1 168 373	-	1 214 293	-	-	-	1 168 373
Total current liabilities	131 863	(62 284)	(48 569)	-	117 852	-	-	-	(48 569)
Total non current liabilities	32 753	(29 578)	(29 578)	-	32 753	-	-	-	(29 578)
Community wealth/Equity	1 320 735	1 509 297	1 497 737	-	1 499 161	-	-	-	1 497 737
Cash flows									
Net cash from (used) operating	500 027	153 450	163 157	1 686	234 458	104 241	(130 217)	-125%	163 157
Net cash from (used) investing	(161 457)	(192 872)	(204 327)	(4 487)	(112 408)	(130 873)	(18 465)	14%	(204 327)
Net cash from (used) financing	110	-	-	17	71	345	274	79%	-
Cash/cash equivalents at the month/year end	491 876	138 887	125 578	-	346 544	140 463	(206 081)	-147%	183 251
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	6 904	4 132	3 329	3 656	3 634	3 193	46 435	125 698	196 979
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										
<i>Governance and administration</i>		369 360	341 497	341 497	3 714	260 166	227 665	32 501	14%	341 497
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		369 360	341 497	341 497	3 714	260 166	227 665	32 501	14%	341 497
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		9 482	13 841	13 841	(137)	3 780	9 227	(5 447)	-59%	13 841
Community and social services		4 965	7 602	7 602	(484)	688	5 068	(4 380)	-86%	7 602
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		4 517	6 239	6 239	347	3 092	4 160	(1 067)	-26%	6 239
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		61 176	52 183	52 183	20	39 183	34 789	4 394	13%	52 183
Planning and development		691	202	202	12	131	135	(4)	-3%	202
Road transport		60 486	51 981	51 981	9	39 053	34 654	4 399	13%	51 981
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		105 421	165 697	167 921	5 150	110 840	110 909	(70)	0%	167 921
Energy sources		91 020	150 099	150 099	4 167	103 012	100 066	2 946	3%	150 099
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		14 401	15 598	17 822	983	7 827	10 843	(3 016)	-28%	17 822
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	545 438	573 218	575 442	8 747	413 968	382 590	31 378	8%	575 442
Expenditure - Functional										
<i>Governance and administration</i>		213 330	254 309	242 209	12 289	143 740	167 127	(23 386)	-14%	242 209
Executive and council		24 449	28 860	28 660	2 192	18 441	19 200	(760)	-4%	28 660
Finance and administration		185 594	221 705	209 605	9 720	122 366	145 391	(23 024)	-16%	209 605
Internal audit		3 287	3 744	3 944	377	2 933	2 536	398	16%	3 944
<i>Community and public safety</i>		32 885	42 778	42 228	2 222	23 737	28 409	(4 672)	-16%	42 228
Community and social services		13 828	20 523	19 973	605	11 053	13 572	(2 520)	-19%	19 973
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		19 057	22 255	22 255	1 617	12 685	14 837	(2 152)	-15%	22 255
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		62 504	49 016	48 906	4 729	27 053	32 656	(5 602)	-17%	48 906
Planning and development		17 626	21 954	23 254	2 807	12 462	14 896	(2 434)	-16%	23 254
Road transport		44 878	27 062	25 652	1 922	14 592	17 760	(3 168)	-18%	25 652
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		127 193	84 242	99 226	2 840	61 937	59 158	2 779	5%	99 226
Energy sources		96 946	60 140	76 200	643	48 941	43 305	5 635	13%	76 200
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		30 246	24 102	23 026	2 197	12 997	15 853	(2 856)	-18%	23 026
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	435 912	430 346	432 570	22 081	256 468	287 350	(30 881)	-11%	432 570
Surplus/ (Deficit) for the year		109 526	142 872	142 872	(13 334)	157 500	95 241	62 259	65%	142 872

