



MATATIELE
LOCAL MUNICIPALITY

2021/2022
QUARTERLY
SECTION 52(D)
REPORT

3RD QUARTER ENDED
31 MARCH 2022

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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.

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.

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.

Vote – One of the main segments into which a 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 52(d): Quarterly budget Statements

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

1.1 RESOLUTIONS

This is the resolution being presented to Council in the quarterly report on the implementation of budget and financial state of affairs of the municipality as required in terms of section 52 of the Municipal Finance Management Act 56 of 2003.

Recommendations:

- That, the report on the implementation of the budget and the financial state of affairs of the municipality for the quarter ended 31 March 2022 be noted by council.
- That, the submission of section 52(d) reports and to Provincial and National Treasuries 30 days after the end of each quarter be noted by Council.

1.2 EXECUTIVE SUMMARY

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.

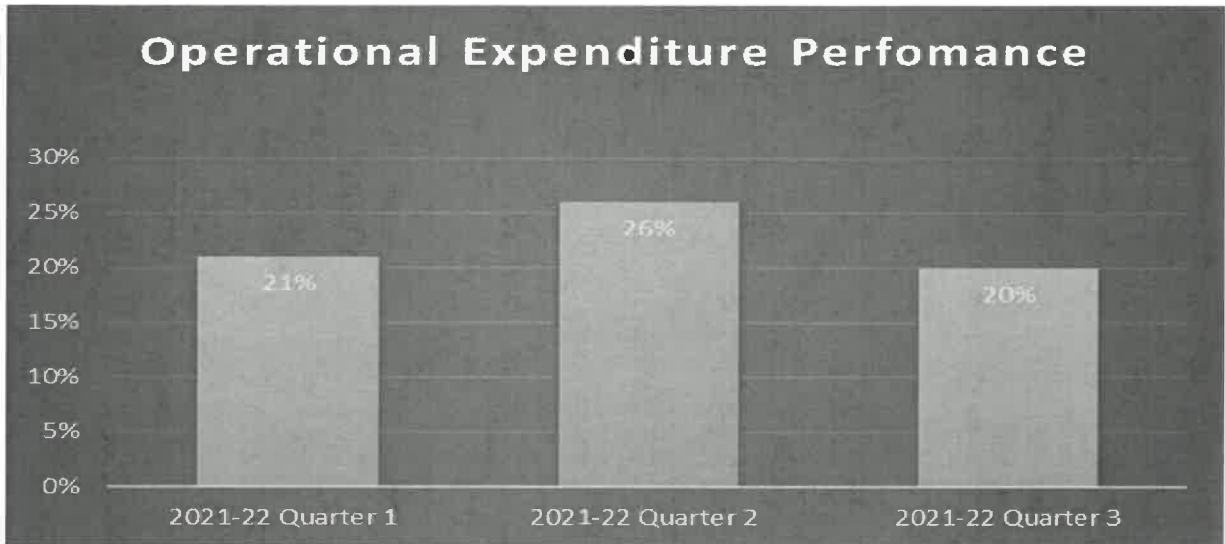
Revenue by source

The total revenue received by source for the 3rd quarter amounted to **R 112, 279,007** against approved budget of **R573,218,160** and the adjusted budget is **R 575 441,871** million inclusive of operational transfers and subsidies. This represents **20%** revenue of the adjusted budget; this is below the expected performance of **25%** for the quarter 3 ended 31 March 2022. The overall revenue received to date represents **88%** against the adjusted budget.



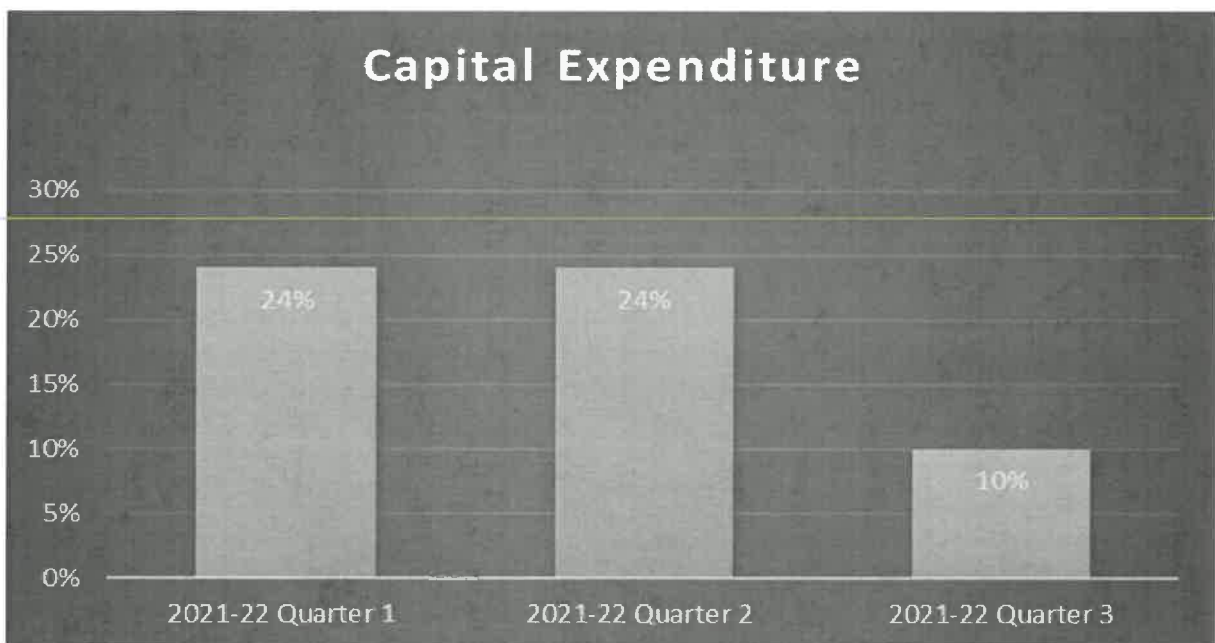
Operating Expenditure by type

Operating expenditure amounted to **R 85 887 277** for the 3rd quarter of the financial year against approved budget of **R 430,345,896** and adjusted to **R 432 569 611**. This represents **20%** of the adjusted operating expenditure budget which is less than expected **25%** performance for the quarter, the reason for the **5%** variance is due to expenditure on Meter Management, Eskom Connection fees and non-cash items that are recognised on the fourth quarter.



Capital Expenditure

Capital expenditure for the 3rd quarter of the financial year amounted to **R 20 664 345** against approved budget of **R 192,872,520** and Adjusted of **208,377,516**. This represents **10%** of the adjusted capital expenditure budget. Which is below the expected performance for the quarter. the reason for the variance is due to projects that did not go out for tendering as per the Preferential Procurement regulations 2017 Court decision that was taken in February 2022.



**PART 2 –
IN-YEAR BUDGET STATEMENTS**

2.1 Table C1 Monthly Budget Statement Summary

EC441 Matatiele - Table C1 Monthly Budget Statement Summary - Q3 Third Quarter

Description	2020/21	Budget Year 2021/22							
	Actual Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	46 576	54 088	54 088	1 691	47 342	40 666	6 675	16%	54 088
Service charges	68 589	70 632	70 632	4 492	46 886	52 899	(6 013)	-11%	70 632
Investment revenue	8 836	14 880	14 880	908	8 022	10 987	(4 965)	-43%	14 880
Transfers and subsidies	306 536	267 313	269 637	86 476	266 510	261 374	5 136	32%	269 637
Other own revenue	21 978	21 863	21 163	2 841	18 527	15 872	2 654	17%	21 863
Total Revenue (excluding capital transfers and contributions)	482 912	427 747	429 971	76 908	384 667	321 780	62 887	19%	429 971
Employee costs	117 964	132 261	132 261	9 925	93 262	99 196	(5 934)	-6%	132 261
Remuneration of Councilors	19 979	21 890	21 890	1 794	14 261	16 267	(2 006)	-12%	21 890
Depreciation & asset impairment	82 840	36 300	36 300	-	22 766	26 475	(3 710)	-14%	36 300
Finance charges	-	-	-	-	-	-	-	-	-
Inventory consumed and built purchases	53 969	57 379	49 281	4 797	80 996	47 736	3 221	7%	69 281
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditures	161 470	183 716	174 036	15 368	107 156	133 981	(26 725)	-20%	174 036
Total Expenditure	439 912	438 346	432 678	31 912	288 386	323 636	(35 274)	-11%	432 678
Surplus/(Deficit)	16 608	(2 389)	(2 699)	44 946	93 796	(1 935)	97 861	-4996%	(2 389)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	92 926	146 471	145 471	13 974	119 913	109 803	90 890	10%	145 471
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Homebodies, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	109 326	142 872	142 872	56 128	213 620	197 149	108 471	101%	142 872
Share of surplus (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	109 326	142 872	142 872	56 128	213 620	197 149	108 471	101%	142 872
Capital expenditure & funds sources									
Capital expenditure	147 489	182 873	208 378	13 609	128 476	150 836	(38 381)	-20%	208 378
Capital transfers recognized	78 907	142 872	142 872	10 504	104 591	107 154	(2 563)	-2%	142 872
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	68 381	59 080	65 595	3 086	13 739	43 782	(27 964)	-44%	65 595
Total sources of capital funds	147 489	182 873	208 378	13 609	128 330	150 836	(39 527)	-20%	208 378
Financial position									
Total current assets	315 065	264 967	251 217	-	541 962	-	-	-	251 217
Total non-current assets	1 130 191	1 152 868	1 168 373	-	1 227 902	-	-	-	1 168 373
Total current liabilities	131 863	(62 284)	(46 589)	-	179 820	-	-	-	(46 589)
Total non-current liabilities	32 753	(29 578)	(29 578)	-	32 753	-	-	-	(29 578)
Community wealth/Equity	1 329 733	1 309 297	1 497 737	-	1 367 290	-	-	-	1 497 737
Cash flows									
Net cash from (used) operating	500 027	163 450	163 157	124 361	369 808	118 970	(259 839)	202%	163 157
Net cash from (used) investing	(161 407)	(192 872)	(204 327)	(15 678)	(128 086)	(149 236)	(21 150)	14%	(204 327)
Net cash from (used) financing	110	-	-	(0)	71	345	275	79%	-
Cash/cash equivalents at the month/year end	491 876	138 637	125 876	-	493 215	136 628	(316 388)	-233%	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									
Note: By income Source	1 131	3 665	3 103	3 455	3 452	3 151	46 181	124 965	198 914
Creditors Age Analysis									
Note: Creditors	-	-	-	-	-	-	-	-	-

