

**DRAFT MINUTES OF THE FIFTH (5TH) ORDINARY COUNCIL MEETING
OF THE SIXTH COUNCIL OF MALUTI-A-PHOFUNG LOCAL
MUNICIPALITY HELD ON TUESDAY THE 14TH FEBRUARY 2023 AT
PHUTHADITJHABA MULTIPURPOSE HALL AT 10H00**

**13.2.10 QUARTERLY STATEMENTS REPORT – MFMA s52 (D) FOR
THE 1ST QUARTER (JULY – SEPTEMBER 2022**

ANNEXURE “E”

RESOLVED:

1. Council takes note of the MFMA section 52(d) report for the 1st quarter (July – September) 2022

Signed by: _____

Council Secretary: N. SIBIYA

Date: 15 February 2023

Issued by: NJABULO SIBIYA

Received by: MJ Tshabalala





75

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**REPORT BY THE EXECUTIVE MAYOR FOR SUBMISSION TO COUNCIL
QUARTERLY BUDGET STATEMENT REPORT- MFMA s52 (d) FOR THE
1ST QUARTER (JULY – SEPTEMBER) 2022**

1. PURPOSE

The purpose of this report is to provide the budget statement of the Municipality for the **1st quarter ending 30th September 2022.**

2. BUSINESS PLAN

IDP and Budget Process Plan

3. STRATEGIC OBJECTIVE

To ensure compliance to statutory reporting deadlines.

4. DELEGATED AUTHORITY

Delegated powers vest with the Council.

5. ANNEXURES

- A- Consolidated Schedule C report
- B- Parent Municipality Schedule C report
- C- Maluti Water Schedule F report

6. POLICY

Budget related policies

7. LEGAL REQUIREMENTS

MFMA Act No 56 of 2003

8. BACKGROUND AND DISCUSSION

In terms of **section 52 of MFMA Act No 56 of 2003** which reads as follows:

The mayor of a municipality -

- (d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.



9. FINANCIAL IMPLICATIONS

Consolidated financial performance

- The total revenue for the 1st quarter amounted to **R434.1 million**.
- The total operating expenditure for the 1st quarter amounted to **R576.9 million**.
- The total capital expenditure for the 1st quarter amounted to **R22.5 million**.

Debtors Age Analysis

- The total debtor's book by the end of the **1st quarter 2022** amounted to **R2.2 billion**.

Creditors Age Analysis

- The creditors balance by the end of the **1st quarter 2022** amounted to **R7 billion**. The largest contributor being the Eskom debt.

10. STAFF IMPLICATIONS

The total number of employees by the end of the **1st quarter 2022**.

- Parent municipal staff including Councillors was **1 303**.
- MAP Water (SOC) Ltd was **280**.

11. COMMENTS FROM OTHER DIRECTORS

The report will be circulated to all directorates.

12. RECOMMENDATION

It is recommended

- That the MFMA section 52(d) report for the **1st quarter (July – September) 2022** be noted.

SUBMITTED BY:

.....
Cllr. G. MOKOTSO
THE EXECUTIVE MAYOR

27-01-2023
.....
DATE



TABLE OF CONTENTS

PART 1 IN-YEAR REPORT	4
1.1 EXECUTIVE SUMMARY	4
1.1.1 Consolidated Budget Statement Summary	4
1.1.2 Material variance explanations on Revenue by Sources	5
1.1.3 Material variance explanations on Expenditure by Type	8
1.1.4 Consolidated Financial Performance by municipal vote	10
1.1.5 Allocations and grants received	11
1.1.6 List of capital projects	11
1.1. IN-YEAR BUDGET STATEMENT TABLES	13
1.1.1. Table C2 Consolidated financial performance (functional classification)	13
1.1.2. Table C3 Consolidated financial performance by municipal vote	14
1.1.3. Table C4 Consolidated financial performance (revenue and expenditure)	15
1.1.4. Table C5 Consolidated capital expenditure	16
1.1.5. Table C6 Consolidated Financial Position	17
1.1.6. Table C7 Consolidated Cash flow statement	18
PART 2 - SUPPORTING DOCUMENTATION	19
2.1. SUPPORTING TABLES	19
2.1.1. Debtor's Analysis	19
2.1.2. Creditors Analysis	20
2.1.3. Investments Portfolio Analysis	20
2.1.4. Councillors and Board Member Allowances and Employee Benefits	21
2.2. PARENT MUNICIPALITY FINANCIAL PERFORMANCE	23
2.3. MUNICIPAL ENTITY FINANCIAL PERFORMANCE	24
2.4. MUNICIPAL MANAGER'S QUALITY CERTIFICATION	25



78

FS194_1st quarter budget statement report (July-September) 2022- MFMA s52 (d)

PART 1 IN-YEAR REPORT

1.1 EXECUTIVE SUMMARY

The total revenue for the 1st quarter was **R434.1 million**. The total operating expenditure for the 1st quarter amounted to **R576.9 million**. The total capital expenditure for the 1st quarter amounted to **R22.5 million**.

1.1.1 Consolidated Budget Statement Summary

Description	Budget Year	Jul-22	Aug-22	Sep-22	1st quarter	YTD Actual	YearTD budget	YTD variance	YTD variance %
R thousands									
Financial Performance									
Property rates	111,979	9,360	9,334	9,327	28,021	28,021	27,995	26	0%
Service charges	743,950	20,193	20,288	21,811	62,292	62,292	185,987	(123,695)	-67%
Investment revenue	10,100	-	583	698	1,281	1,281	2,525	(1,244)	-49%
Transfers and subsidies	754,206	290,432	18,716	2,122	311,270	311,270	188,552	122,719	65%
Other own revenue	279,001	15,303	1,349	14,652	31,304	31,304	69,750	(38,447)	-55%
Total Revenue (excluding capital transfers and contributions)	1,899,235	335,288	50,270	48,610	434,168	434,168	474,809	(40,641)	-9%
Employee costs	660,113	82,562	60,990	58,742	202,294	202,294	165,028	37,266	23%
Remuneration of Councillors	30,608	2,427	2,790	2,422	7,638	7,638	7,652	(14)	-0%
Depreciation & asset impairment	111,500	-	-	-	-	-	27,875	(27,875)	-100%
Finance charges	90,150	-	8	79,409	79,417	79,417	22,538	56,879	252%
Inventory consumed and bulk purchase	543,361	939	1,490	258,342	260,770	260,770	135,840	124,930	92%
Transfers and subsidies	174,155	-	-	11,594	11,594	11,594	43,539	(31,945)	-73%
Other expenditure	471,163	2,907	5,983	6,389	15,279	15,279	117,791	(102,511)	-87%
Total Expenditure	2,081,051	88,835	71,260	416,898	576,993	576,993	520,263	56,730	11%
Surplus/(Deficit)	(181,815)	246,453	(20,990)	(368,288)	(142,825)	(142,825)	(45,454)	(97,371)	214%
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	257,945	-	-	-	-	-	64,486	(64,486)	-100%
Surplus/(Deficit) after capital transfers & contributions	76,130	246,453	(20,990)	(368,288)	(142,825)	(142,825)	19,032	(161,858)	-850%
Capital expenditure	294,505	14,553	5,889	2,026	22,468	22,468	73,626	(51,158)	-162%
Capital transfers recognised	248,593	14,379	5,889	1,921	22,189	22,189	62,148	(39,959)	-64%
Internally generated funds	45,912	174	-	105	279	279	11,478	(11,199)	-98%



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79

1.1.2 Material variance explanations on Revenue by Sources

Description R thousands (R'000)	Budget year 2022-2023								
	Original Budget	Jul-22	Aug-22	Sep-22	1st quarter actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
Revenue By Source									
Property rates	111 979	9 360	9 334	9 327	28 021	28 021	27 995	26	0%
Service charges - electricity revenue	446 336	4 151	4 832	6 465	15 448	15 448	111 584	(96 136)	-86%
Service charges - water revenue	209 623	9 143	8 004	8 221	25 369	25 369	52 406	(27 037)	-52%
Service charges - sanitation revenue	44 186	3 432	3 886	3 566	10 884	10 884	11 047	(163)	-1%
Service charges - refuse revenue	43 804	3 467	3 566	3 558	10 591	10 591	10 951	(360)	-3%
Rental of facilities and equipment	1 781	67	80	62	209	209	445	(236)	-53%
Interest earned - external investments	10 100	-	583	698	1 281	1 281	2 525	(1 244)	-49%
Interest earned - outstanding debtors	41 358	(5)	-	-	(5)	(5)	10 339	(10 344)	-100%
Fines, penalties and forfeits	1 102	25	27	12	63	63	276	(213)	-77%
Transfers and subsidies	754 206	290 432	18 716	2 122	311 270	311 270	188 552	122 719	65%
Other revenue	234 760	15 216	1 242	14 578	31 036	31 036	58 690	(27 654)	-47%
Total	1 899 235	335 288	50 270	48 610	434 168	434 168	474 809	(40 641)	-9%