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							
			Original Budget	Adjusted Budget	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	3 633	255 733	227 348	28 385	12.5%	341 022
Vote 3 - Corporate		221	475	475	80	4 432	317	4 116	1299.7%	475
Vote 4 - Development and Planning		358	202	202	12	131	135	(4)	-3.0%	202
Vote 5 - Community		23 883	29 439	31 663	846	11 607	20 071	(8 463)	-42.2%	31 663
Vote 6 - Infrastructure		151 838	202 080	202 080	4 176	142 065	134 720	7 345	5.5%	202 080
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	575 442	8 747	413 968	382 590	31 378	8.2%	575 442
Expenditure by Vote	1									
Vote 1 - Executive and council		24 449	28 860	28 660	2 192	18 441	19 200	(760)	-4.0%	28 660
Vote 2 - Finance and Admin		122 910	153 257	142 837	6 057	82 176	100 095	(17 919)	-17.9%	142 837
Vote 3 - Corporate		64 630	68 449	66 769	3 663	40 190	45 296	(5 106)	-11.3%	66 769
Vote 4 - Development and Planning		15 680	21 954	23 254	2 807	12 462	14 896	(2 434)	-16.3%	23 254
Vote 5 - Community		63 132	66 880	65 254	4 419	36 734	44 262	(7 528)	-17.0%	65 254
Vote 6 - Infrastructure		141 824	87 202	101 852	2 565	63 533	61 065	2 468	4.0%	101 852
Vote 7 - Internal Audit		3 287	3 744	3 944	377	2 933	2 536	398	15.7%	3 944
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	435 912	430 346	432 570	22 081	256 468	287 350	(30 881)	-10.7%	432 570
Surplus/ (Deficit) for the year	2	109 526	142 872	142 872	(13 334)	157 500	95 241	62 259	65.4%	142 872

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	1 691	45 451	36 059	9 392	26%	54 088
Service charges - electricity revenue		57 058	55 007	55 007	3 983	34 658	36 671	(2 013)	-5%	55 007
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		11 531	15 526	15 526	973	7 737	10 351	(2 614)	-25%	15 526
Rental of facilities and equipment		1 397	1 245	1 245	105	1 015	830	185	22%	1 245
Interest earned - external investments		8 835	14 650	14 650	710	5 464	9 767	(4 303)	-44%	14 650
Interest earned - outstanding debtors		13 357	11 799	11 799	1 372	10 673	7 866	2 808	36%	11 799
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		762	2 094	2 094	1	569	1 396	(827)	-59%	2 094
Licences and permits		3 787	4 525	4 525	350	2 574	3 016	(443)	-15%	4 525
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		306 535	267 313	269 537	(565)	199 034	178 653	20 380	11%	269 537
Other revenue		873	1 501	1 501	127	856	1 001	(145)	-15%	1 501
Gains		1 801	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		452 512	427 747	429 971	8 747	308 629	285 610	22 419	8%	429 971
Expenditure By Type										
Employee related costs		117 964	132 261	132 261	10 000	83 277	88 174	(4 897)	-6%	132 261
Remuneration of councillors		19 979	21 690	21 690	1 798	12 467	14 460	(1 993)	-14%	21 690
Debt impairment		34 121	7 000	7 000	-	-	4 667	(4 667)	-100%	7 000
Depreciation & asset impairment		82 540	35 300	35 300	2	22 765	23 533	(768)	-3%	35 300
Finance charges		1	-	-	-	-	-	-	-	-
Bulk purchases - electricity		48 196	50 000	62 000	-	42 470	35 733	6 737	19%	62 000
Inventory consumed		5 763	7 379	6 881	755	3 689	4 820	(1 131)	-23%	6 881
Contracted services		93 220	105 630	105 785	7 803	63 841	70 466	(6 625)	-9%	105 785
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Other expenditure		34 128	71 086	61 653	1 722	27 960	45 497	(17 537)	-39%	61 653
Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		435 912	430 346	432 570	22 081	256 468	287 350	(30 881)	-11%	432 570
Surplus/(Deficit)		16 600	(2 599)	(2 599)	(13 334)	51 560	(1 740)	53 300	(0)	(2 599)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		92 926	145 471	145 471	-	105 940	96 981	8 959	0	145 471
Transfers and subsidies - capital (monetary allocations) (Provincial / 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		109 526	142 872	142 872	(13 334)	157 500	95 241			142 872
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		109 526	142 872	142 872	(13 334)	157 500	95 241			142 872
Attributable to minorities		-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		109 526	142 872	142 872	(13 334)	157 500	95 241			142 872
Share of surplus/ (deficit) of associate		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		109 526	142 872	142 872	(13 334)	157 500	95 241			142 872

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 **13%** of the total own revenue budget.

