



MATATIELE
LOCAL MUNICIPALITY

**2023/2024
MONTHLY
SECTION 71
REPORT**

**MONTH ENDED
31 OCTOBER 2023**

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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 31 October 2023.
- 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.

The below analysis is a high-level assessment based on revenue and expenditure recognised on the Municipal Financial System. It is incumbent on the necessary user business units and user departments to ensure the completeness, Validity and accuracy of the information provided for the purposes of the assessment and bring to the attention of the council any further business units' items which are not fully elaborated below.

2.2 Consolidated Performance (Revenue & Expenditure

Revenue by source

- Actual revenue vs Approved budgeted revenue – The total annual approved budget was **R 610,233,708** this was adjusted to an adjusted budget of **R 612,484,708**. The municipality recognised revenue for the month is amounting to **R 24 064 995.08**. This represents **4%** and it is below expected performance for the month due to less collection on rates property rates billing, Service Charges and YTD is **40%** recognised.

Operating Expenditure by type

- Actual expenditure vs Approved budgeted expenditure- The total incurred expenditure for the month amounted to **R 36,333,645.95** against the approved budget allocation of **R 514,750,752** million incurring approximately **7%** expenditure for the month. This is less than expected performance for the month due to non-cash items that are recognised at the end of financial year, no expenditure on Music festival which is planned for end of second quarter, Indigent management system that is under SCM processes, expenditure on Workmen's compensation that is normally recognised on the fourth quarter, Operating lease, Protective Clothing and indigent relief and cash crop cropping programme expenditure incurred is less than anticipated and YTD expenditure is **26%**.

Capital Expenditure

- The total adjusted capital budget is **R 183,967,552** from the approved budget of **R 181,716,552**. The Municipality incurred expenditure of **R 11,297,630** this represents **6%** of the approved capital expenditure budget, this is below the expected performance

for the month due to procurement processes that are still underway for capital projects and YTD Expenditure is 18%.

The table below is an analysis per business unit –

Summary of Capital Expenditure relate to 2023-2024 financial year.

| Row Labels | Sum of TotalBudget | October Actual | Sum of TotalActual |
|--|--------------------|-------------------|--------------------|
| Community Halls and Facilities:Public Amenities (3005) | 909 996 | - | 40 201 |
| CORE FUNCTION: SOLID WASTE REMOVAL | 4 530 012 | 6 000 | 26 101 |
| Energy Sources: Electricity (4040) | 64 355 868 | 2 214 381 | 12 074 489 |
| Executive and Council: Municipal Manager (1010) | 69 996 | - | - |
| Finance and Administration: Information Technology (2540) | 1 850 004 | - | - |
| Finance and Administration: Administrative and Corporate Support(2530) | 280 008 | 50 000 | 50 000 |
| Finance and Administration: Asset Mangement and Reporting (2015) | 60 000 | - | 45 539 |
| Finance and Administration: Council Support (2541) | 450 000 | 32 689 | 133 192 |
| Finance and Administration: Human Resources (2535) | 30 000 | - | 20 101 |
| Finance and Administration: SCM & Expenditure (2025) | 3 560 004 | 3 483 | 10 973 |
| Finance and Administration: Revenue and Debt Management (2020) | 99 996 | 7 656 | 57 722 |
| Finance:Budget & Treasury (2010) | 60 000 | - | 20 101 |
| Governance Function:INTERNAL AUDIT (1030) | 1 860 000 | - | 45 539 |
| Marketing; Customer Relations; Publicity and Media Co-ordination:comm | 120 000 | - 17 415 | 1 995 |
| Planning and Development: LED (3520) | 69 996 | - | - |
| Planning and Development: Planning (3510) | 20 004 | - | - |
| Planning and Development: Planning Governance (3540) | 39 996 | - | 25 439 |
| Public Safety: Civil Defence (3074) | 3 690 000 | - | 347 391 |
| ROAD TRANSPORT: INFRASTRUCTURE GOVERNANCE (4050) | 39 996 | - | 25 439 |
| Road Transport: Project Operations & Mainnt(4010) | 29 035 980 | 1 023 188 | 2 175 650 |
| Roads:Project Management Unit | 72 835 692 | 7 977 648 | 17 694 505 |
| Grand Total | 183 967 548 | 11 297 630 | 32 794 376 |
| | | 6% | |

Capital Funded Sources

- The MIG capital grant allocation for the financial year is R 55 580 736 million as per Dora Allocation, the spending for the month ending 31 October 2023 is R 7 676 481 which represents 14% for the month and YTD Expenditure is 32% (vat exclusive).
- Integrated National Electrification Programme (INEP) of R 39 900 000 million was allocated. The grant reflects R 1 720 001 spending at the end of 31 October 2023 which represents 4% for the Month and YTD Expenditure is 25%.
- Disaster Response Grant of R 2 251 000 million was allocated. The grant reflects R 1 023 187 spending at the end of 31 October 2023 which represents 45%.

- Capital Replacement Reserves (CRR) for the financial year of R 86 235 816 million is allocated. The spending for the month is R 877 959.03 which represents 1% and YTD expenditure is 5%
- The municipality anticipates to spend 100% of the total capital budget as at the end of the financial year,

Grant Funded Projects (MIG PROJECTS)

| MIG Capital Project | October 2023 status |
|--|---|
| Lekhalong via Magera-Outspan Access Road | The project is at the planning stage |
| Mnceba - Matias Access Road & Bridge | The contractor is appointed |
| Construction of Cedarville Internal Streets Phase 4 | The project is at the planning stage |
| Mahasheng Access Road & Bridge | The project is at the planning stage |
| Maluti Internal Streets Phase 5 | The project is at the planning stage |
| Rehabilitation of Matatiele internal Streets Cluster 1 | Under construction(overall progress is 86.2%) |
| Extension of Matatiele Sports Centre Ph2 | Under construction (overall progress is 48% |
| High Mast Lights | The contractor has ordered all the long lead materials, currently busy with Foundations and the Overall Progress is at 40%. |
| STREET LIGHTS | Intention to appoint has been issued to services Providers and currently observing the objection period which will end by 06 November 2023. |
| Mafube-Nkosana Access Road & Bridge | The Contractor is appointed |
| Harry Gwala Internal Streets | Under construction(overall progress is 40%) |

Grant Funded Projects (Integrated National Electrification Programme Grant) INEP

| INEP Capital Project | October 2023 status |
|--------------------------|--|
| Fubane Electrification | MN Africa consulting engineers and Project Managers have completed the Design projects for Fubane, currently awaiting a construction task order |
| Matolong Electrification | MN Africa consulting engineers and Project Managers have completed the Design projects for Matolong, currently awaiting a construction task order. |
| Bethesda Electrification | NSK electrical and construction Managers currently awaiting a construction task order. |

| | |
|------------------------------|---|
| Jabavu Electrification | Construction is on progress currently busy with Trenching, Pole Planting and Stringing. Overall progress is at 10% |
| Skiti Electrification | NSK electrical and construction Managers were introduced to the community on 15 September 2023 and currently busy with Site establishment and Material procurement. |
| Tholang Electrification | Site establishment is complete and the Construction Progress is at 52% |
| Nkululekweni Electrification | Igoda Projects is currently busy with Designs in the village |

Disaster Response Grant

| Disaster Response Grant | October 2023 status |
|--------------------------------|---|
| Malubalube Access Road | The project is under construction(overall performance is 58 %) |
| khohlong Access Road | The project is under construction(Overall performance is 78%) |

Internal Funded Capital Projects

| INTERNAL PROJECTS | October Status |
|--------------------------------------|--|
| Landfill site A/R | The project is at the tendering stage |
| Cemetery Development WIP | The project is at the tender stage |
| Upgrade of municipal offices WIP | The project is at the tender stage |
| Mavundleni Access Road | The project practical completion |
| Black Diamond Access Road and Bridge | The project is under construction(Overall Progress 75%) |
| Tsepisong Kamorathaba to Kuyasa AR | The project at practical completion |
| Council Chambers Water Supply | The project is under construction and the overall progress is 94%. |
| Lakhalong Access Road | The project is under construction and the overall progress is 90%. |
| Moriting Access Road | The project is at the tendering stage |
| Belford Access Road | The project is at the tendering stage |
| Internal Audit System | The project is at the tender stage |
| FM TOWER LINE WIP | The project is at the tender stage |
| Pholile Access Road | The project is at the tendering stage |
| Springana Access Road | The project is at the tendering stage |
| Mpofini Access Road | The project is at the planning stage |
| Mkrwabo Access Road | The project is at the tender stage |

| | |
|--|---|
| Municipal Plant | The project is at the tender stage |
| Khesa A/R | The project is at the planning stage |
| Mango A/R | The project is at the planning stage |
| Sekhutlong Access Road CRR | The project is at the tender stage |
| Construction of Silo Phase 4 | The project is at tendering Stage |
| Kinira to Sherpard Hope Access Road | The project is at the tender stage |
| Transformers Infra | The project is at the tender stage |
| Substation Switch Gears | The project is at the tender stage |
| Municipa Fleet | The project is at the tender stage |
| Fire Engine Truck | The project is at the tender stage |
| Pamlaville Access Road Ward 7 | The project is at the tender stage |
| Dlodlweni Phase 2 | The project is at the planning stage |
| Masopa A/R | The project is at the planning stage |
| Extension Matatiele Sports Centre | Under construction overall progress is 55 % |
| Rehabilitation of Matatiele Internal Streets-Cluster 1 | Under construction (overall progress is 86.4 %) |