- **Property rates** – was within target. The year to date billing was at **R28 million**.
- **Electricity revenue** – was 86% below target. The year to date outcomes reflect the total billing of **R15.4 million**. This excludes the LPU's billed by Eskom.
- **Water revenue** – was 52% below target. The year to date outcomes indicate a total of **R25.3 million**. This excludes the flat rate billing from 21 rural wards
- **Sanitation revenue** – was 1% below target. The year to date outcome was **R10.8 million**. The sewerage infrastructure connection has not reached the majority of the community and the sewer plants are currently not working.
- **Refuse revenue** – was 3% below target. The total year to date was at **R10.5 million**.
- **Rental of facilities** – was 53% below target. The year to date outcome was at **R209 thousands**. This depends entirely on the need from the community for municipal facilities
- **Interest on investment** – was 49% below target. The municipality is investing funds and earning interest which was at **R1.2 million**.
- **Interest on outstanding debtors** – was 100% below target. We billed late hence the interest was not charged. The municipality has a challenge with delivering the invoices to the residential consumers.
- **Fines** – were 77% below target. The year to date outcomes indicated a total of **R63 thousands**.
- **Transfers and subsidies** – the total amount year to date was at **R311.2 million**. This includes **R290 million** from the Equitable share and **R20.9 million** for the Entity (related to water, sewer and the subsidy from the Parent). The entity should remove this amount and record under other revenue category.



80

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- **Other revenue** – the year to date outcome indicated a total of **R31 million**. The total is understated by the **R20.9 million** for the Entity as stated above.

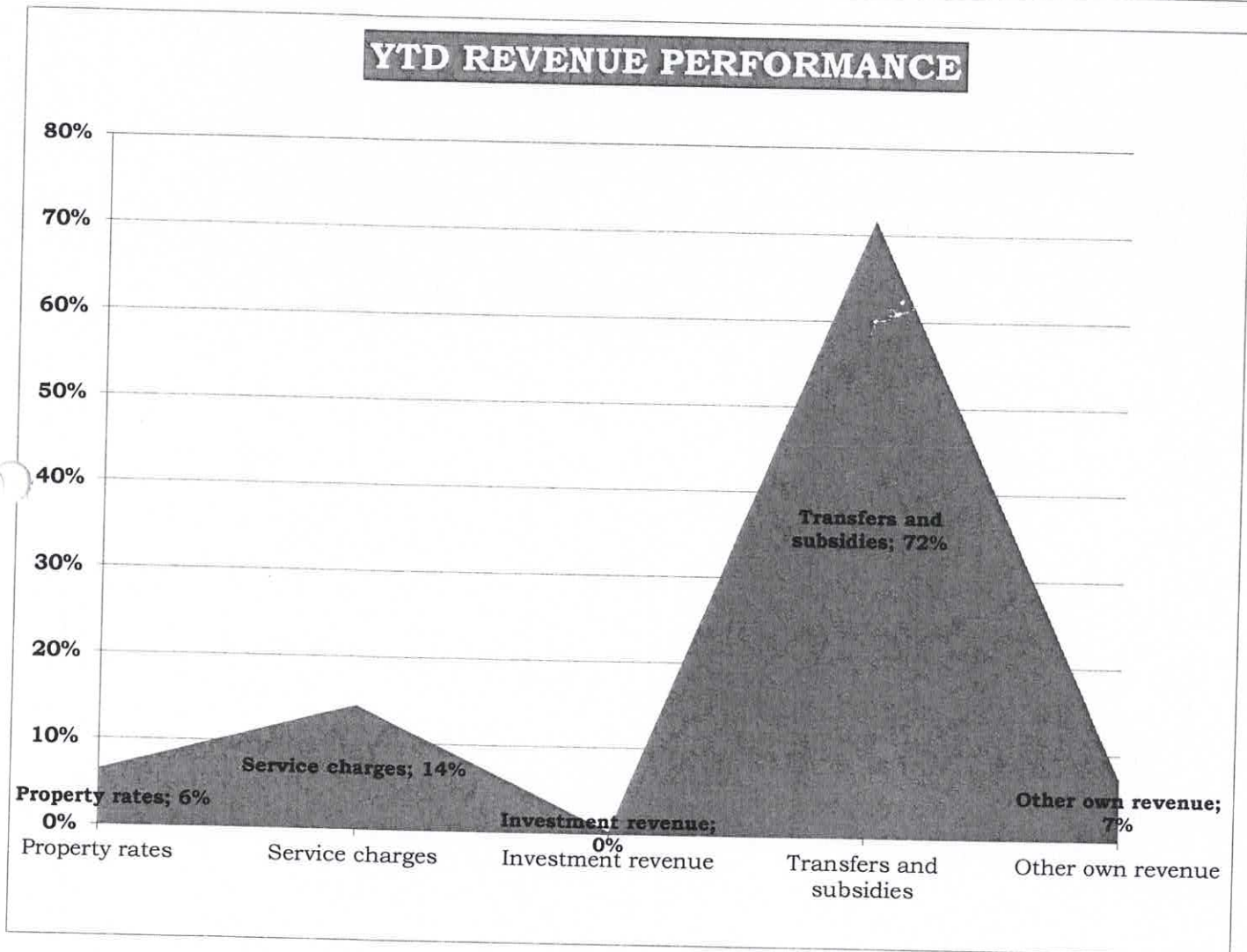
The chart below indicates the percentage contribution of revenue sources to the total year to date revenue

It can be seen from the table below that **72%** of the total revenue to date came from Grants and subsidies. The second contributor to the municipality comes from services charges, which was at **14%** by the end of the **1st quarter 2022**.

Description	Year to date Performance	%
Property rates	28 020 756	6%
Service charges	62 292 059	14%
Investment revenue	1 281 012	0%
Transfers and subsidie	311 270 441	72%
Other own revenue	31 303 550	7%
Total Revenue	434 167 818	100%



81
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1.1.3 Material variance explanations on Expenditure by Type

Description R thousands (R'000)	Budget year 2022-2023								
	Original Budget	Jul-22	Aug-22	Sep-22	1st quarter actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
Expenditure by type									
Employee related costs	660 113	82 562	60 990	58 742	202 294	202 294	165 028	37 266	23%
Remuneration of councillors	30 608	2 427	2 790	2 422	7 638	7 638	7 652	(14)	0%
Debt impairment	120 000	-	-	-	-	-	30 000	(30 000)	-100%
Depreciation & asset impairment	111 500	-	-	-	-	-	27 875	(27 875)	-100%
Finance charges	90 150	-	8	79 409	79 417	79 417	22 538	56 879	252%
Bulk purchases - electricity	506 499	-	-	257 167	257 167	257 167	126 625	130 542	103%
Inventory consumed	36 862	939	1 490	1 175	3 603	3 603	9 215	(5 613)	-61%
Contracted services	223 921	1 811	1 365	3 288	6 465	6 465	55 980	(49 515)	-88%
Transfers and subsidies	174 155	-	-	11 594	11 594	11 594	43 539	(31 945)	-73%
Other expenditure	127 241	1 096	4 617	3 101	8 814	8 814	31 810	(22 996)	-72%
Total	2 081 050	88 835	71 260	416 898	576 993	576 993	520 263	56 731	11%

- **Employee related costs** – the year to date outcome was **R202.2 million** which was **R37.2 million** more than the year to date target of **R165 million**. This is a consolidated figure, the parent employee related costs for the quarter amounted to **R138.7 million** including **R19.5 million** for overtime, the entity's costs were at **R71.1 million** including **R10 million** for overtime. The year to date is **R28 million** more due to the duplicates from the Entity side when they were doing the salary interface. The total amount will be reversed with a journal.
- **Remuneration of councillors** – was within target- the year to date outcome was **R7.6 million**. This included the allowances and social contributions.
- **Debt impairment** is 100% below target- the transactions for this item are recorded at the year end.
- **Depreciation & assets impairment** was 100% below target -the transactions for this item will be recorded at the year end.
- **Finance charges** – the year to date outcome was **R79.4 million**. This was **R56.8 million** more than the year to date target, as a result of ESKOM interests.
- **Bulk purchases - Electricity** – the year to date outcome was at **R257 million**. This has also exceeded the year to date target by 103%.
- **Inventory consumed** – the year to date outcome is at **R3.6 million** which was 61% below target.
- **Contracted services** – was 88% below the year to date outcome is **R6.4 million**.
- **Transfers and subsidies** – the year to date outcome was at **R11.5 million**.
- **Other expenditure** – the year to date was **R8.8 million**. This category includes amongst others; protective clothing, water and sewerage levies to the entity, advertisements, audit fees).