The municipality bills both annual and monthly rates at the beginning of the financial year i.e. July. The total property rates billed amounted to R 1,690,710 income received from property rates for the month of 28th February 2022 amounted to R 1,107,997.

Services Charges

Revenue from service charges includes electricity sales and revenue from waste removal. The total income from services charges amounted to R 4,956,894 for the month ended 28th February 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 104,699 for the month ended 28th February 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 28th February 2022 amounted to R 709,929.

Interest on Outstanding Debtors

Interest on overdue accounts for the month ended 28th February 2022 amounted to R 1,371,893 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 28th February 2022 an amount revenue of R 522 has been recognised for this category and was received from Pound fees.

Licences and permits

The budget for licences and permits amounts to R4,524,696 for the 2021/22 budget year. For the month ended 28th February 2022 an amount of R 350,036 was recognised and represents

8% 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. Revenue recognised on operational grants amounted to R 565,217 for the month ended 28th February 2022.

Transfers and Subsidies-Capital

The transfers recognised represents the allocations as promulgated in the National and Provincial Division of Revenue Acts respectively. No Revenue recognised on capital grants for the month ended 28th February 2022.

Other Revenue

Other revenue consists mostly burial fees, building plan, rezoning and other revenue. Other revenue amounted to R 127,234 for the month ended 28th February 2022.

Operating Expenditure by type

Employee related costs/ Remuneration of Councillors

Remuneration related expenditure for the month ended 28th February 2022 amounted R 11,798,584 of the expenditure R 1,798,459 relates to Remuneration of Councillors and R 10,000,125 to Managers and staff that represents 8% of the budgeted amount for this category.

Debt Impairment /Depreciation and Asset impairment

The Expenditure on Debt/Depreciation and Asset Impairment for the month ended 28th February 2022 amounted to R2,164. The overall expenditure to date represents 65% against Annual budget of R35,300,000 of the budget allocated on this category. This is within the expected performance.

Bulk Purchases

No Bulk Purchases related expenditure for the month ended 28th February 2022. Invoice relating to bulk electricity had not been received before month end closure

Other Materials

Other material consists of inventory purchases for material and supplies and amounted to R 755,054 for the month ended 28th February 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 28th February 2022 amounted to R 7,802,680.

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 1,722,061 for the month ended 28th February 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	14	23%	90
Vote 2 - Finance and Admin		4 061	756	2 156	55	506	794	(278)	-35%	2 156
Vote 3 - Corporate		2 516	6 710	6 710	198	3 943	4 473	(531)	-12%	6 710
Vote 4 - Development and Planning		488	218	218	15	89	145	(56)	-30%	218
Vote 5 - Community		984	4 962	5 067	29	1 445	3 329	(1 884)	-57%	5 067
Vote 6 - Infrastructure		139 420	180 138	194 138	4 114	100 811	122 882	(22 080)	-18%	194 138
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	147 469	192 873	208 378	4 410	106 866	131 683	(24 816)	-19%	208 378
Total Capital Expenditure		147 469	192 873	208 378	4 410	106 866	131 683	(24 816)	-19%	208 378
Capital Expenditure - Functional Classification										
Governance and administration		6 576	7 526	8 956	252	4 522	5 383	(781)	-15%	8 956
Executive and council		-	90	90	-	74	90	14	23%	90
Finance and administration		6 576	7 436	8 866	252	4 448	5 243	(795)	-15%	8 866
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		830	1 782	1 867	-	1 196	1 196	(0)	0%	1 867
Community and social services		675	410	410	-	59	273	(214)	-78%	410
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		155	1 362	1 457	-	1 136	922	214	23%	1 457
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		92 344	82 285	92 175	3 282	40 223	56 797	(16 574)	-20%	92 175
Planning and development		488	248	218	15	89	159	(70)	-44%	218
Road transport		91 856	81 957	91 957	3 267	40 134	56 638	(16 504)	-29%	91 957
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		47 718	103 380	105 380	876	80 936	88 387	(7 460)	-11%	105 380
Energy services		47 564	98 180	102 180	847	80 877	86 253	(5 376)	-8%	102 180
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		154	3 200	3 200	29	249	2 133	(1 884)	-88%	3 200
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	147 469	192 873	208 378	4 410	106 866	131 683	(24 816)	-19%	208 378
Funded by:										
National Government		78 786	142 872	142 872	1 875	94 068	95 248	(1 181)	-1%	142 872
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		78 907	142 872	142 872	1 875	94 068	95 248	(1 181)	-1%	142 872
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		68 561	50 000	65 505	2 389	12 653	36 434	(23 782)	-65%	65 505
Total Capital Funding		147 469	192 873	208 378	4 264	106 729	131 683	(24 962)	-19%	208 378