This information reflects on our tender control plan on October 2023.

| SUMMARY: QUOTATIONS | 31-October -23 | TOTAL |
|--------------------------|-------------------|-------|
| DAY TO DAY QUOTATIONS | 5 | 5 |
| FORMAL QUOTATIONS | 5 | 5 |
| TOTAL QUOTATIONS | 10 | 10 |

| BIDDING PROCESS | Total Budget | Bids Awarded vs Capital Budget | Capital Spending Year-To-Date | Committed Amount | Orders Issued |
|--|------------------|--------------------------------------|----------------------------------|---------------------|------------------|
| | | | | | |
| Bids awarded | R 183,967,552 | R 17 480 685.73 | R 32 794 376.42 | R 77 000 000 | 8 |
| Bids in the process | n/a | n/a | n/a | n/a | 13 |
| Bids behind schedule | n/a | n/a | n/a | n/a | n/a |
| Bids cancelled or removed from budget | n/a | n/a | n/a | n/a | n/a |
| Bids to be awarded | n/a | n/a | n/a | n/a | 13 |

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

EC441 Matabele - Table C1 Monthly Budget Statement Summary - M04 - October

| Description | 2022/23 | Budget Year 2023/24 | | | | | | | |
|--|------------------|---------------------|-------------------|--------------------|--------------------|--------------------|---------------------|-----------------|--------------------|
| | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | |
| Financial Performance | | | | | | | | | |
| Property rates | 48 726 | 54 360 | 54 360 | 1 703 | 41 414 | 18 120 | 23 294 | 129% | 54 360 |
| Service charges | 68 146 | 86 942 | 86 942 | 5 839 | 23 515 | 26 981 | (5 466) | -19% | 86 942 |
| Investment revenue | 9 599 | 17 200 | 17 200 | 1 464 | 7 983 | 5 733 | 2 249 | 39% | 17 200 |
| Transfers and subsidies - Operational | 267 351 | 318 510 | 318 510 | 1 915 | 130 368 | 106 170 | 24 198 | 23% | 318 510 |
| Other own revenue | 24 248 | 37 741 | 37 741 | 2 098 | 8 776 | 12 580 | (3 804) | -30% | 37 741 |
| Total Revenue (excluding capital transfers and contributions) | 418 070 | 514 753 | 514 753 | 13 918 | 212 955 | 171 584 | 48 471 | 24% | 514 753 |
| Employee costs | 128 507 | 161 717 | 161 717 | 12 200 | 51 100 | 53 906 | (2 805) | | 161 717 |
| Remuneration of Councillors | 21 444 | 25 320 | 25 320 | 1 926 | 8 565 | 8 440 | 125 | | 25 320 |
| Depreciation and amortisation | 56 094 | 53 300 | 53 300 | - | - | 17 767 | (17 767) | | 53 300 |
| Interest | 35 | - | - | - | - | - | - | | - |
| Inventory consumed and bulk purchases | 64 236 | 78 705 | 78 705 | 7 898 | 27 934 | 26 235 | 1 698 | | 78 705 |
| Transfers and subsidies | - | - | - | - | - | - | - | | - |
| Other expenditure | 245 877 | 195 709 | 195 709 | 14 311 | 48 383 | 65 235 | (16 853) | -26% | 195 709 |
| Total Expenditure | 516 193 | 514 751 | 514 751 | 36 334 | 135 972 | 171 584 | (35 611) | -24% | 514 751 |
| Surplus/(Deficit) | (98 124) | 2 | 2 | (23 316) | 76 883 | 1 | 76 882 | 10017299% | 2 |
| Transfers and subsidies - capital (monetary allocations) | 165 332 | 95 481 | 97 732 | 11 047 | 32 803 | 32 577 | 226 | 1% | 97 732 |
| Transfers and subsidies - capital (in-kind) contributions | - | - | - | - | - | - | - | | - |
| Share of surplus/(deficit) of associate | 67 486 | 95 483 | 97 734 | (12 269) | 198 886 | 32 578 | 76 388 | 234% | 97 734 |
| Surplus/(Deficit) for the year | 67 486 | 95 483 | 97 734 | (12 269) | 198 886 | 32 578 | 76 388 | 234% | 97 734 |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | 198 125 | 181 717 | 183 968 | 11 298 | 32 794 | 61 323 | (28 528) | -47% | 183 968 |
| Capital transfers recognised | 141 845 | 95 481 | 97 732 | 10 420 | 28 658 | 32 577 | (3 919) | -12% | 97 732 |
| Borrowing | - | - | - | - | - | - | - | | - |
| Internally generated funds | 47 789 | 86 236 | 86 236 | 878 | 4 136 | 26 745 | (24 609) | -85% | 86 236 |
| Total sources of capital funds | 189 554 | 181 717 | 183 968 | 11 298 | 32 794 | 61 323 | (28 528) | -47% | 183 968 |
| Financial position | | | | | | | | | |
| Total current assets | 420 246 | 523 858 | 523 858 | - | 518 269 | - | - | | 523 858 |
| Total non current assets | 1 139 490 | 1 304 697 | 1 306 948 | - | 1 156 884 | - | - | | 1 306 948 |
| Total current liabilities | 150 317 | 160 394 | 160 394 | - | 159 375 | - | - | | 160 394 |
| Total non current liabilities | 43 425 | 38 827 | 38 827 | - | 36 328 | - | - | | 38 827 |
| Community wealth/Equity | 1 368 787 | 1 629 334 | 1 631 585 | - | 1 479 458 | - | - | | 1 631 585 |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | 340 996 | 147 918 | 150 169 | (3 272) | 175 523 | 50 056 | (125 467) | -251% | 150 169 |
| Net cash from (used) investing | 188 241 | (181 717) | (183 968) | (12 965) | (37 705) | (61 323) | (23 617) | 39% | (183 968) |
| Net cash from (used) financing | - | - | - | - | - | - | - | | - |
| Cash/cash equivalents at the month/year end | 889 962 | 325 924 | 325 924 | - | 392 645 | 349 457 | (43 189) | -12% | 220 988 |
| 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 | 7 146 | 5 054 | 29 195 | 30 361 | 2 894 | 2 753 | 2 895 | 152 813 | 233 040 |
| Creditors Age Analysis | | | | | | | | | |
| Total Creditors | - | - | - | - | - | - | - | - | - |

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

EC441 Matatiele - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M04 - October

| Description | Ref | 2022/23 | Budget Year 2023/24 | | | | | | | |
|--|-----|---------|---------------------|----------------|----------------|---------------|---------------|----------|------|-----------|
| | | Revenue | Original Budget | Revised Budget | Monthly actual | YearTD actual | YearTD Budget | YTD | YTD | Full Year |
| R thousands | 1 | | | | | | | % | % | |
| Revenue - Functional | | | | | | | | | | |
| Governance and administration | | 333 981 | 403 019 | 403 019 | 4 735 | 182 787 | 134 340 | 48 447 | 36% | 403 019 |
| Executive and council | | - | - | - | - | - | - | - | - | - |
| Finance and administration | | 333 981 | 403 019 | 403 019 | 4 735 | 182 787 | 134 340 | 48 447 | 36% | 403 019 |
| Internal audit | | - | - | - | - | - | - | - | - | - |
| Community and public safety | | 11 464 | 12 190 | 12 190 | 414 | 2 125 | 4 063 | (1 938) | -48% | 12 190 |
| Community and social services | | 6 957 | 6 989 | 6 989 | 96 | 317 | 2 330 | (2 013) | -86% | 6 989 |
| Sport and recreation | | - | - | - | - | - | - | - | - | - |
| Public safety | | 5 407 | 5 201 | 5 201 | 316 | 1 808 | 1 734 | 75 | 4% | 5 201 |
| Housing | | - | - | - | - | - | - | - | - | - |
| Health | | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 68 938 | 62 020 | 64 271 | 18 132 | 20 604 | 21 424 | (820) | -4% | 64 271 |
| Planning and development | | 171 | 3 504 | 3 504 | 11 | 51 | 1 168 | (1 117) | -96% | 3 504 |
| Road transport | | 67 867 | 58 516 | 60 767 | 10 120 | 20 553 | 20 256 | 297 | 1% | 60 767 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| Trading services | | 170 119 | 133 005 | 133 005 | 8 784 | 39 342 | 44 335 | (4 993) | -11% | 133 005 |
| Energy services | | 156 620 | 113 716 | 113 716 | 6 979 | 33 393 | 37 905 | (4 512) | -12% | 113 716 |
| Water management | | - | - | - | - | - | - | - | - | - |
| Waste water management | | - | - | - | - | - | - | - | - | - |
| Waste management | | 13 498 | 19 289 | 19 289 | 1 805 | 5 948 | 6 430 | (481) | -7% | 19 289 |
| Other | 4 | - | - | - | - | - | - | - | - | - |
| Total Revenue - Functional | 2 | 583 602 | 610 234 | 612 485 | 24 065 | 244 858 | 204 162 | 40 697 | 20% | 612 485 |
| Expenditure - Functional | | | | | | | | | | |
| Governance and administration | | 241 964 | 233 487 | 233 487 | 18 394 | 59 426 | 77 829 | (8 403) | -11% | 233 487 |
| Executive and council | | 28 897 | 33 967 | 33 967 | 2 536 | 12 193 | 11 322 | 870 | 8% | 33 967 |
| Finance and administration | | 208 687 | 194 744 | 194 744 | 15 469 | 55 581 | 64 915 | (9 334) | -14% | 194 744 |
| Internal audit | | 4 380 | 4 775 | 4 775 | 389 | 1 652 | 1 592 | 60 | 4% | 4 775 |
| Community and public safety | | 35 002 | 51 797 | 51 797 | 3 534 | 14 819 | 17 266 | (2 447) | -14% | 51 797 |
| Community and social services | | 15 738 | 27 466 | 27 466 | 1 921 | 7 744 | 9 155 | (1 411) | -15% | 27 466 |
| Sport and recreation | | - | - | - | - | - | - | - | - | - |
| Public safety | | 19 264 | 24 331 | 24 331 | 1 614 | 7 074 | 8 110 | (1 036) | -13% | 24 331 |
| Housing | | - | - | - | - | - | - | - | - | - |
| Health | | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 72 266 | 105 773 | 105 773 | 3 985 | 14 522 | 35 258 | (20 736) | -59% | 105 773 |
| Planning and development | | 19 907 | 38 759 | 38 759 | 2 427 | 7 214 | 12 920 | (5 706) | -44% | 38 759 |
| Road transport | | 52 359 | 67 014 | 67 014 | 1 558 | 7 308 | 22 338 | (15 030) | -67% | 67 014 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| Trading services | | 166 961 | 123 693 | 123 693 | 18 428 | 37 206 | 41 231 | (4 025) | -10% | 123 693 |
| Energy services | | 141 882 | 102 345 | 102 345 | 8 258 | 29 882 | 34 115 | (4 233) | -12% | 102 345 |
| Water management | | - | - | - | - | - | - | - | - | - |
| Waste water management | | - | - | - | - | - | - | - | - | - |
| Waste management | | 25 079 | 21 348 | 21 348 | 2 163 | 7 324 | 7 116 | 208 | 3% | 21 348 |
| Other | | - | - | - | - | - | - | - | - | - |
| Total Expenditure - Functional | 3 | 516 193 | 514 751 | 514 751 | 36 334 | 135 972 | 171 584 | (35 611) | -24% | 514 751 |
| Surplus/ (Deficit) for the year | | 67 409 | 95 483 | 97 734 | (12 269) | 108 886 | 32 578 | 76 308 | 234% | 97 734 |