2.1.2 Table C2 Monthly Budget Statement –Financial Performance (Functional Class)

EC441 Matatiele - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q3 Third Quarter

Description	Ref	Budget Year 2021/22								
		2020/21 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>		368 360	341 497	341 497	68 221	328 387	256 123	72 264	28%	341 497
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		369 360	341 497	341 497	68 221	328 387	256 123	72 264	28%	341 497
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		9 482	13 841	13 841	1 371	5 151	10 381	(5 229)	-50%	13 841
Community and social services		4 965	7 602	7 602	81	769	5 701	(4 832)	-87%	7 602
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		4 517	6 239	6 239	1 290	4 382	4 679	(297)	-6%	6 239
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		61 176	52 183	52 183	4 641	43 824	39 137	4 687	12%	52 183
Planning and development		691	202	202	8	139	151	(13)	-9%	202
Road transport		60 486	51 981	51 981	4 633	43 686	38 986	4 700	12%	51 981
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		185 421	165 697	167 821	15 798	126 638	125 162	1 475	1%	167 821
Energy sources		91 020	150 099	150 099	13 060	116 073	112 574	3 498	3%	150 099
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		14 401	15 598	17 822	2 738	10 565	12 588	(2 023)	-16%	17 822
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	545 438	573 218	575 442	99 832	984 900	438 883	73 187	17%	575 442
Expenditure - Functional										
<i>Governance and administration</i>		213 330	254 309	242 289	16 389	160 139	185 897	(25 758)	-14%	242 289
Executive and council		24 449	28 660	28 660	2 370	20 811	21 565	(755)	-3%	28 660
Finance and administration		185 594	221 705	209 605	13 728	136 094	161 444	(25 350)	-18%	209 605
Internal audit		3 287	3 744	3 944	301	3 234	2 888	346	12%	3 944
<i>Community and public safety</i>		32 885	42 778	42 228	1 483	25 230	31 864	(6 634)	-21%	42 228
Community and social services		13 828	20 523	19 973	(134)	10 918	15 173	(4 254)	-28%	19 973
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		19 057	22 255	22 255	1 627	14 312	16 691	(2 380)	-14%	22 255
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		62 584	49 016	48 906	6 363	33 416	36 718	(3 302)	-9%	48 906
Planning and development		17 626	21 954	23 254	4 150	16 612	16 986	(374)	-2%	23 254
Road transport		44 878	27 062	25 652	2 213	16 805	19 733	(2 928)	-15%	25 652
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		127 183	84 242	98 226	7 657	69 985	69 175	420	1%	98 226
Energy sources		96 946	60 140	76 200	4 536	53 477	51 529	1 948	4%	76 200
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		30 246	24 102	23 026	3 121	16 118	17 646	(1 528)	-9%	23 026
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	435 912	430 346	432 570	31 812	288 380	323 655	(35 274)	-11%	432 570
Surplus/ (Deficit) for the year		109 526	142 872	142 872	56 120	215 620	187 148	188 471	101%	142 872

2.1.3 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) - Q3 Third Quarter

Vote Description	Ref	2020/21	Budget Year							
		Audited Outcome	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	68 193	323 926	255 766	68 160	26.6%	341 022
Vote 3 - Corporate		221	475	475	28	4 461	356	4 104	1152.1%	475
Vote 4 - Development and Planning		358	202	202	8	139	151	(13)	-8.5%	202
Vote 5 - Community		23 883	29 439	31 663	4 109	15 716	22 969	(7 252)	-31.6%	31 663
Vote 6 - Infrastructure		151 839	202 080	202 080	17 694	159 759	151 560	8 198	5.4%	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	90 032	504 000	430 893	73 197	17.0%	575 442
Expenditure by Vote	1									
Vote 1 - Executive and council		24 449	28 860	28 660	2 370	20 811	21 565	(755)	-3.5%	28 660
Vote 2 - Finance and Admin		122 910	153 257	142 837	8 166	90 342	110 780	(20 438)	-18.4%	142 837
Vote 3 - Corporate		64 630	68 449	66 769	5 570	45 760	50 664	(4 904)	-9.7%	66 769
Vote 4 - Development and Planning		15 680	21 954	23 254	4 142	16 604	16 986	(382)	-2.2%	23 254
Vote 5 - Community		63 132	66 880	65 254	4 614	41 348	49 510	(8 162)	-16.5%	65 254
Vote 6 - Infrastructure		141 824	67 202	101 852	6 749	70 282	71 262	(980)	-1.4%	101 852
Vote 7 - Internal Audit		3 287	3 744	3 944	301	3 234	2 888	346	12.0%	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	31 912	288 380	323 655	(35 274)	-10.0%	432 570
Surplus/ (Deficit) for the year	2	109 526	142 872	142 872	58 120	215 620	107 149	108 471	101.2%	142 872

2.1.4 C4 Monthly Budget Statement –Financial Performance (revenue and Expenditure)

EC441 Matatiele - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q3 Third Quarter

Vote Description	Ref	Budget Year 2021/22								
		2020/21 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	1 681	47 142	40 586	6 575	16%	54 088
Service charges - electricity revenue		57 058	55 007	55 007	3 518	36 176	41 255	(3 079)	-7%	55 007
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		11 531	15 526	15 526	974	8 711	11 644	(2 934)	-25%	15 526
Rental of facilities and equipment		1 397	1 245	1 245	145	1 160	934	226	24%	1 245
Interest earned - external investments		8 835	14 650	14 650	568	6 022	10 987	(4 965)	-45%	14 650
Interest earned - outstanding debtors		13 357	11 799	11 799	1 377	12 050	8 849	3 201	36%	11 799
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		762	2 094	2 094	735	1 303	1 570	(267)	-17%	2 094
Licences and permits		3 787	4 525	4 525	560	3 133	3 394	(260)	-8%	4 525
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		306 535	267 313	289 537	66 476	265 510	201 374	64 136	32%	269 537
Other revenue		873	1 501	1 501	25	880	1 126	(246)	-22%	1 501
Gains		1 801	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		452 512	427 747	429 971	76 058	384 887	321 700	63 187	19%	429 971
Expenditure By Type										
Employee related costs		117 964	132 261	132 261	9 925	93 202	99 196	(5 994)	-6%	132 261
Remuneration of councillors		19 979	21 690	21 690	1 794	14 261	16 267	(2 006)	-12%	21 690
Debt impairment		34 121	7 000	7 000	-	-	5 250	(5 250)	-100%	7 000
Depreciation & asset impairment		82 540	35 300	35 300	-	22 765	26 475	(3 710)	-14%	35 300
Finance charges		1	-	-	-	-	-	-	-	-
Bulk purchases - electricity		48 196	50 000	62 000	3 919	46 388	42 300	4 089	10%	62 000
Inventory consumed		5 763	7 379	7 281	878	4 567	5 435	(868)	-16%	7 281
Contracted services		93 220	105 630	105 785	10 036	73 877	79 296	(5 419)	-7%	105 785
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Other expenditure		34 128	71 086	61 253	5 360	33 320	49 436	(16 116)	-33%	61 253
Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		435 912	430 346	432 570	31 912	288 388	323 653	(35 274)	-11%	432 570
Surplus/(Deficit)		16 600	(2 599)	(2 599)	44 146	96 500	(1 953)	97 861	(0)	(2 599)
Surplus/(Deficit) - Capital (including contributions) (Provincial and District)		92 926	145 471	145 471	13 974	119 913	109 103	10 810	0	145 471
Surplus/(Deficit) - 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	58 120	215 620	187 140			142 872
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		109 526	142 872	142 872	58 120	215 620	187 140			142 872
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		109 526	142 872	142 872	58 120	215 620	187 140			142 872
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		109 526	142 872	142 872	58 120	215 620	187 140			142 872