The approved annual capital budget for the financial year amounts to R 192,872,520 and was increased by R 15 505 000 resulting to a total annual capital adjustment budget of R 208,377,516.

Capital expenditure incurred for the month ended 28th February 2022 amounted to R 4,473,847. This represents 2% of the approved Adjusted capital expenditure budget. Capital expenditure incurred to date represents 51% of the total adjusted capital expenditure budget.

3.1.6 C6 Monthly Budget Statement –Financial Position

LCM71 Matatiele - Table C6 Monthly Budget Statement - Financial Position - 28 Feb 2022

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	11 294	5 611	11 294
Call investment deposits		213 127	140 275	115 801	238 909	115 801
Consumer debtors		66 327	33 127	33 127	93 874	33 127
Other debtors		83 199	88 896	88 896	95 129	88 896
Current portion of long-term receivables		-	-	-	-	-
Inventory		2 137	1 600	2 098	1 950	2 098
Total current assets		376 085	264 567	251 217	435 473	251 217
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	1 163 956	1 208 847	1 163 956
Biological		-	-	-	-	-
Intangible		403	590	590	206	590
Other non-current assets		-	1 500	1 500	280	1 500
Total non current assets		1 130 191	1 152 868	1 168 373	1 214 293	1 168 373
TOTAL ASSETS		1 506 277	1 417 435	1 419 590	1 649 765	1 419 590
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		-	-	-	-	-
Consumer deposits		1 497	(345)	(345)	1 568	(345)
Trade and other payables		115 049	(49 940)	(36 225)	100 966	(36 225)
Provisions		15 318	(11 998)	(11 998)	15 318	(11 998)
Total current liabilities		131 863	(62 284)	(48 569)	117 852	(48 569)
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		164 616	(91 861)	(78 147)	150 605	(78 147)
NET ASSETS	2	1 341 661	1 509 297	1 497 737	1 499 161	1 497 737
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		868 275	1 739 743	1 728 183	1 046 701	1 728 183
Reserves		452 460	(230 446)	(230 446)	452 460	(230 446)
TOTAL COMMUNITY WEALTH/EQUITY	2	1 320 735	1 509 297	1 497 737	1 499 161	1 497 737

The table reflects the financial position of the month ending 28th February 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	1 219	31 271	30 650	621	2%	45 975
Service charges		54 758	60 729	60 729	7 324	40 452	40 486	(34)	0%	60 729
Other revenue		33 631	9 365	9 365	1 385	10 114	6 243	3 871	62%	9 365
Transfers and Subsidies - Operational		309 461	267 313	267 313	1 480	201 430	178 209	23 221	13%	267 313
Transfers and Subsidies - Capital		92 926	145 471	145 471	–	97 146	96 981	165	0%	145 471
Interest		8 578	–	14 650	710	710	2 930	(2 220)	-78%	14 650
Dividends		–	–	–	–	–	–	–	–	–
Payments										
Suppliers and employees		(16 811)	(375 402)	(380 346)	(10 433)	(146 665)	(251 257)	(104 592)	42%	(380 346)
Finance charges		–	–	–	–	–	–	–	–	–
Transfers and Grants		–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		580 627	153 458	163 157	1 686	234 458	104 261	(130 217)	-125%	163 157
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)	(204 327)	(4 487)	(112 406)	(130 873)	(18 465)	14%	(204 327)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(161 457)	(192 872)	(204 327)	(4 487)	(112 406)	(130 873)	(18 465)	14%	(204 327)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		110	–	–	17	71	345	(274)	-79%	–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		110	–	–	17	71	345	274	70%	–
NET INCREASE/ (DECREASE) IN CASH HELD		338 688	(39 422)	(41 171)	(2 784)	122 122	(26 286)			(41 171)
Cash/cash equivalents at beginning:		153 196	178 309	186 749		224 422	166 748			224 422
Cash/cash equivalents at month/year end:		491 876	138 887	125 578		346 544	140 463			183 251