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

EC441 Matatiele - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04 - October

| Vote Description | Ref | 2022/23 Planned Performance | Original Budget | Revised Budget | Monthly actual | YearTD actual | YearTD Budget | YTD variance | YTD variance % | Full Year Forecast |
|--|-----|-----------------------------------|--------------------|-------------------|----------------|---------------|------------------|-----------------|----------------------|-----------------------|
| R thousands | | | | | | | | | | |
| Revenue by Vote | 1 | | | | | | | | | |
| Vote 1 - Executive Council | | - | - | - | - | - | - | - | - | - |
| Vote 2 - Finance and Admin | | 333 448 | 402 544 | 402 544 | 4 714 | 182 681 | 134 181 | 48 499 | 36.1% | 402 544 |
| Vote 3 - Corporate | | 533 | 475 | 475 | 21 | 106 | 158 | (52) | -32.9% | 475 |
| Vote 4 - Development and Planning | | 283 | 3 504 | 3 504 | 33 | 88 | 1 168 | (1 080) | -92.5% | 3 504 |
| Vote 5 - Community | | 24 963 | 31 479 | 31 479 | 2 219 | 8 074 | 10 493 | (2 419) | -23.0% | 31 479 |
| Vote 6 - Infrastructure | | 224 375 | 172 232 | 174 483 | 17 079 | 53 909 | 58 161 | (4 252) | -7.3% | 174 483 |
| 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 | 583 602 | 610 234 | 612 485 | 24 065 | 244 858 | 204 162 | 40 697 | 19.9% | 612 485 |
| Expenditure by Vote | 1 | | | | | | | | | |
| Vote 1 - Executive Council | | 28 897 | 33 967 | 33 967 | 2 536 | 12 193 | 11 322 | 870 | 7.7% | 33 967 |
| Vote 2 - Finance and Admin | | 144 926 | 111 852 | 111 852 | 8 607 | 32 226 | 37 294 | (5 068) | -13.6% | 111 852 |
| Vote 3 - Corporate | | 63 761 | 82 892 | 82 892 | 6 852 | 23 355 | 27 631 | (4 276) | -15.5% | 82 892 |
| Vote 4 - Development and Planning | | 20 957 | 38 759 | 38 759 | 2 427 | 7 214 | 12 920 | (5 706) | -44.2% | 38 759 |
| Vote 5 - Community | | 60 081 | 73 146 | 73 146 | 5 697 | 22 143 | 24 382 | (2 239) | -9.2% | 73 146 |
| Vote 6 - Infrastructure | | 193 191 | 169 359 | 169 359 | 9 815 | 37 190 | 55 453 | (19 263) | -34.1% | 169 359 |
| Vote 7 - Internal Audit | | 4 380 | 4 775 | 4 775 | 399 | 1 652 | 1 592 | 60 | 3.8% | 4 775 |
| Vote 8 - | | - | - | - | - | - | - | - | - | - |
| Vote 9 - | | - | - | - | - | - | - | - | - | - |
| Vote 10 - | | - | - | - | - | - | - | - | - | - |
| Vote 11 - | | - | - | - | - | - | - | - | - | - |
| Vote 12 - | | - | - | - | - | - | - | - | - | - |
| Vote 13 - | | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - |
| Vote 15 - | | - | - | - | - | - | - | - | - | - |
| Total Expenditure by Vote | 2 | 516 193 | 514 751 | 514 751 | 36 334 | 135 972 | 171 584 | (35 611) | -20.8% | 514 751 |
| Surplus/ (Deficit) for the year | 2 | 67 408 | 95 483 | 97 734 | (12 269) | 108 886 | 32 578 | 76 308 | 234.2% | 97 734 |

Reporting per municipal Vote provides details on the spending over the various functions. Revenue is mainly budgeted under the Finance & Admin Function and therefore the majority of the revenue will be reflected under this function.

Expenditure by functional classification presents the expenditures by the departments.