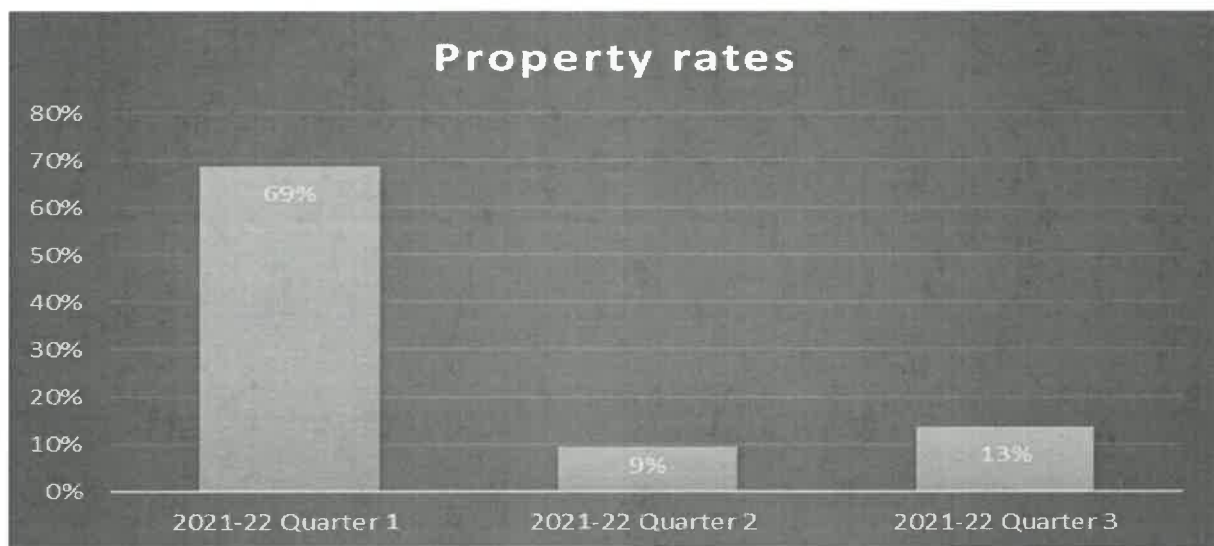
Revenue by Source

Property Rates

Property Rates is the major part of the municipal own revenue and represents **13%** of total own revenue budget.

Billing on Annual property rates is done in July for the financial year. Billing for the quarter 3 amounted to **R 4,994,308**.

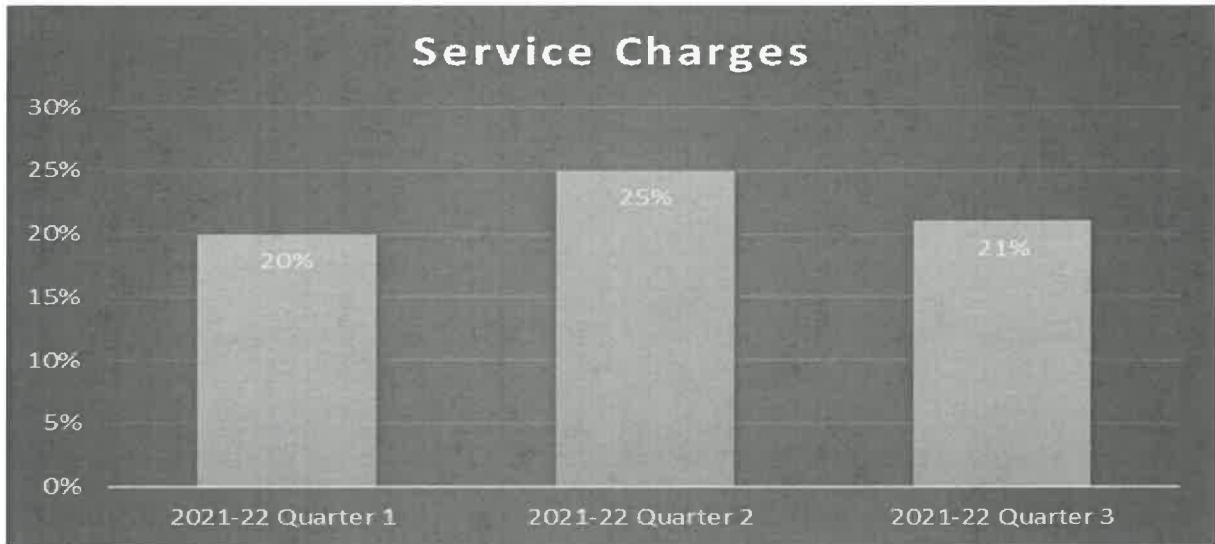
Revenue received from property rates amounted to **R 4,464,879** for the Quarter 3 ended 31st March 2022 against approved budget of **R 54,088,416** this represents **13%** of received revenue by source which is below than anticipated **25%**. This is due to low collection in Maluti & Cedarville.



Service Charges

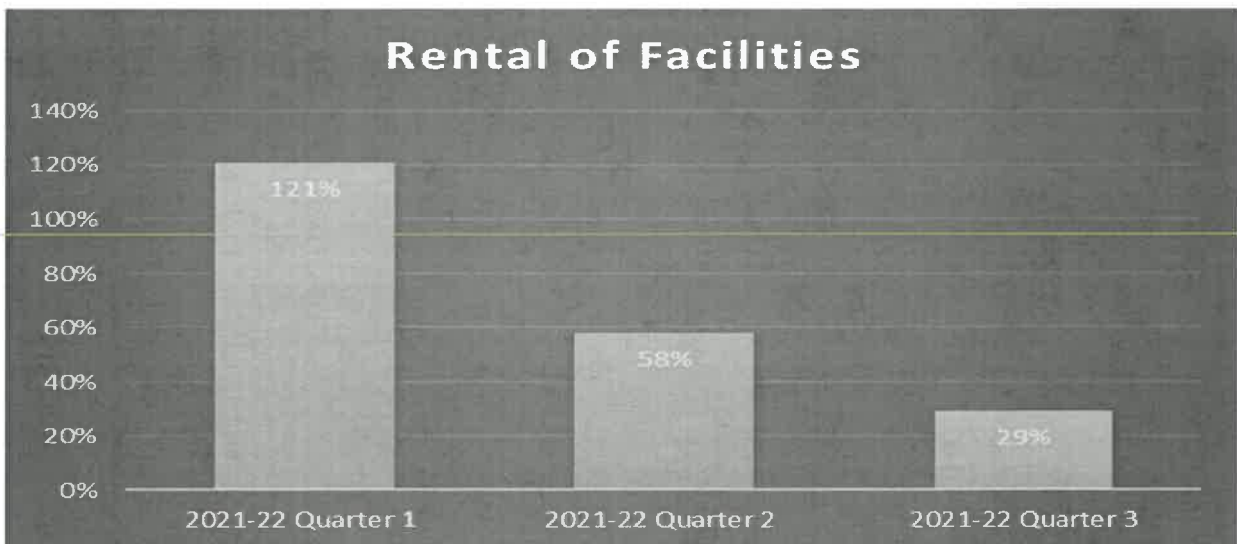
Revenue from Service charges amounted to **R 14,979,745** which is made out of **R 2,913,286** and **R 12,066,459** for Refuse and Electricity for the 3rd quarter ended 31st March 2022 against adjusted budget of **R 70,532,412**

This represent **21%** of the revenue budget for this source. This is within the expected performance for the quarter. The variance is due to no revenue received in electricity connection, disconnection and reconnection fees for the quarter.



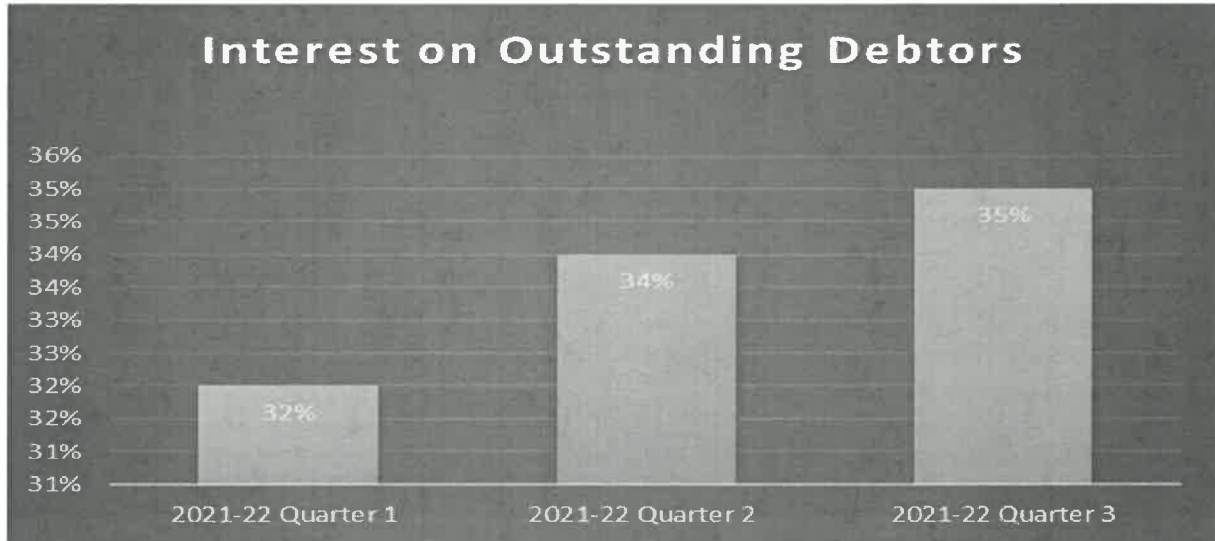
Rental from facilities

Revenue from rental of facilities amounted to **R 355,732** for the 3rd quarter ended 31 March 2022 against budget of **R 1,245,000** and this represents **29%**. This is within the expected performance for the quarter.