The table reflects the cash flow of the month ending 28th February 2022

PART 2 –SUPPORTING DOCUMENTATION

SECTION 4 __DEBTORS' ANALYSIS

Supporting Table SC3

Description	NT Code	Budget Year 2021/22										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy
		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				
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	2 983	1 130	811	1 143	1 263	584	5 131	4 014	17 059	12 134	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	1 614	871	682	603	595	553	26 100	50 164	81 192	78 015	0	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	932	561	463	425	413	385	1 743	19 230	24 151	22 196	1	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	7	7	7	-	-	-
Interest on Arrear Debtor Accounts	1810	1 372	1 378	1 362	1 346	1 315	1 549	5 037	31 573	44 932	40 820	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	3	192	1	139	48	121	6 424	20 710	29 638	29 443	-	-	-
Total By Income Source	2000	6 904	4 132	3 329	3 656	3 634	3 193	46 435	125 696	196 979	182 615	1	-	-
2021/22 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200	2 114	2 068	1 818	2 157	2 180	1 864	33 055	49 806	95 065	89 064	-	-	-
Commercial	2300	3 901	1 151	651	640	613	493	9 721	27 158	44 327	38 624	1	-	-
Households	2400	889	893	859	859	841	836	3 659	48 732	57 568	54 927	-	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	6 904	4 132	3 329	3 656	3 634	3 193	46 435	125 696	196 979	182 615	1	-	-

The total debt book for 28th February 2022 inclusive of R 3 246 547 advanced payments resulting to a total of R 196,979,270

The total debt book for February 2022 of R 193 732 723.46 (including current of R 6 838 534.55 which is not yet due) has decreased by R 6 971 372.66 from the previous month closing balance of R 193 865 561.57. Debt is made up of the following:

Residential debt:

R 69 085 949.33

Commercial debt

R 30 854 771.60

Government debt

R 90 975 471.60

Other

R 2 816 530.69

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 50 508 549.82 (including current)

Cedarville

R 4 512 563.70 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 R56 994 515.55

Business H/O R 2 960 420.27

Churches H/O R 163 282.62

Farms H/O R 2 350 964.75

R83 214.97 was collected for the month

SECTION 5 -CREDITORS' ANALYSIS

Supporting Table SC4

Description	NT Code	Budget Year 2021/22								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
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	-	-	-	-	-	-	-	-	-

No expenditure on this category for this month, municipality paid its creditors within 30 days for the month ended 28th February 2022.

SECTION 6- INVESTMENT POTFOLIO ANALYSIS

Conditional and Unconditional investment monitoring Information

Feb-22		(45,300.69)			
Investment Management					
Conditional Investments -Description	Opening Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Municipal Infrastructure Grant	13,499,159.26	37,631.22		(37,631.22)	13,536,790.48
INEP	21,556,220.08	60,091.65		(60,091.65)	21,616,311.73
EPWP	-	-	-	-	-
Municipal Electrification Intervention	277,010.58	772.32	-	(772.32)	277,782.90
Library and Archives	-		-	-	-
Finance Management Grant	-	-	-	-	-
Smart Grid	55,485.12	154.66	-	(154.66)	55,639.78
Establishment Plan	195,553.68	360.04		(360.04)	195,913.72
Housing Development Fund	1,993,334.91	3,669.92		(36,692.00)	1,997,004.83
Dedea	606,595.86	1,116.80		(1,116.80)	607,712.66
Total Conditional Investments	38,183,359	103,797	-	- 136,819	38,287,156
Unconditional Investments -Description	Opening Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Call Acc STD CRR	75,184,582.18			(175,911.32)	75,184,582.18
Call Acc STD CRR	11,307,928.07	26,457.45		(26,457.45)	11,334,385.52
Call Acc STD CRR	21,984,840.31	93,594.53		(93,594.53)	22,078,434.84
Call ACC FNB Surplus Cash	6,805,395.80			(12,613.29)	6,805,395.80
Nedbank 32 Days	6,528,266.16	22,357.16		(22,357.16)	6,550,623.32
Nedbank relief fund	782,714.09	2,181.84		(2,181.84)	784,895.93
Nedbank COV -19 Solidalirty	94,422.35	260.70		(260.70)	94,683.05
Nedbank call Surplus	48,043,581.22	20,420,465.83	(24,300,000.00)	(194,876.79)	44,164,047.05
Nedbank Retention	27,197,037.84	75,816.32		(75,816.32)	27,272,854.16
Termination Guarantee	144,640.82			(403.24)	144,640.82
Account Gaurantee	6,202,000.00			(17,289.06)	6,202,000.00
Call Acc STD CRR	20,225,589.04		(20,225,589.04)		-
Total Unconditional	224,500,998	20,641,134	- 44,525,589	- 621,762	200,616,543