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

EC441 Matatiele - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 - October

| Description | Ref | 2022/23 | Budget Year 2023/24 | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | | |
| Revenue | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | |
| Service charges - Electricity | | 56 530 | 71 416 | 71 416 | 4 872 | 19 629 | 23 905 | (4 176) | (0) | 71 416 |
| Service charges - Water | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Water Management | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste management | | 11 615 | 15 526 | 15 526 | 967 | 3 886 | 5 175 | (1 289) | (0) | 15 526 |
| Sale of Goods and Rendering of Services | | 923 | 3 930 | 3 930 | 99 | 372 | 1 310 | (938) | (0) | 3 930 |
| Agency services | | - | - | - | - | - | - | - | - | - |
| Interest | | - | - | - | - | - | - | - | - | - |
| Interest earned from Receivables | | 2 168 | 6 500 | 6 500 | 128 | 447 | 2 187 | (1 720) | (0) | 6 500 |
| Interest from Current and Non Current Assets | | 9 599 | 17 200 | 17 200 | 1 464 | 7 983 | 5 733 | 2 249 | 0 | 17 200 |
| Dividends | | - | - | - | - | - | - | - | - | - |
| Rent on Land | | 144 | - | - | - | - | - | - | - | - |
| Rental from Fixed Assets | | 1 260 | 2 028 | 2 028 | 132 | 498 | 576 | (140) | (0) | 2 028 |
| Licence and permits | | 3 503 | 4 094 | 4 094 | 289 | 1 216 | 1 365 | (149) | (0) | 4 094 |
| Operational Revenue | | 283 | 965 | 965 | - | 47 | 322 | (274) | (0) | 965 |
| Non-Exchange Revenue | | | | | | | | | | |
| Property rates | | 48 726 | 54 360 | 54 360 | 1 703 | 41 414 | 19 120 | 23 294 | 0 | 54 360 |
| Surcharges and Taxes | | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | 2 058 | 1 769 | 1 769 | 29 | 613 | 590 | 24 | 0 | 1 769 |
| Licence and permits | | (96) | 25 | 25 | 2 | 13 | 6 | 5 | 0 | 25 |
| Transfers and subsidies - Operational | | 267 351 | 318 510 | 318 510 | 1 915 | 130 368 | 106 170 | 24 198 | 0 | 318 510 |
| Interest | | 14 020 | 18 431 | 18 431 | 1 417 | 5 449 | 6 144 | (694) | (0) | 18 431 |
| Fuel Levy | | - | - | - | - | - | - | - | - | - |
| Operational Revenue | | - | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | - | - | - | - | - | - | - | - | - |
| Other Gains | | (15) | - | - | - | 123 | - | 123 | #DIV/0! | - |
| Discontinued Operations | | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | | 410 970 | 514 753 | 514 753 | 43 018 | 212 695 | 171 584 | 40 471 | 24% | 514 753 |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | | 128 507 | 161 717 | 161 717 | 12 200 | 51 100 | 53 906 | (2 806) | (0) | 161 717 |
| Remuneration of councillors | | 21 444 | 25 320 | 25 320 | 1 926 | 8 565 | 8 440 | 125 | 0 | 25 320 |
| Bulk purchases - electricity | | 58 161 | 71 075 | 71 075 | 7 375 | 26 883 | 23 592 | 3 191 | 0 | 71 075 |
| Inventory consumed | | 6 075 | 7 629 | 7 629 | 523 | 1 041 | 2 543 | (1 502) | (0) | 7 629 |
| Debt impairment | | - | - | - | - | - | - | - | - | - |
| Depreciation and amortisation | | 56 094 | 53 300 | 53 300 | - | - | 17 767 | (17 767) | (0) | 53 300 |
| Interest | | 35 | - | - | - | - | - | - | - | - |
| Contracted services | | 100 450 | 113 385 | 113 385 | 8 475 | 30 309 | 37 798 | (7 489) | (0) | 113 385 |
| Transfers and subsidies | | - | - | - | - | - | - | - | - | - |
| Irrecoverable debts written off | | 17 651 | 6 000 | 6 000 | - | - | 2 000 | (2 000) | (0) | 6 000 |
| Operational costs | | 49 557 | 75 325 | 75 325 | 5 835 | 17 817 | 25 442 | (7 625) | (0) | 75 325 |
| Losses on Disposal of Assets | | 75 219 | - | - | - | - | - | - | - | - |
| Other Losses | | - | - | - | - | 258 | - | 258 | #DIV/0! | - |
| Total Expenditure | | 516 193 | 514 751 | 514 751 | 36 334 | 135 972 | 171 584 | (35 611) | -21% | 514 751 |
| Surplus/(Deficit) | | (98 124) | 2 | 2 | (23 316) | 76 883 | 1 | 76 882 | 101 | 2 |
| Transfers and subsidies - capital (monetary allocations) | | 165 532 | 95 451 | 97 732 | 11 047 | 32 363 | 32 577 | 226 | 0 | 97 732 |
| Transfers and subsidies - capital (in-kind) | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | | 67 408 | 95 463 | 97 734 | (12 269) | 108 886 | 32 578 | - | - | 97 734 |
| Income Tax | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after income tax | | 67 408 | 95 463 | 97 734 | (12 269) | 108 886 | 32 578 | - | - | 97 734 |
| Share of Surplus/Deficit attributable to Joint Venture | | - | - | - | - | - | - | - | - | - |
| Share of Surplus/Deficit attributable to Minorities | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | | 67 408 | 95 463 | 97 734 | (12 269) | 108 886 | 32 578 | - | - | 97 734 |
| Share of Surplus/Deficit attributable to Associate | | - | - | - | - | - | - | - | - | - |
| Intercompany/Parent subsidiary transactions | | - | - | - | - | - | - | - | - | - |
| Surplus (Deficit) for the year | | 67 408 | 95 463 | 97 734 | (12 269) | 108 886 | 32 578 | - | - | 97 734 |

In terms of October 2023 Monthly Budget & Performance assessment, the actual billed and/or collected for the month is R 13 million inclusive of operational transfers and subsidies against approved budget of R 514,7 million, this represents 3% it is below expected performance for the month due to less collection on rates property rates billing, Service Charges. revenue recognised to date is 41% recognised.

The total actual Capital transfers for the month is **R 11** million against approved budget of **R 97,7** million, this represents **12%** it is more than expected performance for the month due to more capital projects revenue recognise for the month. Revenue recognised to date is **34%**.

The operating expenditure incurred for the month is **R 36,3** million against approved budget amount of **R 514,7** this represents **7%**. This is less than expected performance for the month due to non-cash items that are recognised at the end of financial year , no expenditure on Music festival which is planned for end of second quarter, Indigent management system that is under SCM processes, expenditure on Workmen's compensation that is normally recognised on the fourth quarter, Operating lease, Protective Clothing and indigent relief and cash crop cropping programme expenditure incurred is less than anticipated. Expenditure recognised to date is **26%**.

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 **28%** of the total own revenue budget. The municipality bills both annual rates and monthly rates at the beginning of the financial year i.e. July. The total property rates billed amounted to **R 1 702 609.89** against the approved budget of **R 54 360 276** this represent **3%** which is below the expected performance for the month due to rapidly change in property values after actual valuation. Income received from property rates for the month of 31 October 2023 amounted to **R 1 653 606.64** against billed amount of **R 1 702 610** the revenue collection rate is **97%**. The revenue collection stream will be closely monitored to ensure revenue targets are met by year end.

Services Charges

Revenue from service charges includes electricity sales and revenue from waste removal. The total income received from services charges amounted to **R 5 838 886** for the month ended October 2023 which is made out of **R 966 854.2** and **R 4 872 031.36** for Refuse and Electricity respectively the approved allocation of **R 86,941,680**. This represent **7%** and this is less the expected performance on this category due to less collection on Prepaid electricity sales as a result of load shedding resulting to less usage of electricity and refuse collection. Revenue recognised to date is **27%**.

Rental of Facilities and equipment

Rental of facilities and equipment approved budget is **R 2,027,544**. Revenue amount of **R 132 350** for October 2023 has been recognised on this category, representing **7%** which is less the expected performance for the month due to Site Rental as some municipal leases expired and haven't been renewed. Revenue recognised to date is **24%**.

Interest earned on Investments

The total Interest on investments approved budget is **R 17,199,996** and the interest received for the month of 31 October 2023 is **R 1 463 931** which represents **9%** on this category, this is within the expected performance for the month. Revenue recognised to date is **46%**.

Interest on Outstanding Debtors

Interest on non-payment on both rates and electricity has been raised monthly and amounted to **R 1 545 913** interest has been posted on the interest on arrears against the approved budget allocation of **R 24,930,792** which represents **6%** and this is below expected performance when measured against the monthly projection due to non-receipts on Interest on electricity. The decrease is due to a decline of defaulting customers for payment of services, especially government departments which results in less interest being levied for late payments. Revenue recognised to date is **23%**.

Fines, penalties and Forfeits

Revenue from fines, penalties and forfeits has an approved budget of **R 1,769,004**. The cash receipts for traffic fines issued **R 29 338.00** it represents **2%** for the month on this category, this is below the expected performance for the month due decline in number of offenders identified by traffic department Municipal Traffic fines raised/issued and year to date revenue recognised is **35%**. It must be stressed that the above exercise represent the book value only and the cash receipts from this service is minimal. Fines are based on cash basis whilst the budget is based on GRAP 1 which require us to recognised the total fines issued and not only base on collection.

Licences and permits

The total approved budget for licences and permits is **R 4,118,844** for budget year. At the end of the October 2023 licence and permits amounted to **R 291 167.43** and represents **7%** of the total revenue budget for this category this is less expected performance due to a decrease in Learners licence and motor vehicle registration application for the month and the YTD revenue recognition is **30%**.

Transfers and Subsidies-Operational

Total approved budget amount on transfers and subsidies is **R 318,510,300** and the transfers recognised represents **R 1 914 856** was recognised for the month ended 31 October 2023 which represent 1% against total budget allocation, the year to date revenue recognised is **41%**.

Transfers and Subsidies- Capital

Total approved budget on transfers and subsidies is **R 95,480,736** and was increased to adjusted budget to **R 97,731,73**. Total revenue of **R 11 047 042** was recognised for the month ended 31 October 2023 and it represents **11%** of total budget. This is above the expected performance for the month, due to capital payments that are made and revenue was recognised on INEP and MIG. The YTD revenue recognition is **34%** on this category.

Other Revenue

Other revenue amounted to **R 98 903** for the month ended 31 October 2023, when measured against the approved budget allocation of **R 4,894,572** this represents **2%** which is less than the expected performance for the month. This is due to less revenue collected on merchandising and jobbing, admin handling fees and insurance refund. Various line items of revenue are related to timing of certain events and will only be accounted for as the year progress and TYD revenue recognised is **9%**.

Operating Expenditure by type

Employee related costs/Remuneration of Councillors

Municipality incurred **R 14 125 335.59** million salary costs at the end of October 2023, incurring **8%** expenditure for the month salary against the approved budget allocation of

R 187,036,738 and this is within the expected performance as reflected in the table below and TYD expenditure is **32%**. This is inclusive of remuneration of councillors

| Row Labels | Sum of TotalBudget | October Actual | Sum of TotalActual |
|------------------------------------|--------------------|-------------------|--------------------|
| Employee Related Cost | 161 716 536 | 12 199 577 | 51 100 263 |
| Municipal Staff | 154 086 072 | 11 654 944 | 48 884 050 |
| Senior Management | 7 630 464 | 544 633 | 2 216 213 |
| Remuneration of Councillors | 25 320 192 | 1 925 759 | 8 564 788 |
| Chief Whip | 839 544 | 61 441 | 253 061 |
| Executive Committee | | 344 044 | 1 586 962 |
| Executive Mayor | 1 080 648 | 283 415 | 744 716 |
| Speaker | 889 776 | 65 276 | 268 722 |
| Total for All Other Councillors | 22 510 224 | 1 171 584 | 5 711 328 |
| Grand Total | 187 036 728 | 14 125 336 | 59 665 051 |

Debt impairment

Items included in this category are bad debts written off and provisions to debt impairment which at the time of compiling the report; there were no provisions recorded on the financial system resulting in this variance. However, the council to note that the above non cash provisions are required in terms of GRAP which are normally calculated at year end.