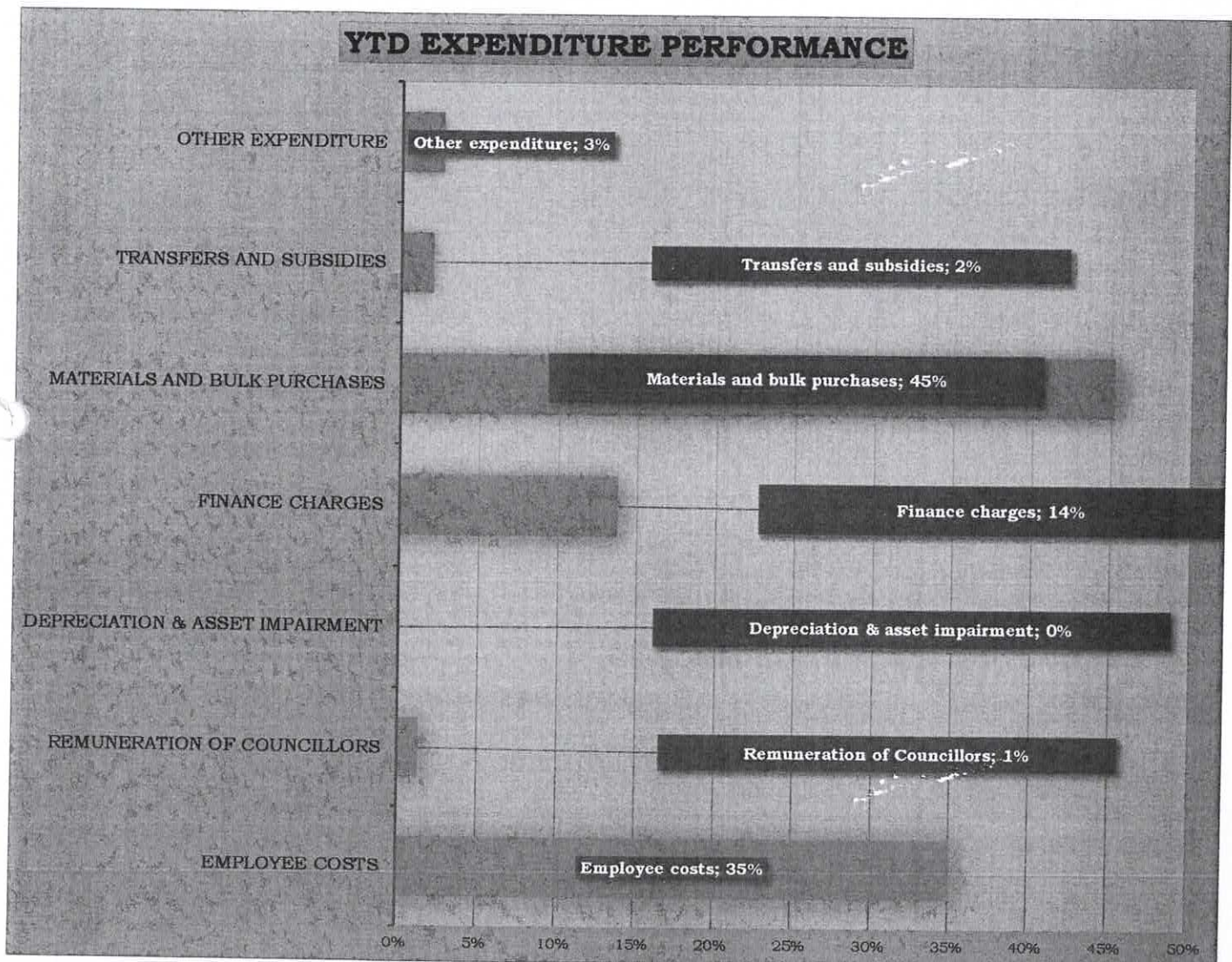


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The chart below indicates the percentage contribution of expenditure types to the total year to date expenditure

The chart shows that to date **45%** of the total year to date expenditure was from materials and bulk purchases. Employee costs are at **35%**.

Description	Year to date performance	%
Employee costs	202 294 174	35%
Remuneration of Councillors	7 638 446	1%
Depreciation & asset impairment	-	0%
Finance charges	79 416 979	14%
Materials and bulk purchases	260 769 870	45%
Transfers and subsidies	11 594 203	2%
Other expenditure	15 279 452	3%
Total Expenditure	576 993 124	100%





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1.1.4 Consolidated Financial Performance by municipal vote

Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Budget Year	Jul-22	Aug-22	Sep-22	1st quarter	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands									
Revenue by Vote									
Vote 01 - Legislative Authority	-	-	-	-	-	-	-	-	0.0%
Vote 02 - Office Of The Municipal Manager	-	-	-	-	-	-	-	-	0.0%
Vote 03 - Corporate Services	600	-	-	-	-	-	150	(150)	-100.0%
Vote 04 - Financial Services	1,214,751	314,792	29,662	26,552	371,007	371,007	303,688	67,319	22.2%
Vote 05 - Municipal Infrastructure	417,155	16,023	15,437	15,327	46,787	46,787	104,289	(57,502)	-55.1%
Vote 06 - Community Services	24,608	160	153	137	450	450	6,152	(5,702)	-92.7%
Vote 07 - Public Safety & Transport	1,429	33	41	22	95	95	357	(262)	-73.4%
Vote 08 - Sports, Arts, Parks, Culture	9,714	29	26	28	83	83	2,428	(2,346)	-96.6%
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture	-	-	-	-	-	-	-	-	-
Vote 10 - Human Settlements	2,885	79	71	67	217	217	721	(504)	-69.9%
Vote 11 - IDP & PMS	-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs	574	20	42	6	68	68	143	(75)	-52.5%
Vote 13 - Electricity	485,465	4,152	4,838	6,471	15,461	15,461	121,366	(105,905)	-87.3%
Vote 14 - Maluti Water	-	-	-	-	-	-	-	-	0.0%
Total Revenue by Vote	2,157,180	335,288	50,270	48,610	434,168	434,168	539,295	(105,127)	-19.5%
Expenditure by Vote									
Vote 01 - Legislative Authority	61,448	3,881	4,260	4,634	12,775	12,775	15,362	(2,587)	-16.8%
Vote 02 - Office Of The Municipal Manager	23,887	1,716	1,607	1,743	5,066	5,066	5,972	(906)	-15.2%
Vote 03 - Corporate Services	137,938	9,418	5,770	6,013	21,201	21,201	34,485	(13,283)	-38.5%
Vote 04 - Financial Services	604,807	11,956	10,067	19,301	41,324	41,324	151,202	(109,878)	-72.7%
Vote 05 - Municipal Infrastructure	157,911	8,230	8,154	10,582	26,965	26,965	39,478	(12,513)	-31.7%
Vote 06 - Community Services	24,757	1,503	1,467	1,687	4,657	4,657	6,189	(1,532)	-24.8%
Vote 07 - Public Safety & Transport	106,205	9,096	11,132	10,070	30,298	30,298	26,551	3,746	14.1%
Vote 08 - Sports, Arts, Parks, Culture	50,846	4,130	3,617	3,730	11,477	11,477	12,712	(1,234)	-9.7%
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture	20,513	785	753	754	2,292	2,292	5,128	(2,837)	-55.3%
Vote 10 - Human Settlements	15,474	664	606	544	1,815	1,815	3,869	(2,054)	-53.1%
Vote 11 - IDP & PMS	2,926	297	306	219	822	822	731	90	12.3%
Vote 12 - Spatial Development, Planning & Traditional Affairs	13,311	855	931	848	2,633	2,633	3,328	(695)	-20.9%
Vote 13 - Electricity	749,700	3,715	7,181	343,826	354,722	354,722	187,425	167,297	89.3%
Vote 14 - Maluti Water	111,327	32,588	15,410	12,949	60,947	60,947	27,832	33,115	119.0%
Total Expenditure by Vote	2,081,050	88,835	71,260	416,898	576,993	576,993	520,263	56,731	10.9%
Surplus/ (Deficit) for the year	76,130	246,453	(20,990)	(368,288)	(142,825)	(142,825)	19,032	(161,858)	-850.4%



85

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1.1.5 Allocations and grants received

The total grants received by the end of the 1st quarter amounted to **R358.4 million**.