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 28th February 2022 the conditional investments amounted to R 38,287,156 and unconditional investments amounted to R200,616,543.

Total investments as at 28th February 2022 amounted to R 238,903,699.

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:		(0)	265 363	265 363	1 466	48 683	176 909	(128 226)	-72.5%	265 363
Expanded Public Works Programme Integrated Grant		0	4 887	4 887	1 466	4 887	3 258	1 629	50.0%	4 887
Local Government Financial Management Grant		-	1 650	1 650	-	1 650	1 100	550	50.0%	1 650
Municipal Infrastructure Grant		(0)	-	-	-	42 146	-	42 146	#DIV/0!	-
Equitable Share		-	258 826	258 826	-	-	172 551	(172 551)	-100.0%	258 826
Provincial Government:		2 224	1 950	1 950	-	-	1 300	(1 300)	-100.0%	1 950
Library & Museum Support		-	1 950	1 950	-	-	1 300	(1 300)	-100.0%	1 950
Specify (Add grant description)		2 224	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	2 224	267 313	267 313	1 466	48 683	178 209	(129 526)	-72.7%	267 313
Capital Transfers and Grants										
National Government:		-	145 471	145 471	-	55 000	96 981	(41 981)	-43.3%	145 471
Municipal Infrastructure Grant		-	51 971	51 971	-	-	34 647	(34 647)	-100.0%	51 971
Integrated National Electrification Programme Grant		-	93 500	93 500	-	55 000	62 333	(7 333)	-11.8%	93 500
Provincial Government:		-	-	-	650	650	-	650	-	-
Library & Museum Support		-	-	-	650	650	-	650	-	-
District Municipality:		-	-	-	-	-	-	-	0.0%	-
Other grant providers:		-	-	-	-	-	-	-	0.0%	-
Total Capital Transfers and Grants	5	-	145 471	145 471	650	55 650	96 981	(41 331)	-42.0%	145 471
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	2 224	412 784	412 784	2 116	104 333	275 189	(170 856)	-62.1%	412 784

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	17 259	156 415	176 909	(20 494)	-11.6%	265 363
Urban Settlement Development Grant		~	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant		~	4 887	4 887	-	4 882	3 258	1 624	49.9%	4 887
Local Government Financial Management Grant		~	1 650	1 650	13	816	1 100	(284)	-25.8%	1 650
Municipal Infrastructure Grant		~	-	-	-	-	-	-	-	-
Equitable Share		~	258 826	258 826	17 246	150 716	172 551	(21 834)	-12.7%	258 826
Provincial Government:		~	1 950	1 950	-	20	1 300	(1 280)	-98.5%	1 950
Library & Museum Support		~	1 950	1 950	-	20	1 300	(1 280)	-98.5%	1 950
District Municipality:		~	-	-	-	-	-	-	-	-
Other grant providers:		~	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		~	267 313	267 313	17 259	156 434	178 209	(21 774)	-12.2%	267 313
Capital expenditure of Transfers and Grants										
National Government:		~	145 471	145 471	180	105 940	96 981	8 959	9.2%	145 471
Municipal Infrastructure Grant		~	51 971	51 971	1 604	38 982	34 647	4 335	12.5%	51 971
Integrated National Electrification Programme Grant		~	93 500	93 500	(1 423)	66 957	62 333	4 624	7.4%	93 500
Provincial Government:		~	-	2 224	-	-	1 482	(1 482)	-100.0%	2 224
DEDEAT ALIEN PLANT CLEARING		~	-	2 224	-	-	1 482	(1 482)	-100.0%	2 224
District Municipality:		~	-	-	-	-	-	-	-	-
Other grant providers:		~	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		~	145 471	147 695	180	105 940	98 463	7 477	7.6%	147 695
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		~	412 784	415 008	17 439	262 374	276 672	(14 298)	-5.2%	415 008