Depreciation

No depreciation accounted for the month and the asset impairment will be processed at year end. The other contribution factor to this variance is related to asset impairment which is undertaken towards the end of the financial year.

Finance Costs

No expenditure relating to interest charges has been incurred for the month.

Bulk Purchases

Total approved budget on bulk electricity purchases is **R 71,075,364**, expenditure relating to bulk electricity purchases reflects **R 7 374 938** expenditure for the month, this represent **10%** spending for the month and this is above the expected performance for the month due to seasonal demand for electricity. The year to date expenditure incurred under this category is **38%**.

Other material

Total approved budget on other material is **R 7,629,420**, This expenditure category consists of inventory items such as material for maintenance of road operation and maintenance which amounted to **R 522 678.12** for the month ended 31 October 2023. This represent **7%** on this category, is less than expected performance for the month as result of less demand on finished good. The majority of the expenditure is reflected under road operation and maintenance and Energy unit. The YTD expenditure is **14%**.

Contracted Services

Total approved budget on contracted services is **R 113,384,580** The expenditure for the month amounted to **R 8,475,752**. this represents **7%** of the budgeted amount, this is less than expected performance for the month due to less expenditure on Indigent Management System, consulting cost financial reporting assets, Live Stock Improvement, music festival, repairs maintenance electricity and contracted Outsourced-Safeguard & Security, Accounting and Electrical Infrastructure Maintenance. The year to date expenditure incurred is **27%** on this category.

Other Expenditure

Total approved budget on other expenditure is R 76,324,512, other expenditure for the month ended 31 October 2023 amounted to R5,834 941 ,this represents 8% of the budgeted amount on this category. This is within the expected performance for the month on this category, YTD expenditure is 23%.

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

EC441 Matatiele - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M04 - October

| Vote Description | Ref | 2023/24 Approved Provision | Original Provision | Revised Provision | Monthly actual | YearTD actual | YearTD Budget | YTD Performance % | YTD Variance |
|---|----------|----------------------------------|-----------------------|----------------------|----------------|---------------|------------------|-------------------------|-----------------|
| R thousands | 1 | | | | | | | | |
| Multi-Year expenditure accumulation | 2 | | | | | | | | |
| Vote 1 - Executive 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 accumulation | 2 | | | | | | | | |
| Vote 1 - Executive Council | | 74 | 70 | 70 | - | - | 23 | (23) | -100% |
| Vote 2 - Finance and Admin | | 502 | 3 000 | 3 000 | 18 | 136 | 1 300 | (1 164) | -69% |
| Vote 3 - Corporate | | 4 000 | 2 010 | 2 010 | 83 | 203 | 870 | (667) | -77% |
| Vote 4 - Development and Planning | | 163 | 130 | 130 | - | 25 | 43 | (18) | -41% |
| Vote 5 - Community | | 2 040 | 9 130 | 9 130 | 8 | 434 | 3 043 | (2 609) | -29% |
| Vote 6 - Infrastructure | | 181 879 | 164 017 | 165 288 | 11 215 | 31 670 | 55 423 | (23 753) | -43% |
| Vote 7 - Internal Audit | | - | 1 800 | 1 800 | - | 46 | 620 | (574) | -93% |
| Vote 8 - | | - | - | - | - | - | - | - | - |
| Vote 9 - | | - | - | - | - | - | - | - | - |
| Vote 10 - | | - | - | - | - | - | - | - | - |
| Vote 11 - | | - | - | - | - | - | - | - | - |
| Vote 12 - | | - | - | - | - | - | - | - | - |
| Vote 13 - | | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - |
| Vote 15 - | | - | - | - | - | - | - | - | - |
| Total Capital single-year expenditure | 4 | 100 125 | 181 717 | 183 988 | 11 298 | 32 794 | 61 323 | (28 529) | -47% |
| Total Capital Expenditure | | 100 125 | 181 717 | 183 988 | 11 298 | 32 794 | 61 323 | (28 529) | -47% |
| Capital Expenditure - Functional Classification | | | | | | | | | |
| Government and administration | | 5 294 | 5 443 | 5 443 | 78 | 585 | 2 818 | (2 233) | -69% |
| Executive and council | | 74 | 70 | 70 | - | - | 23 | (23) | 100 |
| Finance and administration | | 3 260 | 5 910 | 5 910 | 78 | 340 | 2 170 | (1 830) | 100 |
| Internal audit | | - | 1 800 | 1 800 | - | 46 | 620 | (574) | 100 |
| Community and public safety | | 1 530 | 4 000 | 4 000 | - | 86 | 1 530 | (1 444) | -75% |
| Community and social services | | 331 | 210 | 210 | - | 40 | 303 | (263) | 100 |
| Sport and recreation | | - | - | - | - | - | - | - | - |
| Public safety | | 1 194 | 3 090 | 3 090 | - | 547 | 1 230 | (883) | 100 |
| Housing | | - | - | - | - | - | - | - | - |
| Health | | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 84 220 | 76 761 | 102 042 | 8 001 | 19 821 | 34 014 | (14 003) | -41% |
| Planning and development | | 163 | 130 | 130 | - | 25 | 43 | (18) | 100 |
| Road transport | | 34 047 | 95 001 | 101 912 | 2 301 | 10 806 | 33 071 | (14 075) | 100 |
| Environmental protection | | - | - | - | - | - | - | - | - |
| Trading services | | 39 051 | 68 888 | 68 888 | 2 220 | 12 101 | 22 882 | (10 781) | -47% |
| Energy services | | 37 023 | 54 355 | 54 355 | 2 214 | 10 074 | 21 452 | (9 377) | 100 |
| Water management | | - | - | - | - | - | - | - | - |
| Waste water management | | - | - | - | - | - | - | - | - |
| Waste management | | 1 110 | 4 530 | 4 530 | 5 | 26 | 1 510 | (1 484) | 100 |
| Other | | - | - | - | - | - | - | - | - |
| Total Capital Expenditure - Functional Classification | 3 | 780 126 | 181 717 | 183 988 | 11 298 | 32 794 | 61 323 | (28 529) | -47% |
| Funded by: | | | | | | | | | |
| National Government | | 141 845 | 95 481 | 97 732 | 10 429 | 28 558 | 32 577 | (3 919) | 100 |
| Provincial Government | | - | - | - | - | - | - | - | - |
| District Municipality | | - | - | - | - | - | - | - | - |
| Transfers and subsidies - capital (monetary allocations) (Net) / Prov Develm Agencies | | - | - | - | - | - | - | - | - |
| Transfers recognised - capital | | 141 845 | 95 481 | 97 732 | 10 429 | 28 558 | 32 577 | (3 919) | -12% |
| Borrowings | 6 | - | - | - | - | - | - | - | - |
| Internally generated funds | | 47 700 | 86 236 | 86 236 | 878 | 4 136 | 28 745 | (24 609) | 100 |
| Total Capital Expenditure | | 189 545 | 181 717 | 183 968 | 11 298 | 32 794 | 61 323 | (28 529) | -47% |

The total adjusted capital budget is R 183,967,552 from the approved budget of R 181,716,552. The Municipality incurred expenditure of R 11,297,629,61 this represents 6% of the approved capital expenditure budget, this is below the expected performance for the month due to procurement processes that are still underway for capital projects and YTD Expenditure is 18%.

3.1.6 C6 Monthly Budget Statement –Financial Position

EC441 Matatiele - Table C6 Monthly Budget Statement - Financial Position - M04 - October