Description R thousands	Budget 2022/23	Jul-22	Aug-22	Sep-22	1st Quarter Actuals	Balance
RECEIPTS:						
Operating Transfers and Grants						
National Government:						
Equitable Share	744 441	290 332	-	-	290 332	454 109
Expanded Public Works Programme Integrated Grant	6 165	-	1 542	-	1 542	4 623
Local Government Financial Management Grant	3 100	-	3 100	-	3 100	-
Total Operating Transfers and Grants	753 706	290 332	4 642	-	294 974	458 732
Capital Transfers and Grants						
Integrated National Electrification Programme Grant	32 000	8 000	-	-	8 000	24 000
Municipal Infrastructure Grant	187 049	37 928	-	-	37 928	149 121
Water Services Infrastructure Grant	38 896	17 503	-	-	17 503	21 393
Total Capital Transfers and Grants	257 945	63 431	-	-	63 431	194 514
TOTAL RECEIPTS OF TRANSFERS & GRANTS	1 011 651	353 763	4 642	-	358 405	653 246

1.1.6 List of capital projects

The total capital expenditure from own source by the end of the 1st quarter amounted to **R279 thousands**.

Description FIXED ASSETS	Budget 2022/23	Jul-22	Aug-22	Sep-22	1st Quarter Actuals	%
PARENT MUNICIPALITY	44 100 000	25 465	-	84 417	109 882	0%
Machinery & equipment (corporate)	1 000 000	-	-	29 200	29 200	3%
Computer & equipment	2 000 000	25 465	-	55 217	80 682	4%
Furniture & fittings	1 000 000	-	-	-	-	0%
Fleet	15 000 000	-	-	-	-	0%
Machinery & equipment (community services)	3 000 000	-	-	-	-	0%
Machinery & equipment (public safety)	1 000 000	-	-	-	-	0%
Machinery & equipment (security unit)	1 000 000	-	-	-	-	0%
Machinery & equipment (sports department)	1 000 000	-	-	-	-	0%
Vehicles	1 500 000	-	-	-	-	0%
Vehicles (security unit)	2 600 000	-	-	-	-	0%
Transformers	15 000 000	-	-	-	-	0%
MAP WATER	1 812 000	148 582	-	20 591	169 173	9%
Equipment Other	180 000	-	-	20 591	20 591	11%
Plant And Machinery	540 000	-	-	-	-	0%
Refurbishment Projects	900 000	148 582	-	-	148 582	17%
Furniture & Fitting	36 000	-	-	-	-	0%
Office Equipment	36 000	-	-	-	-	0%
Computers	120 000	-	-	-	-	0%
TOTAL ASSETS FUNDED BY OWN SOURCE	45 912 000	174 047	-	105 009	279 055	1%



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The year total expenditure funded from capital grants amounted to **R22 million (excluding Vat)** by the end of the 1st quarter.

Description (Functional classification)	Funding	Budget	Jul-22	Aug-22	Sep-22	1st quarter Actuals	%
ROADS PROJECTS		30 276 908	159 230	796 006	32 065	987 302	9%
Monontsha: Construction of footbridge	MIG	6 135 990	-	-	-	-	0%
Phuthaditjhaba: Upgrading of 1km paved road Motebang -P1		2 514 200	-	-	-	-	0%
Intabazwe Ext:3 Paved Roads Phase 3	MIG	10 452 805	159 230	392 845	32 065	584 141	6%
Namahadi: construction of 5km paved roads Phase 4	MIG	11 173 913	-	403 161	-	403 161	4%
WATER PROJECTS		101 276 271	2 145 804	1 754 145	-	3 899 948	4%
Chris Hani Park: Water Reticulation 500 Stands	MIG	15 577 769	1 677 761	894 486	-	2 572 247	17%
Intabazwe ext 3 Water reticulation	MIG	4 106 680	-	-	-	-	0%
Thaba Bosiu Water Pipeline	MIG	26 579 206	-	-	-	-	0%
Hasehunya water reticulation	MIG	2 731 019	-	-	-	-	0%
Upgrading of water pump station	MIG	1 480 664	-	-	-	-	0%
Matebeleng: Construction of 3ML Reservoir	MIG	11 904 933	468 043	859 659	-	1 327 702	11%
Fika Patso purification project	WSIG	38 896 000	-	-	-	-	0%
WASTE WATER MANAGEMENT/ SEWERAGE PROJECTS		55 039 081	8 748 211	1 364 962	841 821	10 954 994	60%
Intabazwe Ext. 3: Construction of Waterborne Sewer Network for 1020 erven	MIG	12 572 272	508 211	1 364 962	-	1 873 173	15%
Refurbishment of sewer pump stations	MIG	12 437 969	-	-	-	-	0%
Namahadi: Construction of sewer reticulation network	MIG	10 028 840	-	-	-	-	0%
Qwaqwa: Construction of 2400 VIP Toilets - Phase 13A	MIG	20 000 000	8 240 000	-	841 821	9 081 821	45%
COMMUNITY FACILITY PROJECTS		21 583 084	3 325 733	1 973 754	1 047 365	6 346 852	29%
Upgrading of Phuthaditjhaba town hall	MIG	21 583 084	3 325 733	1 973 754	1 047 365	6 346 852	29%
SPORTS AND RECREATIONAL FACILITIES		8 417 205	-	-	-	-	0%
Upgrading of Platberg stadium Phase 1	MIG	8 417 205	-	-	-	-	0%
ELECTRICITY PROJECTS		32 000 000	-	-	-	-	0%
Upgrading of E-Ross Substation- Phase 1	DOE	32 000 000	-	-	-	-	0%
TOTAL ASSETS FUNDED BY NATIONAL GRANTS (Vat Excl.)		248 592 549	14 378 978	5 888 867	1 921 251	22 189 095	9%



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FS194_1st quarter budget statement report (July-September) 2022- MFMA s52 (d)

1.1. IN-YEAR BUDGET STATEMENT TABLES

1.1.1. Table C2 Consolidated financial performance (functional classification)

FS194 Maluti-a-Phofung - Table C2 Consolidated Monthly Budget Statement - Financial Performance (functional classification) - Q1 First Quarter