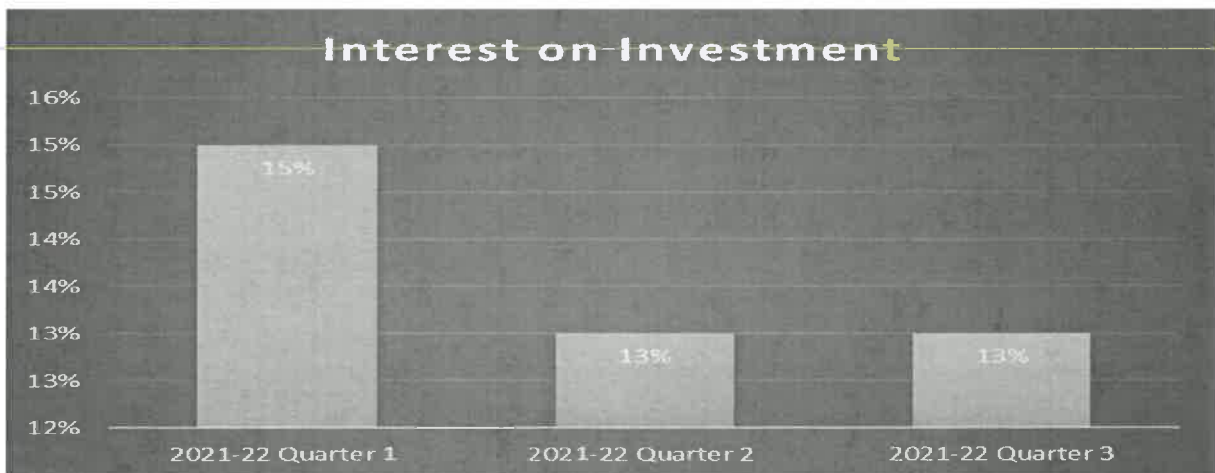
Interest on Outstanding Debtors

Interest on outstanding debtors for the 3rd quarter ended 31 March 2022 amounted to **R4,175,011** against the adjusted budget of **R 11,798,772** and this reflects **35%** of the revenue budget and is a positive performance as the expected target is **25%** for the quarter.



Interest on Investments

Interest earned from conditional and unconditional investments amounted to **R 1,952,960** for Quarter 3 against adjusted budget of **R14,649,996**. This represents **13%** of the total budget from this source and is also due to the fact that interest due on some investments has not yet materialised on major investments but on quarter four would see much improvement.



Fines & Penalties

Revenue from fines and penalties amounted to **R 739,070** for the 3rd quarter ended 31st March 2022 against adjusted budget of **R 2,093,700** and this reflects **35%** of the revenue budget from fines and penalties, this is the positive performance for the quarter.

Licenses and Permits

Revenue from licenses and permits amounted to **R 1 096 116.47** against approved budget **R 4,524,684** for the 3rd quarter ended 31 March 2022. This represents **24 %** revenue for the quarter against the budget from this source. This is within the expected performance for the quarter.



Other Revenue

Other revenue reflects an amount of **R 250,459** for the 3rd quarter ended 31 March 2022 against adjusted budget of **R 1,501,176** this represents **17%** of the budget allocated for this category. The variance is a result no revenue received for insurance refund, camping fees and Merchandising and Jobbing as anticipated.

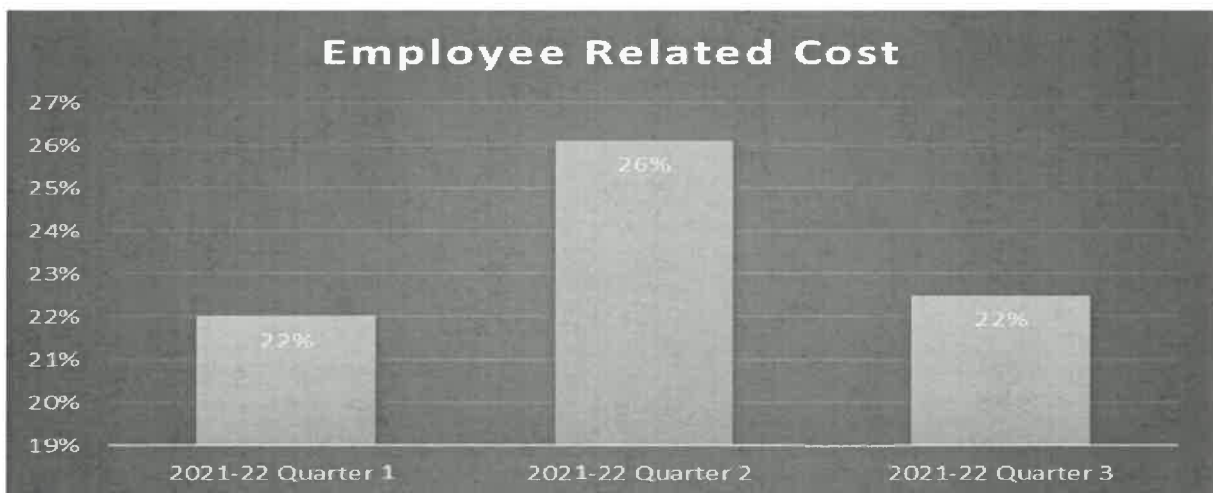


Expenditure by Type

Expenditure by type reflects operational budget per type/category of expenditure

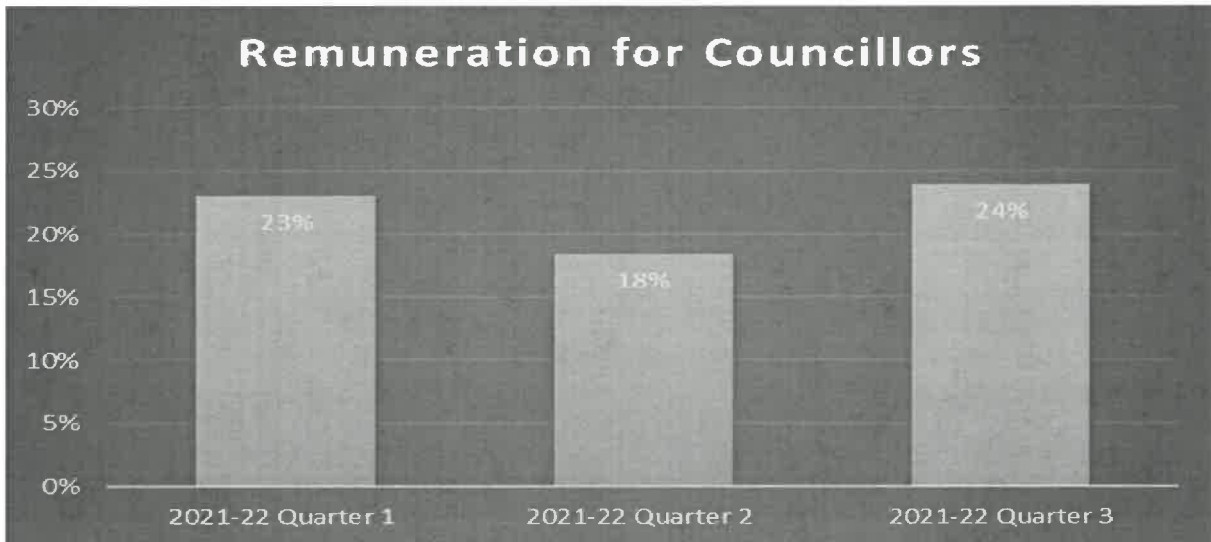
Employee Related Costs

Employee related expenditure for the 3rd quarter ending 31st March 2022 amounted to **R 29,740,140** against adjusted budget amount of **R 132,260,904** that represents **22%** of the budgeted amount. This is within the expected performance for the quarter, the variance is a results of vacant positions that are to be filled before the end of fourth quarter.



Remuneration of Councillors

YTD Remuneration of Councillors amounted to **R 5,190,753** for the for 3rd quarter ended 31st March 2022 against budget of **R 21,689,916** this represents **24%** of the budget allocated to this category. This is within the expected performance for the quarter.



Debt impairment

Currently the municipality accounts for Debt impairment at the end of the financial year, no expenditure is reflected for 3rd quarter for this category.

Depreciation and Asset Impairment

Expenditure and Asset Impairment amounted to **R 2,164** for the 3rd quarter ended 31 March 2022 against adjusted budget of **R 35,300,004** this represents **0%** of the budget allocated on this category. The expenditure on this category will be recognised at the end of the financial year, the overall expenditure to date is **64%**.