| Description | Ref | 2022/23 | Budget Year 2023/24 | | | |
|---|----------|------------------|---------------------|------------------|------------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | YearTD actual | Full Year Forecast |
| R thousands | 1 | | | | | |
| ASSETS | | | | | | |
| Current assets | | | | | | |
| Cash and cash equivalents | | 236 732 | 326 924 | 326 924 | 302 141 | 326 924 |
| Trade and other receivables from exchange transactions | | (20 836) | 125 378 | 125 378 | (32 107) | 125 378 |
| Receivables from non-exchange transactions | | 126 487 | 52 209 | 52 209 | 153 457 | 52 209 |
| Current portion of non-current receivables | | - | - | - | - | - |
| Inventory | | 1 874 | 2 025 | 2 025 | 1 554 | 2 025 |
| VAT | | 71 028 | 17 322 | 17 322 | 68 603 | 17 322 |
| Other current assets | | 4 951 | - | - | 4 721 | - |
| Total current assets | | 420 246 | 523 858 | 523 858 | 518 269 | 523 858 |
| Non current assets | | | | | | |
| Investments | | - | - | - | - | - |
| Investment property | | 4 960 | 4 960 | 4 960 | 4 960 | 4 960 |
| Property, plant and equipment | | 1 133 454 | 1 297 761 | 1 300 012 | 1 149 471 | 1 300 012 |
| Biological assets | | - | - | - | - | - |
| Living and non-living resources | | - | - | - | - | - |
| Heritage assets | | 870 | - | - | 1 843 | - |
| Intangible assets | | 208 | 1 975 | 1 975 | 911 | 1 975 |
| Trade and other receivables from exchange transactions | | - | - | - | - | - |
| Non-current receivables from non-exchange transactions | | - | - | - | - | - |
| Other non-current assets | | - | - | - | - | - |
| Total non current assets | | 1 139 490 | 1 304 697 | 1 306 948 | 1 156 884 | 1 306 948 |
| TOTAL ASSETS | | 1 559 736 | 1 828 554 | 1 830 805 | 1 675 154 | 1 830 805 |
| LIABILITIES | | | | | | |
| Current liabilities | | | | | | |
| Bank overdraft | | - | - | - | - | - |
| Financial liabilities | | - | - | - | - | - |
| Consumer deposits | | 1 578 | 413 | 413 | 1 695 | 413 |
| Trade and other payables from exchange transactions | | 54 058 | 56 071 | 56 071 | 30 487 | 56 071 |
| Trade and other payables from non-exchange transactions | | 12 340 | - | - | 17 981 | - |
| Provision | | 11 350 | 90 868 | 90 868 | 20 371 | 90 868 |
| VAT | | 68 021 | 13 041 | 13 041 | 65 665 | 13 041 |
| Other current liabilities | | 2 951 | - | - | 2 951 | - |
| Total current liabilities | | 150 317 | 160 394 | 160 394 | 159 379 | 160 394 |
| Non current liabilities | | | | | | |
| Financial liabilities | | - | - | - | - | - |
| Provision | | 26 628 | 38 827 | 38 827 | 21 827 | 38 827 |
| Long term portion of trade payables | | - | - | - | - | - |
| Other non-current liabilities | | 14 601 | - | - | 14 487 | - |
| Total non current liabilities | | 43 429 | 38 827 | 38 827 | 36 325 | 38 827 |
| TOTAL LIABILITIES | | 193 746 | 199 221 | 199 221 | 195 704 | 199 221 |
| NET ASSETS | 2 | 1 365 990 | 1 629 334 | 1 631 585 | 1 479 450 | 1 631 585 |
| COMMUNITY WEALTH/EQUITY | | | | | | |
| Accumulated surplus/(deficit) | | 973 403 | 1 543 098 | 1 545 349 | 1 127 126 | 1 545 349 |
| Reserves and funds | | 395 384 | 86 236 | 86 236 | 352 321 | 86 236 |
| Other | | - | - | - | - | - |
| TOTAL COMMUNITY WEALTH/EQUITY | 2 | 1 368 787 | 1 629 334 | 1 631 585 | 1 479 450 | 1 631 585 |

3.1.7 C7 Monthly Budget Statement –Cash Flow

EC441 Matatiele - Table C7 Monthly Budget Statement - Cash Flow - M04 - October

| EC441 Matlatiela - Table C7 Monthly Budget Statement - Cash Flow - 2024 - October | | | | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| Description | Ref | 2022/23 | Budget Year 2023/24 | | | | | | | |
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Property rates | | 36 620 | 43 488 | 43 488 | 8 285 | 35 023 | 14 496 | 20 527 | 142% | 43 488 |
| Service charges | | 62 021 | 76 730 | 76 730 | 8 986 | 24 493 | 25 577 | (1 083) | -4% | 76 730 |
| Other revenue | | 15 705 | 51 959 | 51 959 | 1 680 | 8 570 | 17 320 | (8 750) | -51% | 51 959 |
| Transfers and Subsidies - Operational | | 266 202 | 318 510 | 318 510 | 31 | 130 342 | 106 170 | 24 172 | 23% | 318 510 |
| Transfers and Subsidies - Capital | | 174 749 | 95 481 | 97 732 | - | 45 978 | 32 577 | 13 401 | 41% | 97 732 |
| Interest | | 4 355 | 17 200 | 17 200 | 1 464 | 8 581 | 5 733 | 2 847 | 50% | 17 200 |
| Dividends | | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | |
| Suppliers and employees | | (218 683) | (455 451) | (455 451) | (21 738) | (77 464) | (151 817) | 74 353 | -49% | (455 451) |
| Interest | | - | - | - | - | - | - | - | - | - |
| Transfers and Subsidies | | - | - | - | - | - | - | - | - | - |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 340 990 | 147 918 | 150 189 | (3 272) | 175 523 | 50 056 | (125 467) | -251% | 150 189 |
| 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 | | (188 241) | (181 717) | (183 968) | (12 985) | (37 705) | (61 323) | 23 617 | -39% | (183 968) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | (188 241) | (181 717) | (183 968) | (12 985) | (37 705) | (61 323) | (23 617) | 39% | (183 968) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Short term loans | | - | - | - | - | - | - | - | - | - |
| Borrowing long term/refinancing | | - | - | - | - | - | - | - | - | - |
| Increase (decrease) in consumer deposits | | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | |
| Repayment of borrowing | | - | - | - | - | - | - | - | - | - |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | - | - | - | - | - | - | - | - | - |
| NET INCREASE/ (DECREASE) IN CASH HELD | | 529 239 | (33 799) | (33 799) | (16 257) | 137 818 | (11 268) | | | (33 799) |
| Cash/cash equivalents at beginning: | | 360 723 | 360 723 | 360 723 | | 254 787 | 360 723 | | | 254 787 |
| Cash/cash equivalents at month/year end: | | 889 962 | 326 924 | 326 924 | | 392 605 | 349 457 | | | 220 988 |

PART 2 –SUPPORTING DOCUMENTATION SECTION 4

Debtors Analysis

Table SC3 presented below summarises the Debtors Age Analysis as at 31 October 2023.

EC441 Matatiele - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 - October

| Budget Year 2023/24 | | | | | | | | | | | | | | |
|---|---------|-----------|------------|------------|-------------|--------------|--------------|--------------|----------|---------|--------------------|--|---|--|
| Description | NT Code | 6-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-180 Days | 181-360 Days | 361-720 Days | Over 727 | Total | Total over 90 days | Annual Bad Debts Written Off against Debtors | Impairment - Bad Debts L1a Council Policy | |
| | | | | | | | | | | | | | | |
| R thousands | | | | | | | | | | | | | | |
| Debtors Age Analysis By Income Source | | | | | | | | | | | | | | |
| Trade and Other Receivables from Exchange Transactions - Water | 1300 | - | - | - | - | - | - | - | - | - | - | - | - | |
| Trade and Other Receivables from Exchange Transactions - Electricity | 1305 | 1 078 | 1 941 | 1 545 | 1 154 | 909 | 888 | 476 | 2 305 | 13 542 | 8 895 | - | - | |
| Receivables from Non-exchange Transactions - Property Rates | 1400 | 1 951 | 782 | 831 | 27 317 | 17 | 19 | 823 | 85 987 | 80 586 | 93 642 | - | - | |
| Receivables from Exchange Transactions - Waste Water Management | 1500 | - | - | - | - | - | - | - | - | - | - | - | - | |
| Receivables from Exchange Transactions - Waste Management | 1800 | 993 | 919 | 491 | 471 | 406 | 414 | 319 | 21 989 | 38 223 | 37 227 | - | - | |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | - | - | - | - | - | - | - | - | - | - | - | - | |
| Interest on Asset Debtor Accounts | 1810 | 1 932 | 1 622 | 1 528 | 1 569 | 1 332 | 1 317 | 1 240 | 40 904 | 58 704 | 54 186 | - | - | |
| Receivables unclassified, irregular, unusual and wasteful expenditure | 1820 | - | - | - | - | - | - | - | - | - | - | - | - | |
| Other | 1850 | 8 | 177 | 23 313 | 8 | 177 | 138 | 231 | 2 281 | 34 877 | 8 765 | - | - | |
| Total By Income Source | 2900 | 7 148 | 5 554 | 39 185 | 30 381 | 2 895 | 2 783 | 2 895 | 162 219 | 238 640 | 191 735 | - | - | |
| 2022/23 - Actual | | 15 894 | 2 889 | 31 389 | 4 812 | 3 774 | 2 385 | 11 114 | 138 837 | 238 239 | 369 843 | - | - | |
| Debtors Age Analysis By Customer Group | | | | | | | | | | | | | | |
| Organs of State | 2200 | 2 194 | 2 594 | 2 259 | 38 187 | 1 779 | 1 922 | 1 280 | 67 142 | 107 023 | 96 986 | - | - | |
| Commercial | 2300 | 2 713 | 1 321 | 28 722 | 1 087 | 329 | 492 | 410 | 13 771 | 48 887 | 18 000 | - | - | |
| Households | 2400 | 1 075 | 1 109 | 1 127 | 1 127 | 785 | 746 | 1 567 | 71 980 | 78 130 | 73 890 | - | - | |
| Other | 2500 | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total By Customer Group | 2900 | 7 148 | 5 554 | 39 185 | 39 381 | 2 994 | 2 783 | 2 895 | 162 219 | 238 640 | 191 735 | - | - | |

The total debt book for October 2023 of R 233 040 397 inclusive of R 5 736 531 advance payments.

The total debt book for October 2023 of R 227 303 865.83 (including current of R 6 906 691.46 which is not yet due) has decreased by R13 103 930.08 from the previous month closing balance of R 233 501 104.5. Debt is made up of the following

- **Residential debt:**
R 86 931 370.9
- **Commercial debt**
R 34 995 980.89
- **Government debt**
R 101 485 185.62
- **Other**
R 3 891 328.42

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 R 67,316,667.93.