Expenditure performance on grants amounted to R17,439.179 for the month ended 28th February 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)										
Basic Salaries and Wages		12 067	13 681	13 681	1 092	7 699	9 121	(1 422)	-16%	13 681
Pension and UIF Contributions		741	808	808	60	406	539	(133)	-25%	808
Medical Aid Contributions		540	141	141	61	304	94	210	223%	141
Motor Vehicle Allowance		129	136	136	-	58	90	(32)	-36%	136
Cellphone Allowance		2 279	2 391	2 391	200	1 413	1 594	(181)	-11%	2 391
Housing Allowances		4 204	4 532	4 532	386	2 586	3 022	(436)	-14%	4 532
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		19 979	21 690	21 690	1 798	12 467	14 460	(1 993)	-14%	21 690
% increase	4		8.6%	8.6%						8.6%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		1 064	3 200	3 200	182	1 257	2 133	(876)	-41%	3 200
Pension and UIF Contributions		70	139	139	1	32	93	(61)	-66%	139
Medical Aid Contributions		-	121	121	-	-	80	(80)	-100%	121
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		577	1 813	1 813	99	623	1 209	(586)	-48%	1 813
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		577	1 390	1 390	56	452	927	(475)	-51%	1 390
Other benefits and allowances		170	499	499	40	211	333	(121)	-36%	499
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		2 479	7 162	7 162	378	2 575	4 774	(2 199)	-46%	7 162
% increase	4		188.9%	188.9%						188.9%
Other Municipal Staff										
Basic Salaries and Wages		75 738	87 626	87 328	6 391	53 937	58 358	(4 421)	-8%	87 328
Pension and UIF Contributions		12 615	14 324	14 324	1 060	8 582	9 549	(967)	-10%	14 324
Medical Aid Contributions		5 569	5 134	5 134	405	3 082	3 423	(341)	-10%	5 134
Overtime		2 147	1 916	1 996	161	1 274	1 293	(19)	-1%	1 996
Performance Bonus		5 961	6 332	6 332	311	3 876	4 221	(345)	-8%	6 332
Motor Vehicle Allowance		4 996	4 832	4 832	378	3 307	3 222	85	3%	4 832
Cellphone Allowance		6	6	6	1	141	4	137	3368%	6
Housing Allowances		-	2 531	2 531	64	128	1 688	(1 560)	-92%	2 531
Other benefits and allowances		4 344	2 398	2 616	363	3 558	1 642	1 916	117%	2 616
Payments in lieu of leave		3 821	-	-	395	2 540	-	2 540	#DIV/0!	-
Long service awards		290	-	-	92	277	-	277	#DIV/0!	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		115 485	125 099	125 099	9 622	80 702	83 400	(2 698)	-3%	125 099
% increase	4		8.3%	8.3%						8.3%
Total Parent Municipality		137 943	153 951	153 951	11 799	95 744	102 634	(6 890)	-7%	153 951

Remuneration related expenditure for the month ended 28th February 2022 amounted to R 11,7 million of the expenditure R 1,7 million relates to Remuneration of Councillors and R10 million to Managers and staff.

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

QUALITY CERTIFICATE

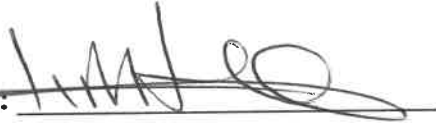
I, **Lizo Matiwane**, the Municipal Manager of Matatiele Local Municipality do hereby certify that-

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 28th February 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:

11/03/2022