Description	Ref	2021/22	Budget Year 2022/23							
		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>		984 351	1 215 351	1 215 351	26 552	371 007	303 838	67 169	22%	1 215 351
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		984 351	1 215 351	1 215 351	26 552	371 007	303 838	67 169	22%	1 215 351
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		45 193	38 305	38 305	234	788	9 576	(8 788)	-92%	38 305
Community and social services		20 735	24 755	24 755	154	523	6 189	(5 666)	-92%	24 755
Sport and recreation		23 225	9 714	9 714	28	83	2 428	(2 346)	-97%	9 714
Public safety		514	1 429	1 429	22	95	357	(262)	-73%	1 429
Housing		719	2 408	2 408	30	87	602	(515)	-85%	2 408
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		35 126	40 203	40 203	6	68	10 051	(9 983)	-99%	40 203
Planning and development		402	574	574	6	68	143	(75)	-53%	574
Road transport		34 723	39 629	39 629	-	-	9 907	(9 907)	-100%	39 629
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		460 507	863 321	863 321	21 817	62 305	215 830	(153 525)	-71%	863 321
Energy sources		116 576	485 465	485 465	6 471	15 461	121 366	(105 905)	-87%	485 465
Water management		155 570	219 358	219 358	8 221	25 369	54 839	(29 470)	-54%	219 358
Waste water management		137 005	104 246	104 246	3 566	10 884	26 061	(15 178)	-58%	104 246
Waste management		51 356	54 253	54 253	3 558	10 591	13 563	(2 972)	-22%	54 253
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1 525 176	2 157 180	2 157 180	48 610	434 168	539 295	(105 127)	-19%	2 157 180
Expenditure - Functional										
<i>Governance and administration</i>		567 000	892 655	892 655	38 047	101 504	223 164	(121 660)	-55%	892 655
Executive and council		88 612	128 916	128 916	7 660	23 799	32 229	(8 430)	-26%	128 916
Finance and administration		471 534	756 706	756 706	29 835	76 112	189 176	(113 065)	-60%	756 706
Internal audit		6 854	7 033	7 033	553	1 593	1 758	(165)	-9%	7 033
<i>Community and public safety</i>		202 034	155 772	155 772	10 996	32 984	38 943	(5 959)	-15%	155 772
Community and social services		84 198	25 547	25 547	1 436	4 169	6 387	(2 218)	-35%	25 547
Sport and recreation		46 637	50 244	50 244	3 730	11 477	12 561	(1 084)	-9%	50 244
Public safety		66 427	74 314	74 314	5 475	16 160	18 578	(2 419)	-13%	74 314
Housing		4 774	5 667	5 667	355	1 178	1 417	(239)	-17%	5 667
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		60 614	85 737	85 737	4 289	13 289	21 434	(8 145)	-38%	85 737
Planning and development		22 511	31 834	31 834	1 678	5 322	7 959	(2 637)	-33%	31 834
Road transport		38 103	53 903	53 903	2 610	7 967	13 476	(5 509)	-41%	53 903
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		721 765	942 579	942 579	363 424	428 792	235 645	193 147	82%	942 579
Energy sources		490 472	749 700	749 700	343 826	354 819	187 425	167 394	89%	749 700
Water management		66 032	46 558	46 558	5 544	27 922	11 639	16 283	140%	46 558
Waste water management		70 807	44 236	44 236	6 104	27 238	11 059	16 179	146%	44 236
Waste management		94 454	102 086	102 086	7 951	18 813	25 521	(6 708)	-26%	102 086
<i>Other</i>		2 225	4 307	4 307	142	424	1 077	(652)	-61%	4 307
Total Expenditure - Functional	3	1 553 639	2 081 050	2 081 050	416 898	576 993	520 263	56 731	11%	2 081 050
Surplus/ (Deficit) for the year		(28 463)	76 130	76 130	(368 288)	(142 825)	19 032	(161 858)	-850%	76 130



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FS194_1st quarter budget statement report (July-September) 2022- MFMA s52 (d)

88

1.1.2. Table C3 Consolidated financial performance by municipal vote

FS194 Maluti-a-Phofung - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) -

Vote Description		2021/22	Budget Year 2022/23							
	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 01 - Legislative Authority	1	-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		151	600	600	-	-	150	(150)	-100,0%	600
Vote 04 - Financial Services		984 200	1 214 751	1 214 751	26 552	371 007	303 688	67 319	22,2%	1 214 751
Vote 05 - Municipal Infrastructure		378 384	417 155	417 155	15 327	46 787	104 289	(57 502)	-55,1%	417 155
Vote 06 - Community Services		20 524	24 608	24 608	137	450	6 152	(5 702)	-92,7%	24 608
Vote 07 - Public Safety & Transport		514	1 429	1 429	22	95	357	(262)	-73,4%	1 429
Vote 08 - Sports, Arts, Parks, Culture		23 225	9 714	9 714	28	83	2 428	(2 346)	-96,6%	9 714
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		-	-	-	-	-	-	-	-	-
Vote 10 - Hunan Settlements		1 200	2 885	2 885	67	217	721	(504)	-69,9%	2 885
Vote 11 - ldp, Pms Department		-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		402	574	574	6	68	143	(75)	-52,5%	574
Vote 13 - Electricity Department		116 576	485 465	485 465	6 471	15 461	121 366	(105 905)	-87,3%	485 465
Vote 14 - Maluti Water		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 525 176	2 157 180	2 157 180	48 610	434 168	539 295	(105 127)	-19,5%	2 157 180
Expenditure by Vote										
Vote 01 - Legislative Authority	1	52 877	61 448	61 448	4 634	12 775	15 362	(2 587)	-16,8%	61 448
Vote 02 - Office Of The Municipal Manager		21 885	23 887	23 887	1 743	5 066	5 972	(906)	-15,2%	23 887
Vote 03 - Corporate Services		101 267	137 938	137 938	6 013	21 201	34 485	(13 283)	-38,5%	137 938
Vote 04 - Financial Services		308 865	604 807	604 807	19 301	41 324	151 202	(109 878)	-72,7%	604 807
Vote 05 - Municipal Infrastructure		133 812	157 911	157 911	10 582	26 965	39 478	(12 513)	-31,7%	157 911
Vote 06 - Community Services		85 670	24 757	24 757	1 687	4 657	6 189	(1 532)	-24,7%	24 757
Vote 07 - Public Safety & Transport		122 264	106 205	106 205	10 070	30 298	26 551	3 746	14,1%	106 205
Vote 08 - Sports, Arts, Parks, Culture		46 637	50 846	50 846	3 730	11 477	12 712	(1 234)	-9,7%	50 846
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		10 840	20 513	20 513	754	2 292	5 128	(2 837)	-55,3%	20 513
Vote 10 - Hunan Settlements		16 156	15 474	15 474	544	1 815	3 869	(2 054)	-53,1%	15 474
Vote 11 - ldp, Pms Department		2 922	2 926	2 926	219	822	731	90	12,3%	2 926
Vote 12 - Spatial Development, Planning & Traditional Affairs		10 975	13 311	13 311	848	2 633	3 328	(695)	-20,9%	13 311
Vote 13 - Electricity Department		489 211	749 700	749 700	343 826	354 722	187 425	167 297	89,3%	749 700
Vote 14 - Maluti Water		150 258	111 327	111 327	12 949	60 947	27 832	33 115	119,0%	111 327
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 553 639	2 081 050	2 081 050	416 898	576 993	520 263	56 731	10,9%	2 081 050
Surplus/ (Deficit) for the year	2	(28 463)	76 130	76 130	(368 288)	(142 825)	19 032	(161 858)	-850,4%	76 130



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FS194_1st quarter budget statement report (July-September) 2022- MFMA s52 (d)

89

1.1.3. Table C4 Consolidated financial performance (revenue and expenditure)

FS194 Matlari-a-Phofung - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter

Table 04 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter										
Description	Ref	2021/22	Budget Year 2022/23							
		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		113 846	111 979	111 979	9 327	28 021	27 995	26	0%	111 979
Service charges - electricity revenue		64 290	446 336	446 336	6 465	15 448	111 584	(96 136)	-86%	446 336
Service charges - water revenue		101 905	209 623	209 623	8 221	25 369	52 406	(27 037)	-52%	209 623
Service charges - sanitation revenue		43 367	44 186	44 186	3 566	10 884	11 047	(163)	-1%	44 186
Service charges - refuse revenue		42 067	43 804	43 804	3 558	10 591	10 951	(360)	-3%	43 804
Rental of facilities and equipment		1 116	1 781	1 781	62	209	445	(236)	-53%	1 781
Interest earned - external investments		592	10 100	10 100	698	1 281	2 525	(1 244)	-49%	10 100
Interest earned - outstanding debtors		26 238	41 358	41 358	-	(5)	10 339	(10 344)	-100%	41 358
Dividends received								-		
Fines, penalties and forfeits		322	1 102	1 102	12	63	276	(213)	-77%	1 102
Licences and permits								-		
Agency services								-		
Transfers and subsidies		767 794	754 206	754 206	2 122	311 270	188 552	122 719	65%	754 206
Other revenue		107 392	234 760	234 760	14 578	31 036	58 690	(27 654)	-47%	234 760
Gains		8	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		1 268 936	1 899 235	1 899 235	48 610	434 168	474 809	(40 641)	-9%	1 899 235
Expenditure By Type										
Employee related costs		667 674	660 113	660 113	58 742	202 294	165 028	37 266	23%	660 113
Remuneration of councillors		28 529	30 608	30 608	2 422	7 638	7 652	(14)	0%	30 608
Debt impairment		4 117	120 000	120 000	-	-	30 000	(30 000)	-100%	120 000
Depreciation & asset impairment		-	111 500	111 500	-	-	27 875	(27 875)	-100%	111 500
Finance charges		(94)	90 150	90 150	79 409	79 417	22 538	56 879	252%	90 150
Bulk purchases - electricity		281 297	506 499	506 499	257 167	257 167	126 625	130 542	103%	506 499
Inventory consumed		89 757	36 862	36 862	1 175	3 603	9 215	(5 613)	-61%	36 862
Contracted services		234 971	223 921	223 921	3 288	6 465	55 980	(49 515)	-88%	223 921
Transfers and subsidies		176 805	174 155	174 155	11 594	11 594	43 539	(31 945)	-73%	174 155
Other expenditure		70 580	127 241	127 241	3 101	8 814	31 810	(22 996)	-72%	127 241
Losses		1	-	-	-	-	-	-		-
Total Expenditure		1 553 639	2 081 050	2 081 050	416 898	576 993	520 263	56 731	11%	2 081 050
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(284 702)	(181 815)	(181 815)	(368 288)	(142 825)	(45 454)	(97 371)	0	(181 815)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		256 240	257 945	257 945	-	-	64 486	(64 486)	(0)	257 945
Transfers and subsidies - capital (in-kind - all)								-		
Surplus/(Deficit) after capital transfers & contributions		(28 463)	76 130	76 130	(368 288)	(142 825)	19 032			76 130
Taxation								-		
Surplus/(Deficit) after taxation		(28 463)	76 130	76 130	(368 288)	(142 825)	19 032			76 130
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(28 463)	76 130	76 130	(368 288)	(142 825)	19 032			76 130
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(28 463)	76 130	76 130	(368 288)	(142 825)	19 032			76 130