- **Maluti**
R 61 249 769.59 (including current)
- **Cedarville**
R 5 133 697.88 (including current)

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 credit control measures for collection are implemented especially for old debt, the municipality has attorneys to assist with collection of long outstanding debt when all internal processes have been exhausted.

The following has been handed over:

Residential H/O R 78 950 195.5

Business H/O R 30 850 963.44

Churches H/O R 124198.26

Farms H/O R 3 562 864.54

An amount of R 1 334 317.70 was collected for October 2023.

SECTION 5 -CREDITORS' ANALYSIS

Supporting Table SC4

EC441 Matatiele - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 - October

| Description R thousands | NT Code | Budget Year 2023/24 | | | | | | | | | Prior year totals for chart (same period) |
|---|-------------|---------------------|-----------------|-----------------|------------------|-------------------|-------------------|----------------------|----------------|-------|---|
| | | 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 | |
| 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 municipality makes an extra effort that creditors are paid within 30 days as per MFMA, therefore municipality paid its creditors within 30 days for the month ended 31 October 2023.

SECTION 6- INVESTMENT POTFOLIO ANALYSIS

Conditional and Unconditional investment monitoring Information

Oct 23

Investment Management

| Conditional Investments -Description | Opening Balance | Deposits | Withdrawals | Interest Earned | Closing Balance |
|--|--------------------|------------------|--------------------|------------------|-------------------|
| Municipal Infrastructure Grant | 20 354 115.59 | 3 071 512.02 | -3 059 143.57 | -71 512.02 | 20 366 484.04 |
| INEP | 7 588 056.58 | 68 787.49 | -877 442.63 | -110 421.83 | 6 779 401.44 |
| EPWP | - | - | - | - | - |
| Municipal Electrification Intervention | 304 306.73 | 1 938.30 | - | -1 938.30 | 306 245.03 |
| Library and Archives | - | - | - | - | - |
| Finance Management Grant | - | - | - | - | - |
| Smart Grid | 60 952.64 | 388.20 | - | 388.20 | 61 340.84 |
| Establishment Plan | 211 699.86 | 1 195.67 | - | -1 195.67 | 212 895.53 |
| Housing Development Fund | 2 157 917.51 | 12 187.80 | - | -12 187.80 | 2 170 105.31 |
| Dedea | 656 680.24 | 3 708.90 | - | -3 708.90 | 660 389.14 |
| Total Conditional Investments | 31 333 729 | 3 159 718 | - 3 936 586 | - 200 576 | 30 556 861 |

| Unconditional Investments -Description | Opening Balance | Deposits | Withdrawals | Interest Earned | Closing Balance |
|--|--------------------|--------------------|----------------------|--------------------|--------------------|
| Call Acc STD CRR | 142 384 582.18 | 6 400 000.00 | - | -856 609.92 | 148 784 582.18 |
| Call Acc STD CRR | 12 315 252.71 | 72 170.75 | - | -72 170.75 | 12 387 423.46 |
| Call ACC FNB Surplus Cash | 6 805 395.80 | - | - | -37 196.61 | 6 805 395.80 |
| Nedbank 32 Days | 7 260 842.19 | 50 726.40 | - | -50 726.40 | 7 311 568.59 |
| Nedbank | 89 626.16 | 108 508 593.63 | -34 500 000.00 | -134 327.87 | 74 098 219.79 |
| Nedbank relief fund | 859 842.27 | 5 477.10 | - | -5 477.10 | 865 319.37 |
| Nedbank COV -19 Solidality | 104 189.77 | 663.60 | - | -663.60 | 104 853.37 |
| Nedbank Retention | 14 308 825.98 | 91 145.40 | - | -91 145.40 | 14 399 971.38 |
| Termination Guarantee | 144 640.82 | - | - | -921.60 | 144 640.82 |
| Account Gaurantee | 6 202 000.00 | - | - | -39 505.80 | 6 202 000.00 |
| Nedbank account -020 | 102 231 252.06 | 102 586.30 | -102 333 838.36 | -102 586.30 | - |
| Total Unconditional | 292 706 450 | 115 231 363 | - 136 833 838 | - 1 391 331 | 271 103 975 |

Total Investment as at October 2023

301 660 836

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. This indicates that the municipality as at 31 October 2023 had sufficient cash to operate for a period more than 3 months without receiving grants to cover operating costs.

As at 31 October 2023 the conditional investments amounted to **R 30,556,861** and unconditional investments amounted to **R 271,103,975**. Total investments as at 31 October 2023 amounted to **R 301 660 836**.

The following reflects bank balances at 31 October 2023

| Description | 31 October 2023 |
|--|------------------------|
| Nedbank Primary Account: | 1 311 051 .21 |
| Standard bank Account: | 3 799 802.14 |
| FNB Money Market Account: | 2 661 073.17 |
| Total Cash held as at 31 October 2023 | 7 771 926.47 |

The above table reflects the Cashbook balance is **R 7 771 926.47** and Bank statement balance of **R 301,660 836** and the total cash book balance and investment is **R 309 432 762.58**

SECTION 7_ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

7.1 Supporting Table SC6

EC441 Matatiele - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M04 - October

| Description | Ref | 2022/23 | Budget Year 2023/24 | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | | |
| RECEIPTS: | 1,2 | | | | | | | | | |
| Operating Transfers and Grants | | | | | | | | | | |
| National Government: | | 342 334 | 312 569 | 312 569 | - | 159 365 | 104 196 | 55 175 | 53.0% | 312 569 |
| Expanded Public Works Programme Integrated Grant | | 4 887 | 3 974 | 3 974 | - | 993 | 1 325 | (332) | -25.0% | 3 974 |
| Local Government Financial Management Grant | | 1 650 | 1 700 | 1 700 | - | 1 700 | 567 | 1 133 | 200.0% | 1 700 |
| Municipal Infrastructure Grant | | 76 971 | 2 925 | 2 925 | - | 30 016 | 975 | 29 043 | 2978.5% | 2 925 |
| Equitable Share | | 258 826 | 303 970 | 303 970 | - | 126 654 | 101 323 | 25 331 | 25.0% | 303 970 |
| Provincial Government: | | - | 5 941 | 5 941 | - | - | 1 900 | (1 900) | -100.0% | 5 941 |
| Specify (Add grant description) | | - | 2 250 | 2 250 | - | - | 750 | (750) | -100.0% | 2 250 |
| Specify (Add grant description) | | - | 3 691 | 3 691 | - | - | 1 230 | (1 230) | -100.0% | 3 691 |
| District Municipality: | | - | - | - | - | - | - | - | - | - |
| Other grant providers: | | - | - | - | - | - | - | - | - | - |
| Total Operating Transfers and Grants | | 342 334 | 318 510 | 318 510 | - | 159 365 | 106 170 | 53 195 | 58.1% | 318 510 |
| Capital Transfers and Grants | | | | | | | | | | |
| National Government: | | 97 778 | 95 481 | 97 732 | - | 15 960 | 32 577 | (16 617) | -51.0% | 97 732 |
| Municipal Disaster Relief Grant | | - | - | 2 251 | - | - | 750 | (750) | -100.0% | 2 251 |
| Municipal Infrastructure Grant | | - | 55 581 | 55 581 | - | - | 18 527 | (18 527) | -100.0% | 55 581 |
| Integrated National Electrification Programme Grant | | 97 778 | 39 900 | 39 900 | - | 15 960 | 13 300 | 2 660 | 20.0% | 39 900 |
| Provincial Government: | | 650 | - | - | - | 922 | - | 922 | #DIV/0! | - |
| Specify (Add grant description) | | - | - | - | - | 922 | - | 922 | #DIV/0! | - |
| Specify (Add grant description) | | 650 | - | - | - | - | - | - | - | - |
| District Municipality: | | - | - | - | - | - | - | - | - | - |
| Other grant providers: | | - | - | - | - | - | - | - | - | - |
| Total Capital Transfers and Grants | | 98 428 | 95 481 | 97 732 | - | 16 882 | 32 577 | (15 695) | -48.2% | 97 732 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | | 440 762 | 413 991 | 416 242 | - | 176 247 | 138 747 | 37 500 | 27.9% | 416 242 |

The Municipality have not received any conditional grant and operations grant allocations