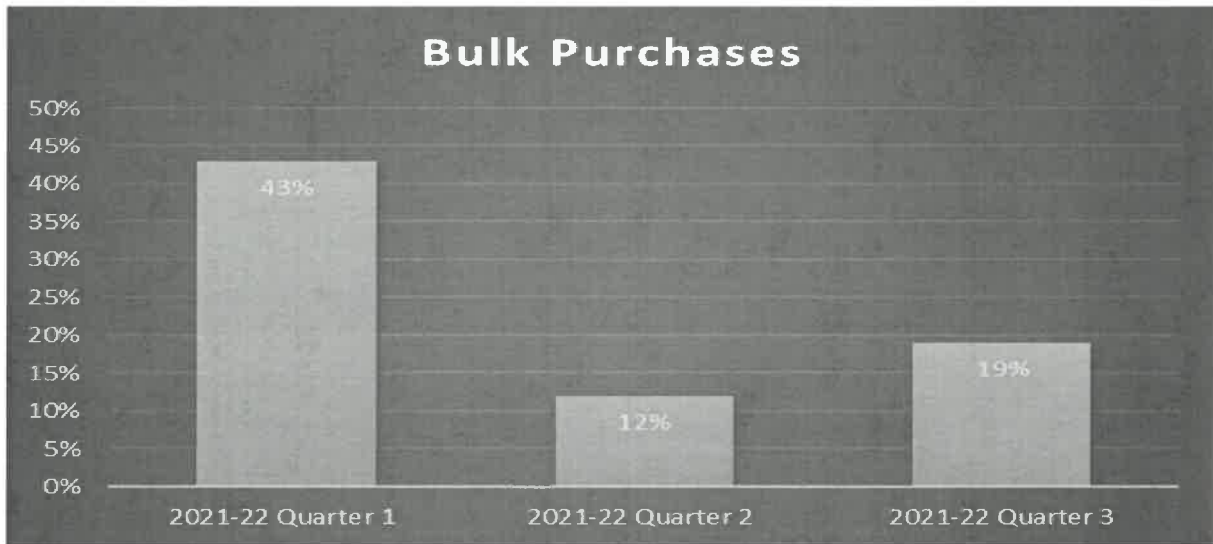


Finance Costs

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

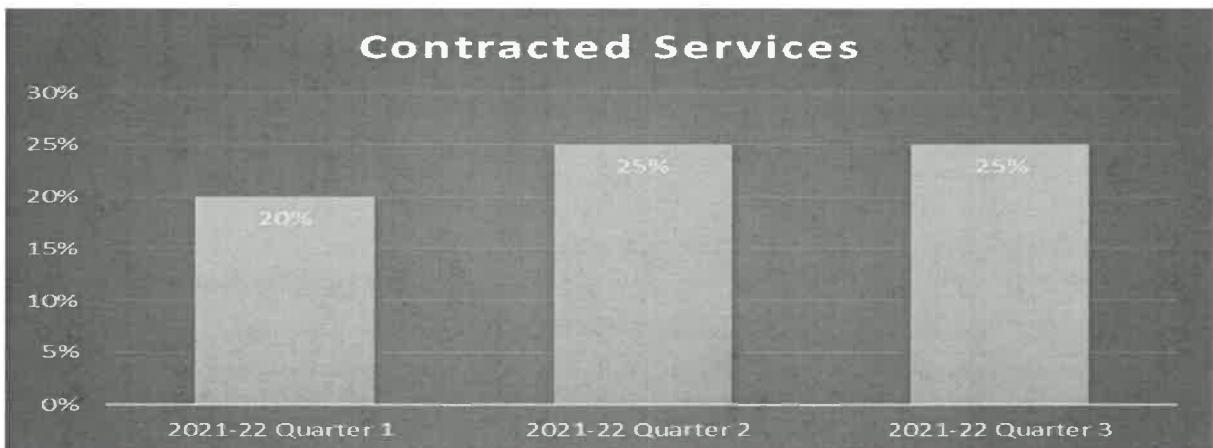
Bulk Purchases

Expenditure on electricity bulk purchases amounted to **R 11,663,489** for the 3rd quarter ended 31 March 2022 against Adjusted budget of **R 62,000,000** this represents **19%** this is less than the performance for the quarter due to March invoices received from Eskom after the month end.



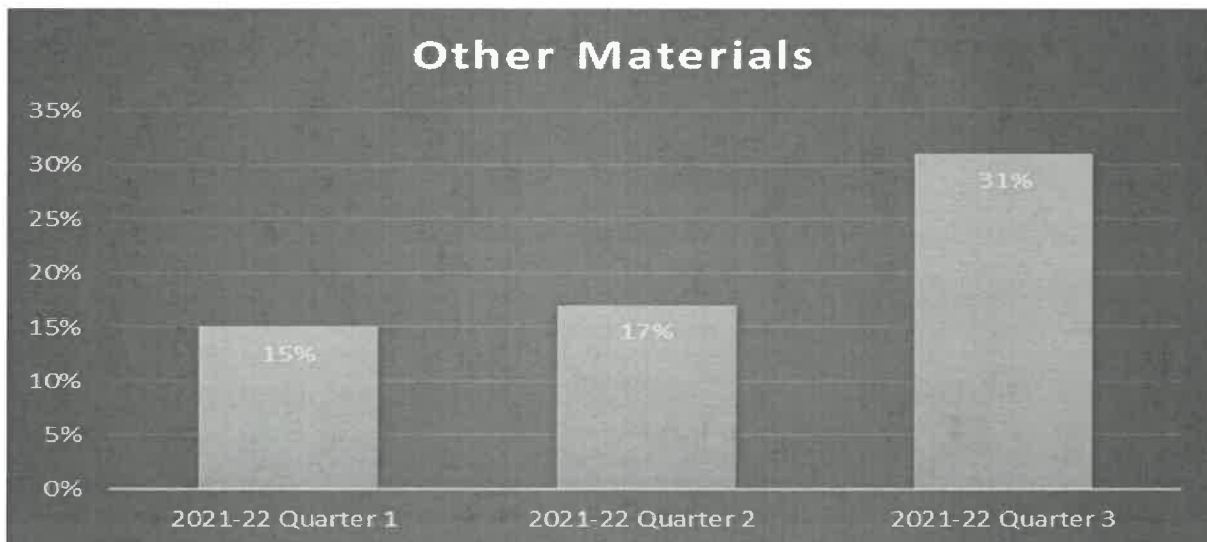
Contracted Services

Expenditure on contracted services amounted to **R 26,737,139** for the 3rd quarter ended 31 March 2022 against Adjusted Budget of **R 105,680,024** this represents **25%** of the budget. This is within the expected performance for the quarter.



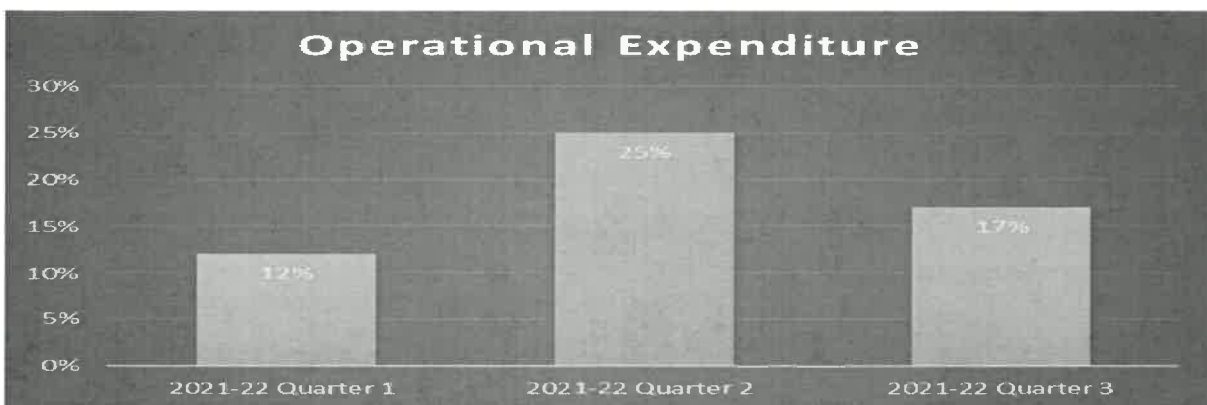
Other Material

Expenditure on other material amounted to **R 2,226,093** for the 3rd quarter ended 31st March 2022 against approved budget of **R 7,379,196**. This represents **31%** of budget allocation for this category, this is within the expected performance for the quarter.



Operational Expenditure

Operational expenditure for the 3rd quarter ended 31 March 2022 amounted to **R 10,327,499** against adjusted budget of **R 61,253,052** and represents **17%**. The variance results on expenditure are from Indigent Relief as a result of high expectation of retrenchment that may lead to more consumers applying for Indigent, hence more budget was allocated in this segment, Auditor General delayed invoices due to Audit that ended in January and other general expenditure that was partially incurred during the adjusted lockdown.