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FS194_1st quarter budget statement report (July-September) 2022- MFMA s52 (d)

90

1.1.4. Table C5 Consolidated capital expenditure

FS194 Maluti-a-Phofung - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding - Q1 First Quarter

Vote Description	Ref	Budget Year 2022/23								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 01 - Legislative Authority		-	-	-	-	-	-	-		-
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-		-
Vote 03 - Corporate Services		-	-	-	-	-	-	-		-
Vote 04 - Financial Services		-	-	-	-	-	-	-		-
Vote 05 - Municipal Infrastructure		-	-	-	-	-	-	-		-
Vote 06 - Community Services		-	-	-	-	-	-	-		-
Vote 07 - Public Safety & Transport		-	-	-	-	-	-	-		-
Vote 08 - Sports, Arts, Parks, Culture		-	-	-	-	-	-	-		-
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		-	-	-	-	-	-	-		-
Vote 10 - Hunan Settlements		-	-	-	-	-	-	-		-
Vote 11 - ldp, Pms Department		-	-	-	-	-	-	-		-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-		-
Vote 13 - Electricity Department		-	-	-	-	-	-	-		-
Vote 14 - Maluti Water		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-		-
Single Year expenditure appropriation	2									
Vote 01 - Legislative Authority		-	-	-	-	-	-	-		-
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-		-
Vote 03 - Corporate Services		1 106	3 000	3 000	84	110	750	(640)	-85%	3 000
Vote 04 - Financial Services		585	1 000	1 000	-	-	250	(250)	-100%	1 000
Vote 05 - Municipal Infrastructure		138 036	201 592	201 592	874	15 842	50 398	(34 556)	-69%	201 592
Vote 06 - Community Services		9 954	24 583	24 583	1 047	6 347	6 146	201	3%	24 583
Vote 07 - Public Safety & Transport		1 962	6 100	6 100	-	-	1 525	(1 525)	-100%	6 100
Vote 08 - Sports, Arts, Parks, Culture		14 574	9 417	9 417	-	-	2 354	(2 354)	-100%	9 417
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		-	-	-	-	-	-	-		-
Vote 10 - Hunan Settlements		-	-	-	-	-	-	-		-
Vote 11 - ldp, Pms Department		-	-	-	-	-	-	-		-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-		-
Vote 13 - Electricity Department		52 521	47 000	47 000	-	-	11 750	(11 750)	-100%	47 000
Vote 14 - Maluti Water		1 036	1 812	1 812	21	169	453	(284)	-63%	1 812
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	219 774	294 505	294 505	2 026	22 468	73 626	(51 158)	-69%	294 505
Total Capital Expenditure		219 774	294 505	294 505	2 026	22 468	73 626	(51 158)	-69%	294 505
Capital Expenditure - Functional Classification										
Governance and administration		2 727	9 412	9 412	105	279	2 353	(2 074)	-88%	9 412
Executive and council		1 036	1 812	1 812	21	169	453	(284)	-63%	1 812
Finance and administration		1 691	7 600	7 600	84	110	1 900	(1 790)	-94%	7 600
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		26 490	36 500	36 500	1 047	6 347	9 125	(2 778)	-30%	36 500
Community and social services		9 954	25 583	25 583	1 047	6 347	6 396	(49)	-1%	25 583
Sport and recreation		14 574	9 417	9 417	-	-	2 354	(2 354)	-100%	9 417
Public safety		1 962	1 500	1 500	-	-	375	(375)	-100%	1 500
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		12 369	45 277	45 277	32	987	11 319	(10 332)	-91%	45 277
Planning and development		-	-	-	-	-	-	-		-
Road transport		12 369	45 277	45 277	32	987	11 319	(10 332)	-91%	45 277
Environmental protection		-	-	-	-	-	-	-		-
Trading services		178 188	203 315	203 315	842	14 855	50 829	(35 974)	-71%	203 315
Energy sources		52 521	47 000	47 000	-	-	11 750	(11 750)	-100%	47 000
Water management		52 596	101 276	101 276	-	3 900	25 319	(21 419)	-85%	101 276
Waste water management		73 071	55 039	55 039	842	10 955	13 760	(2 805)	-20%	55 039
Waste management		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	219 774	294 505	294 505	2 026	22 468	73 626	(51 158)	-69%	294 505
Funded by:										
National Government		200 320	248 593	248 593	1 921	22 189	62 148	(39 959)	-64%	248 593
Provincial Government		-	-	-	-	-	-	-		-
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private		-	-	-	-	-	-	-		-
Transfers recognised - capital		200 320	248 593	248 593	1 921	22 189	62 148	(39 959)	-64%	248 593
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		19 454	45 912	45 912	105	279	11 478	(11 199)	-98%	45 912
Total Capital Funding		219 774	294 505	294 505	2 026	22 468	73 626	(51 158)	-69%	294 505



FS194_1st quarter budget statement report (July-September) 2022- MFMA s52 (d)

1.1.5. Table C6 Consolidated Financial Position

The audited information is not yet available.

FS194 Maluti-a-Phofung - Table C6 Consolidated Monthly Budget Statement - Financial Position - Q1 First

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		60 804	(538 223)	(538 223)	506 850	(538 223)
Call investment deposits		22 976	9 022	9 022	1 281	9 022
Consumer debtors		1 626 060	2 018 200	2 018 200	55 759	2 018 200
Other debtors		1 147 411	367 174	367 174	52 350	367 174
Current portion of long-term receivables		144	-	-	-	-
Inventory		5 740	(198)	(198)	(329)	(198)
Total current assets		2 863 135	1 855 975	1 855 975	615 911	1 855 975
Non current assets						
Long-term receivables		(144)	-	-	-	-
Investments						
Investment property		53 717	-	-	-	-
Investments in Associate						
Property, plant and equipment		3 911 393	7 792 365	7 792 365	22 468	7 792 365
Biological						
Intangible		233	-	-	-	-
Other non-current assets						
Total non current assets		3 965 200	7 792 365	7 792 365	22 468	7 792 365
TOTAL ASSETS		6 828 335	9 648 340	9 648 340	638 379	9 648 340
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		(18 216)	-	-	-	-
Consumer deposits		25 978	295	295	74	295
Trade and other payables		8 737 259	5 668 665	5 668 665	842 626	5 668 665
Provisions		667 656	-	-	-	-
Total current liabilities		9 412 677	5 668 960	5 668 960	842 700	5 668 960
Non current liabilities						
Borrowing		10 166	-	-	-	-
Provisions		-	-	-	-	-
Total non current liabilities		10 166	-	-	-	-
TOTAL LIABILITIES		9 422 843	5 668 960	5 668 960	842 700	5 668 960
NET ASSETS	2	(2 594 508)	3 979 380	3 979 380	(204 321)	3 979 380
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		(3 247 857)	2 858 682	2 858 682	(454 948)	2 858 682
Reserves		(212 934)	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	(3 460 791)	2 858 682	2 858 682	(454 948)	2 858 682



92

FS194_1st quarter budget statement report (July-September) 2022- MFMA s52 (d)

1.1.6.Table C7 Consolidated Cash flow statement

The bank vote on the system is not set to break down the actual payments per type of expenditure and type of revenue. The information reflected below is not a true indication of what the bank movements are. The reporting schedules are locked for editing.