7.2 Supporting Table SC7

EC441 Matatiele - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M04 - October

| EC-441 Matatiele - Supporting Table SC-7(1) Monthly Budget Statement - transfers and grant expenditure - W04 - October | | | | | | | | | | | |
|--|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|---------|
| Description | Ref | 2022/23 | Budget Year 2023/24 | | | | | | | | |
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | VTD variance | VTD variance % | Full Year Forecast | |
| R thousands | | | | | | | | | | | |
| <u>EXPENDITURE</u> | | | | | | | | | | | |
| <u>Operating expenditure of Transfers and Grants</u> | | | | | | | | | | | |
| National Government: | 3 | | | | | | | | | | |
| Expanded Public Works Programme Integrated Grant | | 6 537 | 2 925 | 2 925 | 1 062 | 1 676 | 975 | 701 | 71.9% | 2 925 | |
| Local Government Financial Management Grant | | 4 687 | - | - | - | - | - | - | #DIV/0! | - | |
| Municipal Infrastructure Grant | | 1 650 | - | - | 32 | 646 | - | 646 | 5.6% | - | |
| | | - | 2 925 | 2 925 | 1 030 | 1 030 | 975 | 55 | 5.6% | 2 925 | |
| Provincial Government: | | 2 113 | 3 691 | 3 691 | 853 | 2 838 | 1 230 | 807 | 65.6% | 3 691 | |
| Specify (Add grant description) | | 2 113 | - | - | 853 | 2 838 | - | 2 038 | #DIV/0! | - | |
| Specify (Add grant description) | | - | 3 691 | 3 691 | - | - | 1 230 | (1 230) | -100.0% | 3 691 | |
| District Municipality: | | - | - | - | - | - | - | - | - | - | |
| Other grant providers: | | - | - | - | - | - | - | - | - | - | |
| Total Operating Transfers and Grants | | 8 650 | 6 616 | 6 616 | 1 915 | 3 714 | 2 295 | 1 508 | 68.4% | 6 616 | |
| <u>Capital Transfers and Grants</u> | | | | | | | | | | | |
| National Government: | 3 | 165 407 | 103 405 | 105 656 | 11 047 | 32 803 | 35 219 | (2 415) | -6.9% | 105 656 | |
| Municipal Disaster Relief Grant | | - | - | 2 251 | 1 023 | 1 023 | 750 | 273 | 35.4% | 2 251 | |
| Municipal Infrastructure Grant | | 67 629 | 63 505 | 63 505 | 6 046 | 20 313 | 21 168 | (855) | -4.0% | 63 505 | |
| Integrated National Electrification Programme Grant | | 97 778 | 39 900 | 39 900 | 1 978 | 11 466 | 13 300 | (1 834) | -13.6% | 39 900 | |
| Provincial Government: | | - | - | - | - | - | - | - | - | - | |
| District Municipality: | | - | - | - | - | - | - | - | - | - | |
| Other grant providers: | | - | - | - | - | - | - | - | - | - | |
| Total Capital Transfers and Grants | | 165 407 | 103 405 | 105 656 | 11 047 | 32 803 | 35 219 | (2 415) | -6.9% | 105 656 | |
| TOTAL EXPENDITURE OF TRANSFERS & GRANTS | | | 174 057 | 110 021 | 112 272 | 12 962 | 36 517 | 37 424 | (907) | -2.4% | 112 272 |

The total operating grant expenditure amounts to **R 1.9** million and Capital grant expenditure amounts to **R 11** million. Total expenditure for both operational and Capital grants for the month amounts to **R 12,9** million which represents **11.5%** when compared to the total allocation as per the Dora. The tables above reflect on the performance of these respective conditional grants which indicates that the municipality is well on track to meet its target of fully spending the 2023/24 allocated funds.

SECTIONS 8

Table SC8 presents the expenditure of councillor and staff benefits at 31 October 23

EC441 Matatiele - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M04 - October

| Summary of Employee and Councillor remuneration | | Ref | 2022/23 | Budget Year 2023/24 | | | | | | | |
|--|--|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | A | B | C | | | | | D | |
| Councillors (Political Office Bearers plus Other) | | | | | | | | | | | |
| Basic Salaries and Wages | | | 13 296 | 14 165 | 14 165 | 977 | 4 745 | 4 722 | 23 | 0% | 14 165 |
| Pension and UIF Contributions | | | 712 | 2 975 | 2 975 | 64 | 318 | 592 | (673) | -68% | 2 975 |
| Medical Aid Contributions | | | 536 | 113 | 113 | 67 | 272 | 38 | 234 | 622% | 113 |
| Motor Vehicle Allowance | | | 58 | 199 | 199 | - | - | 56 | (66) | -100% | 199 |
| Cellphone Allowance | | | 2 362 | 2 610 | 2 610 | 213 | 991 | 670 | 121 | 14% | 2 610 |
| Housing Allowances | | | 4 489 | 5 259 | 5 259 | 509 | 2 209 | 1 753 | 486 | 28% | 5 259 |
| Other benefits and allowances | | | - | - | - | - | - | - | - | - | - |
| Sub Total - Councillors | | | 21 444 | 25 320 | 25 320 | 1 926 | 8 565 | 8 448 | 125 | 1% | 25 320 |
| % increase | | 4 | | 18.1% | 18.1% | | | | | | 18.1% |
| Senior Managers of the Municipality | | | | | | | | | | | |
| Basic Salaries and Wages | | | 3 336 | 3 190 | 3 190 | 262 | 1 075 | 1 063 | 12 | 1% | 3 190 |
| Pension and UIF Contributions | | | 37 | 218 | 218 | 1 | 2 | 73 | (70) | -97% | 218 |
| Medical Aid Contributions | | | 73 | 168 | 168 | - | - | 56 | (56) | -100% | 168 |
| Overtime | | | - | - | - | - | - | - | - | - | - |
| Performance Bonus | | | 360 | 468 | 468 | - | - | 156 | (156) | -100% | 468 |
| Motor Vehicle Allowance | | | 1 605 | 2 119 | 2 119 | 125 | 491 | 706 | (216) | -31% | 2 119 |
| Cellphone Allowance | | | - | - | - | - | - | - | - | - | - |
| Housing Allowances | | | 696 | 972 | 972 | 144 | 558 | 324 | 234 | 72% | 972 |
| Other benefits and allowances | | | 0 | 1 | 1 | 0 | 0 | 0 | (3) | -76% | 1 |
| Payments in lieu of leave | | | - | - | - | - | - | - | - | - | - |
| Long service awards | | | - | - | - | - | - | - | - | - | - |
| Post-retirement benefit obligations | | | - | - | - | - | - | - | - | - | - |
| Entertainment | | | - | - | - | - | - | - | - | - | - |
| Scarcity | | | 336 | 495 | 495 | 13 | 90 | 165 | (75) | -45% | 495 |
| Acting and post related allowance | | | - | - | - | - | - | - | - | - | - |
| In kind benefits | | | - | - | - | - | - | - | - | - | - |
| Sub Total - Senior Managers of Municipality | | | 6 443 | 7 630 | 7 630 | 545 | 2 216 | 2 543 | (327) | -13% | 7 630 |
| % increase | | 4 | | 18.4% | 18.4% | | | | | | 18.4% |
| Other Municipal Staff | | | | | | | | | | | |
| Basic Salaries and Wages | | | 83 947 | 107 314 | 107 314 | 8 036 | 33 440 | 36 771 | (2 332) | -7% | 107 314 |
| Pension and UIF Contributions | | | 13 155 | 15 824 | 15 824 | 1 290 | 5 200 | 5 275 | (75) | -1% | 15 824 |
| Medical Aid Contributions | | | 4 643 | 5 945 | 5 945 | 486 | 1 930 | 1 982 | (51) | -3% | 5 945 |
| Overtime | | | 1 790 | 2 726 | 2 726 | 213 | 884 | 909 | (25) | -3% | 2 726 |
| Performance Bonus | | | 5 549 | 8 384 | 8 384 | 467 | 2 391 | 2 786 | (394) | -14% | 8 384 |
| Motor Vehicle Allowance | | | 4 272 | 7 037 | 7 037 | 630 | 2 571 | 2 346 | 226 | 10% | 7 037 |
| Cellphone Allowance | | | 6 | 6 | 6 | 1 | 2 | 3 | (3) | -7% | 6 |
| Housing Allowances | | | 363 | 4 906 | 4 906 | 268 | 1 032 | 1 635 | (604) | -37% | 4 906 |
| Other benefits and allowances | | | 4 767 | 1 973 | 1 973 | 205 | 921 | 658 | 263 | 40% | 1 973 |
| Payments in lieu of leave | | | 1 643 | - | - | 62 | 309 | - | 309 | #DIV/0! | - |
| Long service awards | | | 523 | - | - | - | 204 | - | 204 | #DIV/0! | - |
| Post-retirement benefit obligations | | | 1 065 | - | - | - | - | - | - | - | - |
| Entertainment | | | - | - | - | - | - | - | - | - | - |
| Scarcity | | | - | - | - | - | - | - | - | - | - |
| Acting and post related allowance | | | - | - | - | - | - | - | - | - | - |
| In kind benefits | | | - | - | - | - | - | - | - | - | - |
| Sub Total - Other Municipal Staff | | | 122 964 | 154 086 | 154 086 | 11 555 | 48 584 | 51 362 | (2 478) | -5% | 154 086 |
| % increase | | 4 | | 26.2% | 26.2% | | | | | | 26.2% |
| Total Parent Municipality | | | 149 951 | 187 837 | 187 837 | 14 125 | 56 565 | 62 345 | (2 681) | -4% | 187 837 |
| Unpaid salary, allowances & benefits in arrears: | | | | | | | | | | | |

Section 66 of the MFMA requires that the accounting officer of a municipality must report to Council in a prescribed format all expenditure incurred by the municipality on staff salaries, wages and benefits in a manner that discloses expenditure per type such as salaries contributions for pensions etc.

Employee related cost expenditure for the month ended 31 October 2023 amounted **R 14.1 million** of which the expenditure **R 1,9 million** relates to Remuneration of Councillors and

R 12,1 million, to Managers and staff, that represents **8%** of the budgeted amount for this category and the expenditure is within the expected performance for the month. The YTD expenditure recognition is **32%** on this category.

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

QUALITY CERTIFICATE

I, Lizo Matiwane, the Acting 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 31 October 2023 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: 13/11/2023