2.1.5 C5 Monthly Budget Statement –Capital Expenditure (municipal vote, functional classification and funding)

EC441 Matatiele - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q3 Third Quarter

Vote Description	Vote	Budget Year 2022/23								
		2020/21 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD Variance	YTD Variance %	Full Year Forecast
R Roubands	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	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	90	90	-	74	88	6	9%	90
Vote 2 - Finance and Admin.		4 061	756	2 756	114	630	1 127	(507)	-45%	2 156
Vote 3 - Corporate		2 596	6 710	6 710	23	3 965	5 033	(1 067)	-31%	6 710
Vote 4 - Development and Planning		488	218	218	74	163	163	(1)	0%	218
Vote 5 - Community		984	4 965	5 067	-	1 445	3 763	(2 318)	-46%	5 067
Vote 6 - Infrastructure		139 420	180 136	194 138	13 266	114 210	140 703	(26 493)	-19%	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	147 499	192 873	208 378	13 609	120 476	158 856	(38 381)	-39%	208 378
Total Capital Expenditure		147 499	192 873	208 378	13 609	120 476	158 856	(38 381)	-39%	208 378
Capital Expenditure - Functional Classification										
Government and administration		8 576	7 526	8 956	137	4 458	5 218	(1 558)	-25%	8 956
Executive and Council		-	90	90	-	74	88	6	9%	90
Finance and administration		6 576	7 436	8 866	137	4 585	5 149	(1 564)	-35%	8 866
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		438	1 762	1 867	-	1 196	1 384	(168)	-12%	1 867
Community and social services		675	410	418	-	59	300	(248)	-61%	418
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		155	1 352	1 457	-	1 136	1 056	80	8%	1 457
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		92 344	92 285	92 175	3 841	44 843	65 842	(21 578)	-33%	92 175
Planning and development		488	245	218	74	163	174	(11)	6%	218
Road transport		91 856	91 957	91 957	3 767	43 901	65 468	(21 567)	-33%	91 957
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		47 158	181 388	185 388	9 632	78 598	77 835	(7 078)	-9%	185 388
Energy services		47 964	98 180	102 180	3 632	70 398	75 235	(4 926)	-7%	102 180
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		154	3 200	3 200	-	249	2 400	(1 151)	-36%	3 200
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	147 499	192 873	208 378	13 609	120 476	158 856	(38 381)	-39%	208 378
Funding by										
National Government		78 786	142 872	142 872	10 528	104 581	107 154	(2 583)	-2%	142 872
Provincial Government		121	-	-	-	-	-	-	-	-
Local Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (priority structures)		-	-	-	-	-	-	-	-	-
National/Provincial Departments/Agencies/Institutions		-	-	-	-	-	-	-	-	-
Non-profit institutions, Private Enterprises, Public Corporations, Higher Educational Institutions		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		78 987	142 872	142 872	10 528	104 581	107 154	(2 583)	-2%	142 872
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		68 561	50 000	65 505	3 086	15 728	43 702	(27 984)	-54%	65 505
Total Capital Funding		147 499	192 873	208 378	13 609	120 334	158 856	(38 527)	-39%	208 378

The Approved Capital Budget amounted to R 192,872,520 and was adjusted to R 208,377,516 for the financial year. For the 3rd quarter ended 31 March 2022, the spending amounted to R 20,664,345 representing 10% of the total capital budget, Expenditure on capital is below the expected performance for the 3rd Quarter due to projects that did not go out for tendering as per the Preferential Procurement regulations 2017 Court decision that was taken in February 2022.

2.1.6 C6 Monthly Budget Statement –Financial Position

EC441 Matatiele - Table C6 Monthly Budget Statement - Financial Position - Q3 Third Quarter

Description	Ref	Budget Year 2021/22				
		2020/21 Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		11 295	669	11 294	13 607	11 294
Call investment deposits		213 127	140 275	115 801	340 099	115 801
Consumer debtors		66 327	33 127	33 127	98 218	33 127
Other debtors		83 199	88 896	88 896	88 088	88 896
Current portion of long-term receivables		-	-	-	-	-
Inventory		2 137	1 600	2 098	1 940	2 098
Total current assets		376 085	264 567	251 217	541 952	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	1 222 456	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	1 222 902	1 168 373
TOTAL ASSETS		1 506 277	1 417 435	1 419 590	1 769 854	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)	162 935	(36 225)
Provisions		15 318	(11 998)	(11 998)	15 318	(11 998)
Total current liabilities		131 863	(62 284)	(48 569)	179 820	(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)	212 573	(78 147)
NET ASSETS	2	1 341 661	1 509 297	1 497 737	1 557 280	1 497 737
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		868 275	1 739 743	1 728 183	1 104 820	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	1 557 280	1 497 737

The table reflects the financial position is recorded at the end of the quarter ending 31 March 2022.

2.1.7 C7 Monthly Budget Statement –Cash Flow

EC441 Matatiele - Table C7 Monthly Budget Statement - Cash Flow - Q3 Third Quarter

Description	Ref	Budget Year 2021/22								
		2020/21 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		17 463	45 975	45 975	2 378	33 650	34 481	(832)	-2%	45 975
Service charges		54 759	60 729	60 729	4 376	44 826	45 547	(719)	-2%	60 729
Other revenue		33 631	9 365	9 365	1 417	11 531	7 023	4 507	64%	9 365
Transfers and Subsidies - Operational		308 461	267 313	267 313	64 731	266 161	200 485	65 676	33%	267 313
Transfers and Subsidies - Capital		92 926	145 471	145 471	77 603	174 749	109 103	65 646	60%	145 471
Interest		8 578	-	14 650	558	1 268	5 660	(4 592)	-78%	14 650
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(16 811)	(375 402)	(380 346)	(26 712)	(173 377)	(283 529)	(110 152)	39%	(380 346)
Finance charges		-	-	-	-	-	-	-	-	-
Transfers and Grants		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		500 827	153 450	163 157	124 351	358 808	118 970	(238 838)	-202%	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)	(15 678)	(128 086)	(149 236)	(21 150)	14%	(204 327)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(161 457)	(192 872)	(204 327)	(15 678)	(128 086)	(149 236)	(21 150)	14%	(204 327)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		110	-	-	(0)	71	345	(275)	-79%	-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		110	-	-	(0)	71	345	275	79%	-
NET INCREASE/ (DECREASE) IN CASH HELD		338 680	(38 422)	(41 171)	108 672	230 794	(29 921)			(41 171)
Cash/cash equivalents at beginning		153 196	178 309	166 748		224 422	166 749			224 422
Cash/cash equivalents at month/year end		491 876	138 887	125 578		455 216	136 828			183 251

PART 3 –SUPPORTING DOCUMENTATION

DEBTORS' ANALYSIS

Supporting Table SC3 _Monthly Budget statement Aged Debtors _ 3rd quarter

EC441 Matabele - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q3 Third Quarter

Description	NT Code	Budget Year 2021/22									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts Lilo Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dye-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	3 913	952	714	1 044	1 128	583	5 107	4 010	17 451	11 872	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	2 513	683	611	570	586	527	25 943	48 312	80 724	76 918	(0)	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	1 501	479	427	403	397	373	1 719	19 164	24 464	22 057	(7)	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	7	7	7	-	-	-
Interest on Asset Debtor Accounts	1810	2 742	1 368	1 350	1 338	1 313	1 547	4 988	31 405	46 053	40 593	-	-	-
Recoverable unauthorised, irregular, needless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	642	173	1	139	45	121	8 424	20 865	30 215	29 398	-	-	-
Total By Income Source	2800	11 311	3 855	3 183	3 495	3 452	3 151	46 181	124 565	198 914	180 845	(7)	-	-
2021/22 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200	3 722	2 046	1 771	2 300	2 150	1 863	32 896	48 823	95 373	87 834	-	-	-
Commercial	2300	5 821	751	482	542	464	457	9 834	27 091	45 221	38 188	(7)	-	-
Households	2400	1 769	878	850	853	837	831	3 650	48 651	58 320	54 823	-	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2800	11 311	3 855	3 183	3 495	3 452	3 151	46 181	124 565	198 914	180 845	(7)	-	-

The total debt book as at March 2022 inclusive of R 3 243 828.38 advanced payments resulting to a total of R 198 914 147.

The Total debt book for March 2022 excluding advanced payments is R 195 670 318.62. Has decreased by R 4,423,856 from Quarter 02 closing balance of R 191 246 462. Debt is made up of the following:

Residential debt:

R 70 655 660.

Commercial debt

R 30 957 911.42

Government debt

R 91 236 627.12

Other

R 2 820 119.18

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 51 177 404.871 (including current)

Cedarville

R 4 593 185.61 (including current)

(both areas are handed over for collection)

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

The following has been handed over:

Residential H/O R 58 041 491.90

Business H/O R 3 085 896.48

Churches H/O R 173 498.46

Farms H/O R 2 393 236.79

A total of R 578 305.58 was collected for the 3rd quarter through the utilisation of debt collectors.

CREDITORS' ANALYSIS

EC441 Matatiele - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q3 Third Quarter

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	-	-	-	-	-	-	-	-	-

The municipality paid its creditors within 30 days for the 3 quarter ended 31 March 2022.

INVESTMENT POTFOLIO ANALYSIS

Investment Management					
Conditional Investments -Description	Opening Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Municipal Infrastructure Grant	13 536 790.48	34 861 345.40	(12 845 521.20)	(36 345.40)	35 552 614.68
INEP	21 616 311.73	42 846 038.40		(58 038.40)	64 462 350.13
EPWP	-	-	-	-	-
Municipal Electrification Intervention	277 782.90	745.92	-	(745.92)	278 528.82
Library and Archives	-		-	-	-
Finance Management Grant	-	-	-	-	-
Smart Grid	55 639.78	149.52	-	(149.52)	55 789.30
Establishment Plan	195 913.72	408.73		(408.73)	196 322.45
Housing Development Fund	1 997 004.83	4 166.36		(4 166.36)	2 001 171.19
Dedea	607 712.66	1 267.87		(1 267.87)	608 980.53
Total Conditional Investments	38 287 156	77 714 122	- 12 845 521	- 101 122	103 155 757
Unconditional Investments -Description	Opening Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Call Acc STD CRR	75 184 582.18			(197 230.79)	75 184 582.18
Call Acc STD CRR	11 334 385.52	29 733.35		(29 733.35)	11 364 118.87
Call Acc STD CRR	22 078 443.84	103 276.71		(103 276.71)	22 181 720.55
Call ACC FNB Surplus Cash	6 805 395.80			(12 529.39)	6 805 395.80
Nedbank 32 Days	6 550 623.32	21 356.72		(21 356.72)	6 571 980.04
Nedbank relief fund	784 895.93	2 107.28		(2 107.28)	787 003.21
Nedbank COV -19 Solidarity	94 951.63	254.80		(254.80)	95 206.43
Nedbank call Surplus	44 164 047.05	75 057 484.10	(58 966 170.49)	(15 137.94)	60 255 360.66
Nedbank Retention	27 272 854.16	73 225.88		(73 225.88)	27 346 080.04
Termination Guarantee	144 640.82				144 640.82
Account Gaurantee	6 202 000.00				6 202 000.00
Nedbank		20 000 000.00			20 000 000.00
Total Unconditional	200 616 820	95 287 439	- 58 966 170	- 454 853	236 938 089
Total Investments	238 903 976	173 001 561	- 71 811 692	- 555 975	340 093 846

As at 31 March 2022, the total investments amounted to **R 340,093,846** this includes both conditional and unconditional grants and municipal reserves.

ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

EC441 Matatiele - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q3 Third Quarter

Description	Ref	2020/21	Budget Year 2021/22							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
RECEIPTS:	1.2									
Operating Transfers and Grants										
National Government:		(0)	265 363	265 363	64 707	265 363	199 022	66 341	33.3%	265 363
Expanded Public Works Programme Integrated Grant		0	4 887	4 887	-	4 887	3 665	1 222	33.3%	4 887
Local Government Financial Management Grant		-	1 650	1 650	-	1 650	1 238	413	33.3%	1 650
Library & Museum Support		(0)	-	-	-	-	-	-		-
Equitable Share		-	258 826	258 826	64 707	258 826	194 119	64 706	33.3%	258 826
Provincial Government:		-	1 950	4 174	-	4 174	1 463	2 711	105.4%	4 174
Library & Museum Support		-	1 950	1 950	-	1 950	1 463	488	33.3%	1 950
DEBEAT ALIEN PLANT CLEARING		-	-	2 224	-	2 224	-	2 224	#DIV/0!	2 224
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total Operating Transfers and Grants	5	(0)	267 313	269 537	64 707	269 537	200 485	69 052	34.4%	269 537
Capital Transfers and Grants										
National Government:		-	145 471	145 471	77 603	174 749	109 103	65 646	60.2%	145 471
Municipal Infrastructure Grant		-	51 971	51 971	34 825	76 971	38 978	37 993	97.5%	51 971
Integrated National Electrification Programme Grant		-	93 500	93 500	42 778	97 778	70 125	27 653	39.4%	93 500
Provincial Government:		-	-	-	-	-	-	-		-
Library & Museum Support		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-	0.0%	-
Other grant providers:		-	-	-	-	-	-	-	0.0%	-
Total Capital Transfers and Grants	5	-	145 471	145 471	77 603	174 749	109 103	65 646	60.2%	145 471
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	(0)	412 784	415 008	142 310	444 286	309 588	134 698	43.5%	415 008

The transfers recognised represents the allocations as promulgated in the National and Provincial Division of revenues. All trenches allocated to be received in the quarter under review have been received.

Supporting Table C7

EC441 Matatiele - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q3 Third Quarter

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	22 695	179 111	176 909	2 203	1.2%	265 363	
Expanded Public Works Programme Integrated Grant	-	4 887	4 887	-	4 884	3 258	1 626	49.9%	4 887	
Local Government Financial Management Grant	-	1 650	1 650	439	1 255	1 100	155	14.1%	1 650	
Equitable Share	-	258 826	258 826	22 256	172 972	172 551	421	0.2%	258 826	
Provincial Government:	-	1 950	4 174	1 762	1 781	2 782	(1 001)	-36.0%	4 174	
Library & Museum Support	-	1 950	1 950	5	25	1 300	(1 275)	-98.1%	1 950	
DEDEAT: ALIEN PLANT CLEARING	-	-	2 224	1 757	1 757	1 482	274	18.5%	2 224	
District Municipality:	-	-	-	-	-	-	-	-	-	
Other grant providers:	-	-	-	-	-	-	-	-	-	
Total operating expenditure of Transfers and Grants:	-	267 313	269 537	24 456	189 893	179 891	12 001	0.7%	269 537	
Capital expenditure of Transfers and Grants										
National Government:	-	145 471	145 471	10 674	105 893	96 981	8 913	9.2%	145 471	
Municipal Infrastructure Grant	-	51 971	51 971	2 628	38 584	34 647	3 936	11.4%	51 971	
Integrated National Electrification Programme Grant	-	93 500	93 500	8 046	67 310	62 333	4 976	8.0%	93 500	
Provincial Government:	-	-	-	-	-	-	-	-	-	
DEDEAT ALIEN PLANT CLEARING	-	-	-	-	-	-	-	-	-	
District Municipality:	-	-	-	-	-	-	-	-	-	
Other grant providers:	-	-	-	-	-	-	-	-	-	
Total capital expenditure of Transfers and Grants	-	145 471	145 471	10 674	105 893	96 981	8 913	9.2%	145 471	
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	-	412 784	415 008	35 130	295 786	276 872	10 114	3.7%	415 008	

Expenditure performance on operational grants to date represents **69%** of the approved budget, **1%** expenditure on library support grant due to adjusted level 1 which limit other activities.

Capital Expenditure on capital grants to date represents is **73%** of the Adjusted budget on capital grants, expenditure on capital grants is within the expected performance.

EMPLOYEE RELATED COSTS AND COUNCILLOR'S REMUNERATION

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.

EC441 Matatiele - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q3 Third Quarter

Summary of Employee and Councillor remuneration R thousands	Ref	Budget Year 2021/22								
		2020/21 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		12 087	13 681	13 681	1 090	8 790	10 261	(1 471)	-14%	13 681
Pension and UIF Contributions		741	808	808	61	466	606	(140)	-23%	808
Medical Aid Contributions		540	141	141	57	362	106	256	241%	141
Motor Vehicle Allowance		129	136	136	-	58	102	(43)	-43%	136
Cellphone Allowance		2 279	2 391	2 391	200	1 613	1 793	(180)	-10%	2 391
Housing Allowances		4 204	4 532	4 532	396	2 973	3 399	(427)	-13%	4 532
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		19 979	21 690	21 690	1 794	14 261	16 267	(2 006)	-12%	21 690
% Increase	4		8.0%	8.6%						8.0%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		1 084	3 200	3 200	182	1 439	2 400	(961)	-40%	3 200
Pension and UIF Contributions		70	139	139	1	32	104	(72)	-59%	139
Medical Aid Contributions		-	121	121	-	-	90	(90)	-100%	121
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		577	1 813	1 813	100	723	1 360	(637)	-47%	1 813
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		577	1 390	1 390	56	508	1 042	(534)	-51%	1 390
Other benefits and allowances		170	499	499	43	255	374	(120)	-32%	499
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		2 479	7 162	7 162	382	2 957	5 371	(2 414)	-45%	7 162
% Increase	4		188.9%	188.9%						188.9%
Other Municipal Staff										
Basic Salaries and Wages		75 738	87 626	87 328	6 718	60 655	66 601	(4 945)	-8%	87 328
Pension and UIF Contributions		12 615	14 324	14 324	1 065	9 647	10 743	(1 096)	-10%	14 324
Medical Aid Contributions		5 669	5 134	5 134	405	3 487	3 851	(363)	-9%	5 134
Overtime		2 147	1 916	1 996	141	1 415	1 489	(54)	-4%	1 996
Performance Bonus		5 961	6 332	6 332	323	4 199	4 749	(550)	-12%	6 332
Motor Vehicle Allowance		4 996	4 832	4 832	417	3 724	3 624	100	3%	4 832
Cellphone Allowance		6	6	6	1	143	5	138	3007%	6
Housing Allowances		-	2 531	2 531	64	191	1 899	(1 707)	-90%	2 531
Other benefits and allowances		4 344	2 398	2 616	363	3 921	1 886	2 036	106%	2 616
Payments in lieu of leave		3 821	-	-	35	2 574	-	2 574	#DIV/0!	-
Long service awards		260	-	-	11	268	-	268	#DIV/0!	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		115 485	125 099	125 099	9 543	99 245	93 825	(3 580)	-4%	125 099
% Increase	4		8.3%	8.3%						8.3%
Total Parent Municipality		137 843	153 951	153 951	11 719	107 463	115 483	(8 000)	-7%	153 951

COUNCIL REMUNERATION

The expenditure from remuneration of Councillors amounted to R 5,190,752.59 for the 3rd quarter ended 31st March 2022 against the adjusted budget of R 21,689,916, this represents 24% of the budget allocated to this category.

EMPLOYEE RELATED COST

The employee related cost expenditure for the quarter under review amounted to R29,740,140.31 against budget of R132,260,904 and represents 26% performance of the budget, this is within the expected performance for the quarter.