FS194 Maluti-a-Phofung - Table C7 Consolidated Monthly Budget Statement - Cash Flow - Q1 First Quarter

Description	Ref	2021/22	Budget Year 2022/23							
		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		-	138 133	138 133	2 094	10 465	34 533	(24 068)	-70%	138 133
Service charges		-	404 913	404 913	8 165	30 357	101 228	(70 872)	-70%	404 913
Other revenue		-	50 829	50 829	(13 855)	(72 489)	12 707	(85 197)	-670%	50 829
Transfers and Subsidies - Operational		-	753 706	753 706	-	294 974	188 426	106 548	57%	753 706
Transfers and Subsidies - Capital		-	257 945	257 945	-	63 431	64 486	(1 055)	-2%	257 945
Interest		-	10 100	10 100	-	-	2 525	(2 525)	-100%	10 100
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		-	(1 551 983)	(1 551 983)	20 515	120 199	(387 996)	(508 195)	131%	(1 551 983)
Finance charges		-	-	-	-	-	-	-	-	-
Transfers and Grants		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	63 643	63 643	16 919	446 936	15 911	(431 026)	-2709%	63 643
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	144	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		-	(294 505)	(294 505)	(2 026)	(22 468)	(73 626)	(51 158)	69%	(294 505)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(294 360)	(294 505)	(2 026)	(22 468)	(73 626)	(51 158)	69%	(294 505)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	295	-	9	74	74	0	0%	295
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	295	-	9	74	74	(0)	0%	295
NET INCREASE/ (DECREASE) IN CASH HELD		-	(230 422)	(230 862)	14 902	424 542	(57 642)			(230 566)
Cash/cash equivalents at beginning:		(107 837)	-	-	(44 552)	552 684	-			552 684
Cash/cash equivalents at month/year end:		(107 837)	(230 422)	(230 862)		977 226	(57 642)			322 117



FS194_1st quarter budget statement report (July-September) 2022- MFMA s52 (d)

PART 2 - SUPPORTING DOCUMENTATION

2.1. SUPPORTING TABLES

2.1.1. Debtor's Analysis

- The total debt book amounted to **R2.2 billion** by the end of the **1st quarter 2022**.
- This total does not include the credited amounts or journals done.
- The table indicates that the largest debt is from the Water source with a total of **R635.9 million**.
- The largest debt by customer group is from Household with a total of **R1.2 billion**.

FS194 Maluti-a-Phofung - Supporting Table SC3 Monthly Budget Statement - aged debtors - 1st quarter

Description	NT Code	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 By Income Source										
Water	1200	10 531	10 687	12 567	14 319	9 140	12 181	65 480	501 073	635 979
Electricity	1300	7 121	4 732	5 320	4 954	4 282	3 607	22 127	259 592	311 734
Property Rates	1400	8 736	8 230	7 844	7 652	11 680	7 296	41 953	467 987	561 376
Waste Water Management	1500	3 960	4 284	3 874	3 886	3 817	3 806	22 493	199 898	246 018
Waste Management	1600	3 899	3 864	3 831	3 663	3 637	3 628	21 346	200 229	244 097
Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	11	3	18	10	5 552	6	21 133	188 570	215 303
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-
Other	1900	99	94	89	85	85	122	911	30 080	31 565
Total By Income Source	2000	34 357	31 894	33 543	34 569	38 192	30 647	195 443	1 847 428	2 246 073
Debtors Age Analysis By Customer Group										
Organs of State	2200	8 563	7 750	8 408	8 981	7 340	8 559	41 151	360 454	451 206
Commercial	2300	8 535	6 725	6 234	6 204	7 321	5 052	38 500	432 048	510 619
Households	2400	17 258	17 419	18 900	19 384	23 532	17 036	115 792	1 054 927	1 284 248
Other	2500	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	34 357	31 894	33 543	34 569	38 192	30 647	195 443	1 847 428	2 246 073



FS194_1st quarter budget statement report (July-September) 2022- MFMA s52 (d)

2.1.2.Creditors Analysis

The total creditors amounted to **R7 billion** by the end of **the 1st quarter 2022**.

FS194 Maluti-a-Phofung - Supporting Table SC4 Monthly Budget Statement - aged creditors - 1st quarter

Description	NT Code	Budget Year 2021/22								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	103 244	149 809	122 095	-	-	-	-	6 688 861	7 064 009
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	3 712	728	363	6 604	11 408	-	-	-	22 815
Auditor General	0800	-	-	-	98	-	-	-	-	98
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	106 956	150 538	122 457	6 703	11 408	-	-	6 688 861	7 086 923

2.1.3.Investments Portfolio Analysis

- The closing balances by the end of the 1st quarter 2022 amounted to **R54 million**.

FS194 Maluti-a-Phofung - Supporting Table SC5 Monthly Budget Statement - investment portfolio - 1st quarter

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands							
Municipality							
Sanlam- 5926	Yrs	Money market	393 131	163 823	-	-	556 954
Sanlam - Money Market-50189057	Yrs	Money market	2 299 584	-	-	-	2 299 584
Sanlam- 11690236x2	Yrs	Money market	393 511	47 314	-	-	346 197
FNB 62212896346	Months	Call account	438 949	5 174	601 359	637 890	480 654
ABSA 9358605812	Months	Investment	141	-	-	-	141
SBSA 40823938	Months	Investment	91 607	253 668	290 072 978	290 015 607	287 904
SBSA 34 852 640 7	Months	Investment	19 107	89	-	193	19 389
FNB 62756806661	Months	Investment	19 808	-	50 329 357	100 329 625	50 020 076
NEDBANK 03/7881162791	Months	Investment	-	669 658	100 669 658	100 000 000	-
Municipality sub-total			3 655 838	1 045 098	441 673 352	490 983 315	54 010 899
Entities							
Entities sub-total			-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST			3 655 838	1 045 098	441 673 352	490 983 315	54 010 899



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FS194_1st quarter budget statement report (July-September) 2022- MFMA s52 (d)

95

2.1.4.Councillors and Board Member Allowances and Employee Benefits

The total employee costs by the end of the 1st Quarter for Parent municipality including councillors amounted to **R138.7 million**.

FS194 Maluti-a-Phofung - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q1 First Quarter

Summary of Employee and Councillor remuneration	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		19 505	24 790	24 790	2 026	6 454	6 197	256	4%	24 790
Pension and UIF Contributions		119	134	134	11	32	34	(2)	-5%	134
Medical Aid Contributions		75	113	113	4	13	28	(15)	-54%	113
Motor Vehicle Allowance								-		
Cellphone Allowance		7 378	3 196	3 196	238	735	799	(64)	-8%	3 196
Housing Allowances								-		
Other benefits and allowances		1 453	2 376	2 376	143	405	594	(189)	-32%	2 376
Sub Total - Councillors		28 529	30 608	30 608	2 422	7 638	7 652	(14)	0%	30 608
% increase	4		7,3%	7,3%						7,3%
Senior Managers of the Municipality										
Basic Salaries and Wages	3	4 981	7 502	7 502	564	1 338	1 876	(538)	-29%	7 502
Pension and UIF Contributions		523	543	543	45	131	136	(4)	-3%	543
Medical Aid Contributions		99	131	131	10	29	33	(3)	-11%	131
Overtime								-		
Performance Bonus								-		
Motor Vehicle Allowance		758	1 035	1 035	62	159	259	(100)	-39%	1 035
Cellphone Allowance		72	122	122	17	35	30	4	14%	122
Housing Allowances								-		
Other benefits and allowances		-	0	0	-	-	0	(0)	-100%	0
Payments in lieu of leave		-	-	-	-	-	-	-		-
Long service awards								-		
Post-retirement benefit obligations	2							-		
Sub Total - Senior Managers of Municipality		6 433	9 333	9 333	697	1 692	2 333	(641)	-27%	9 333
% increase	4		45,1%	45,1%						45,1%
Other Municipal Staff										
Basic Salaries and Wages		312 134	317 645	317 645	27 909	80 200	79 411	788	1%	317 645
Pension and UIF Contributions		48 532	51 317	51 317	4 360	13 045	12 829	216	2%	51 317
Medical Aid Contributions		22 108	22 653	22 653	1 808	5 610	5 663	(53)	-1%	22 653
Overtime		63 620	44 424	44 424	6 380	19 557	11 106	8 451	76%	44 424
Performance Bonus		22 639	24 377	24 377	1 493	4 890	6 094	(1 205)	-20%	24 377
Motor Vehicle Allowance		12 567	12 913	12 913	1 120	3 390	3 228	162	5%	12 913
Cellphone Allowance		802	826	826	90	275	207	68	33%	826
Housing Allowances		1 485	1 595	1 595	122	356	399	(43)	-11%	1 595
Other benefits and allowances		5 238	5 679	5 679	544	1 572	1 420	152	11%	5 679
Payments in lieu of leave		2 119	2 530	2 530	61	113	632	(520)	-82%	2 530
Long service awards		3 720	6 820	6 820	95	406	1 705	(1 299)	-76%	6 820
Post-retirement benefit obligations	2	(398)	-	-	80	2	-	2	#DIV/0!	-
Sub Total - Other Municipal Staff		494 566	490 781	490 781	44 060	129 414	122 695	6 719	5%	490 781
% increase	4		-0,8%	-0,8%						-0,8%
Total Parent Municipality		529 529	530 722	530 722	47 179	138 745	132 680	6 064	5%	530 722