SUPPLY CHAIN MANAGEMENT

a. Progress on Procurement Plan 2021/22

ADJUSTED PROCUREMENT PLAN MUNICIPAL MANAGER'S OFFICE	Dep Code	Funding	Total Project Cost	Adjusted Budget 2021/22	Mode of Procurement	Project Description	Percentage Expenditure Q3	Percentage Expenditure Q4	Requisition and spec submission date	SPEC Date	Advert Date	Closing Date	BEC Date	BAC Date	Appalment
TECHNICAL/INFRA SERVICES															
Project Maintenance		CRR	R 1 650 000.00	R 1 650 000.00	Competitive Bidding	Heavy maintenance Nyanzela Access Road 5.3km	0%	100%	28-Feb-22	01-Mar-22	11-Mar-22	25-Mar-22	30-Mar-22	01-Apr-22	07-Apr-22
Project Maintenance		CRR	R 2 750 000.00	R 2 750 000.00	Competitive Bidding	Heavy maintenance of Dengwane/Khoapa/Bosola-Taung Access road 9.1km	0%	100%	28-Feb-22	01-Mar-22	11-Mar-22	25-Mar-22	30-Mar-22	01-Apr-22	07-Apr-22
Project Maintenance		CRR	R 1 290 000.00	R 1 290 000.00	Competitive Bidding	Heavy maintenance Sibweni Access Road 4.3km	0%	100%	28-Feb-22	01-Mar-22	11-Mar-22	25-Mar-22	30-Mar-22	01-Apr-22	07-Apr-22
Project Maintenance		CRR	R 1 829 800.00	R 1 829 800.00	Competitive Bidding	Heavy maintenance Mphotshongweni Access Road & Bridges (Rashule) Upgrading 5.5km	0%	100%	28-Feb-22	01-Mar-22	11-Mar-22	25-Mar-22	30-Mar-22	01-Apr-22	07-Apr-22
Project Maintenance		CRR	R 2 500 200.00	R 2 500 200.00	Competitive Bidding	Heavy maintenance of Tsapisoeng Kamorathaba to Kuyisa Access Road (Masakaba) 8.3km	0%	100%	28-Feb-22	01-Mar-22	11-Mar-22	25-Mar-22	30-Mar-22	01-Apr-22	07-Apr-22
BUDGET & TREASURY OFFICE															
CORPORATE SERVICES															
Public Participation and Customer Care		Equitable Share	R 642 000.00	R 13.00	Competitive Bidding	Customer Satisfaction Survey	81%	100%	15-Mar-22	15-Mar-22	25-Mar-22	25-Mar-22	04-May-22	13-May-22	13-Jun-22
Administration and Council Support	2540	Capital	R 200 000.00	R 200 000.00	Competitive Bidding	Guard Houses	0%	100%	15-Mar-22	15-Mar-22	25-Mar-22	25-Mar-22	04-May-22	13-May-22	13-Jun-22
ICT	2540	Equitable share	R 400 000.00	R 400 000.00	Competitive Bidding	ICT SECURITY AWARENESS (POPIA)	100%	100%	15-Mar-22	15-Mar-22	25-Mar-22	25-Mar-22	04-May-22	13-May-22	13-Jun-22
ICT	2540	Equitable share	R 1 300 000.00	R 1 300 000.00	Competitive Bidding	PROVISION OF HR AND PAYROLL SYSTEM	0%	0%	15-Mar-22	15-Mar-22	25-Mar-22	25-Mar-22	04-May-22	13-May-22	13-Jun-22
COMMUNITY SERVICES															
Purchase of uniform and protective clothing			R 250 000.00	R 250 000.00	Competitive Bidding	Purchase of uniform and protective clothing			15-Mar-22	15-Mar-22	25-Mar-22	25-Mar-22	04-May-22	13-May-22	13-Jun-22
SCBA with oxygen cylinders (fire), pickhead axe, hooligan tools, roof ladder, rescue saw, torches			R 205 000.00	R 205 000.00	Competitive Bidding	SCBA with oxygen cylinders (fire), pickhead axe, hooligan tools, roof ladder, rescue saw, torches			15-Mar-22	15-Mar-22	25-Mar-22	25-Mar-22	04-May-22	13-May-22	13-Jun-22
Waste and Environment			R 600 000.00	R 600 000.00	Competitive Bidding	Nature reserve access road			25-Mar-22	28-Mar-22	07-Apr-22	25-Apr-22	04-May-22	13-May-22	13-Jun-22
Waste and Environment			R 750 000.00	R 750 000.00	Competitive Bidding	Landfill site access road			25-Mar-22	28-Mar-22	07-Apr-22	25-Apr-22	04-May-22	13-May-22	13-Jun-22
Waste and Environment			R 1 000 000.00	R 1 000 000.00	Competitive Bidding	Cemetery development			25-Mar-22	28-Mar-22	07-Apr-22	25-Apr-22	04-May-22	13-May-22	13-Jun-22
Waste and Environment			R 200 000.00	R 200 000.00	Competitive Bidding	Remediation of landfill site			25-Mar-22	28-Mar-22	07-Apr-22	25-Apr-22	04-May-22	13-May-22	13-Jun-22
Waste and Environment			R 4 000 000.00	R 4 000 000.00	Competitive Bidding	Grass cutting machines			25-Mar-22	28-Mar-22	07-Apr-22	25-Apr-22	04-May-22	13-May-22	13-Jun-22
Public Amenities & EPWP			R 350 000.00	R 400 000.00	Competitive Bidding	Routine maintenance of 5 sports fields			15-Mar-22	15-Mar-22	25-Mar-22	25-Mar-22	04-May-22	13-May-22	13-Jun-22
Public Amenities & EPWP			R 350 000.00	R 350 000.00	Competitive Bidding	Bus Rank Public Toilets Renovations			15-Mar-22	15-Mar-22	25-Mar-22	25-Mar-22	04-May-22	13-May-22	13-Jun-22
Public Amenities & EPWP			R 850 000.00	R 850 000.00	Competitive Bidding	Town hall renovations designs			15-Mar-22	15-Mar-22	25-Mar-22	25-Mar-22	04-May-22	13-May-22	13-Jun-22

BIDS AWARDED IN THE 3RD QUARTER ENDED 31 MARCH 2022

NO	NAME OF DESCRIPTION	CLOSING DATE	SERVICE PROVIDER	APPOINTMENT DATE	AMOUNT	LOCALITY
1.	Cropping Programme ,Supply and Delivery of Production Inputs	22 10 2021	Mbali Rural Developers cc	17 01 2022	15,617.00 per ha.	Matatiele
2.	Supply and delivery of 250 units 600mm and 100 units of 900mm of concrete pipes.	30 09 2021	Zano and Fiso Trading cc	12 01 2022	1,020,000.00	Matatiele
3.	Management plant for Matatiele Municipality for a period of two years	06 09 2021	Manong Construction & Projects	06 01 2022	Rates	Matatiele
4.	Construction of Rockville,Motsekoa & Maritseng access road	27 09 2021	Masilo Projects cc	10 01 2022	2,281,386.10	Matatiele
5.	Supply and Delivery of 6000 bags of cold asphalt (tar)	12 11 2021	Jamalox Trading (Pty) Ltd	05 01 2022	552,000.00	Matatiele

NO	NAME OF DESCRIPTION	CLOSING DATE	SERVICE PROVIDER	APPOINTMENT DATE	AMOUNT	LOCALITY
6.	Construction of St Paul access road	29 09 2021	Masilo Projects cc	04 01 2022	1,480,567.50	Matatiele
7	Construction of Likhetlane access road	28 09 2021	Zuks Development	04 01 2022	1,952,338.90	Matatiele
8	Completion of Matatiele Council chambers:Back-up supply	30 09 2021	Incline and Decline JV Sisesonke trading and projects	04 01 2022	2,348,682.49	Matatiele
9	Construction of Magma-Kutwana access road	29 09 2021	Jamalox Trading (Pty) Ltd	12 01 2022	1,595,669.00	Matatiele
10	Construction of Harry Gwala Internal Streets(Itshokolele-Njongweville phase 1	16 08 2021	Mahlubi Transport & Plant Hire	04 01 2022	8,981,086.45	Umzimkhulu
11	Accounting and financial management professional services panel establishment for a period of 3 financial years linked to audits	05 07 2021	Pholela Business Advisory	20 01 2022	Rates	Amanzimtoti

NO	NAME OF DESCRIPTION	CLOSING DATE	SERVICE PROVIDER	APPOINTMENT DATE	AMOUNT	LOCALITY
12	Accounting and financial management professional services panel establishment for a period of 3 financial years linked to audits	05 07 2021	Protea Consulting Inc	20 01 2022	Rates	Westville
13	Accounting and financial management professional services panel establishment for a period of 3 financial years linked to audits	05 07 2021	MFS Chartered accountants (SA) Inc	28 01 2022	Rates	Mthatha
14	Re-Surfacing of Matatiele Internal Streets in ward 19	03 09 2021	Mabona Civils and Plant Hire	31 01 2022	7,243,873.00	Kokstad

IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

The YTD Fruitless and wasteful expenditure for the 3rd quarter ended 31 March 2022 amounted to R 33 092.95 this expenditure relates to penalties for late submission for Compensation of Occupational Injuries and Diseases (COIDA) and interest on overdue Eskom account.

INDIGENT MANAGEMENT

The indigent register for the 2021/22 has 13 457 beneficiaries registered to date. A total of R 3 538 874.43 has been incurred as at end of quarter 3.

The expenditure for indigent benefits is as follows for quarter 3 ended 31 March 2022:

-	Electricity	R 150 354.57
-	Rates and refuse	R 178 502.66
-	Alternative energy (Solar; and gas and stoves)	R 899 412.35
Expenditure for quarter three ended 31 March 2022:		
-	Electricity	R 347 051.14
-	Rates and refuse	R 532 098.17
-	Alternative energy (Solar; and gas and stoves)	R 3 076 417.65

MUNICIPAL MANAGER'S QUALITY CERTIFICATE


QUALITY CERTIFICATE

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

The quarterly budget statement (Section 52(d) Report) on the implementation of the budget and financial state of affairs of the municipality for the third quarter ended 31 March 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: 12/04/2022