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FS194_1st quarter budget statement report (July-September) 2022- MFMA s52 (d)

- The total employee costs for the Entity amounted to **R71 million**.
- The consolidated total year to date employee costs (including councillors) amounted to **R209.9 million**.

FS194 Maluti-a-Phofung - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q1 First Quarter

Senior Managers of Entities										
Basic Salaries and Wages		80	15 434	15 434	-	-	3 858	(3 858)	-100%	15 434
Pension and UIF Contributions		129	3 572	3 572	13	58	893	(835)	-93%	3 572
Medical Aid Contributions		-	816	816	-	-	204	(204)	-100%	816
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	3 401	3 401	-	-	850	(850)	-100%	3 401
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	689	689	-	-	172	(172)	-100%	689
Other benefits and allowances		246	1 576	1 576	23	109	394	(285)	-72%	1 576
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	116	116	-	-	29	(29)	-100%	116
Post-retirement benefit obligations	2							-		
Sub Total - Senior Managers of Entities		455	25 605	25 605	36	167	6 401	(6 234)	-97%	25 605
% increase	4		5531,1%	5531,1%						5531,1%
Other Staff of Entities										
Basic Salaries and Wages		83 586	75 318	75 318	7 418	37 688	18 830	18 858	100%	75 318
Pension and UIF Contributions		8 401	14 783	14 783	596	3 024	3 696	(672)	-18%	14 783
Medical Aid Contributions		8 953	7 079	7 079	698	3 512	1 770	1 742	98%	7 079
Overtime		25 799	972	972	2 048	10 193	243	9 951	4097%	972
Performance Bonus		5 408	12 185	12 185	270	2 213	3 046	(833)	-27%	12 185
Motor Vehicle Allowance		13 585	11 028	11 028	1 130	5 690	2 757	2 933	106%	11 028
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		2 330	3 151	3 151	184	922	788	134	17%	3 151
Other benefits and allowances		14 876	8 807	8 807	1 384	7 147	2 202	4 946	225%	8 807
Payments in lieu of leave		1 462	-	-	172	236	-	236	#DIV/0!	-
Long service awards		731	1 072	1 072	49	49	268	(219)	-82%	1 072
Post-retirement benefit obligations		1 090	-	-	-	346	-	346	#DIV/0!	-
Sub Total - Other Staff of Entities		166 220	134 394	134 394	13 949	71 021	33 599	37 422	111%	134 394
% increase	4		-19,1%	-19,1%						-19,1%
Total Municipal Entities										
		166 674	160 000	160 000	13 985	71 188	40 000	31 188	78%	160 000
TOTAL SALARY, ALLOWANCES & BENEFITS										
		696 203	690 722	690 722	61 164	209 933	172 680	37 252	22%	690 722
% increase	4		-0,8%	-0,8%						-0,8%
TOTAL MANAGERS AND STAFF										
		667 674	660 113	660 113	58 742	202 294	165 028	37 266	23%	660 113



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FS194_1st quarter budget statement report (July-September) 2022- MFMA s52 (d)

97

2.2. PARENT MUNICIPALITY FINANCIAL PERFORMANCE

The total year to date revenue for the parent municipality by the end of the 1st quarter amounted to **R383 million**

The total year to date expenditure by the end of the 1st quarter amounted to **R496.6 million**.

FS194 Maluti-a-Phofung - Supporting Table SC10 Monthly Budget Statement - Parent Municipality Financial Performance (revenue and expenditure)

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue By Source										
Property rates		113 846	111 979	111 979	9 327	28 021	27 995	26	0%	111 979
Service charges - electricity revenue		64 290	446 336	446 336	6 465	15 448	111 584	(96 136)	-86%	446 336
Service charges - water revenue		101 905	209 623	209 623	8 221	25 369	52 406	(27 037)	-52%	209 623
Service charges - sanitation revenue		43 367	44 186	44 186	3 566	10 884	11 047	(163)	-1%	44 186
Service charges - refuse revenue		42 067	43 804	43 804	3 558	10 591	10 951	(360)	-3%	43 804
Rental of facilities and equipment		1 116	1 781	1 781	62	209	445	(236)	-53%	1 781
Interest earned - external investments		592	10 000	10 000	698	1 281	2 500	(1 219)	-49%	10 000
Interest earned - outstanding debtors		26 238	41 358	41 358	-	(5)	10 339	(10 344)	-100%	41 358
Dividends received										
Fines, penalties and forfeits		322	1 102	1 102	12	63	276	(213)	-77%	1 102
Licences and permits										
Agency services										
Transfers and subsidies		642 855	754 206	754 206	-	290 332	188 552	101 781	54%	754 206
Other revenue		34 071	38 860	38 860	227	818	9 715	(8 897)	-92%	38 860
Gains		8	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contribution)		1 070 677	1 703 235	1 703 235	32 137	383 011	425 809	(42 797)	-10%	1 703 235
Expenditure By Type										
Employee related costs		500 999	500 113	500 113	44 757	131 106	125 028	6 078	5%	500 113
Remuneration of councillors		28 529	30 608	30 608	2 422	7 638	7 652	(14)	0%	30 608
Debt impairment		4 117	120 000	120 000	-	-	30 000	(30 000)	-100%	120 000
Depreciation & asset impairment		-	110 000	110 000	-	-	27 500	(27 500)	-100%	110 000
Finance charges		(94)	90 150	90 150	79 409	79 417	22 538	56 879	252%	90 150
Bulk purchases - electricity		281 294	506 499	506 499	257 167	257 167	126 625	130 542	103%	506 499
Inventory consumed		81 302	25 596	25 596	471	1 099	6 399	(5 299)	-83%	25 596
Contracted services		226 786	215 831	215 831	2 831	4 675	53 958	(49 283)	-91%	215 831
Transfers and subsidies		176 805	174 155	174 155	11 594	11 594	43 539	(31 945)	-73%	174 155
Other expenditure		51 269	113 910	113 910	1 553	3 979	28 478	(24 499)	-86%	113 910
Losses		1	-	-	-	-	-	-		-
Total Expenditure		1 351 010	1 886 862	1 886 862	400 204	496 676	471 716	24 960	5%	1 886 862
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations)		(280 333)	(183 627)	(183 627)	(368 066)	(113 664)	(45 907)	(67 757)	148%	(183 627)
(National / Provincial and District)		256 240	257 945	257 945	-	-	64 486	(64 486)	-100%	257 945
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)										
Transfers and subsidies - capital (in-kind - all)										
Surplus/(Deficit) after capital transfers & contributions										
Taxation		(24 093)	74 318	74 318	(368 066)	(113 664)	18 579	(132 244)	-712%	74 318
Surplus/(Deficit) after taxation		(24 093)	74 318	74 318	(368 066)	(113 664)	18 579	(132 244)	-712%	74 318



98

FS194_1st quarter budget statement report (July-September) 2022- MFMA s52 (d)

2.3. MUNICIPAL ENTITY FINANCIAL PERFORMANCE

The total year to date revenue by the end of the 1st Quarter amounted to **R51.1 million**. The entity has incorrectly captured the transactions under the subsidy category. A journal must be performed to move **R20.9 million** and record under to other revenue category. The total year to date expenditure by the end of the 1st Quarter amounted to **R80.3 million**.

Maluti water (Pty) Ltd - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter

Table 12: Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter										
Description	Ref	2020/21	Current Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source	1									
Property rates								-		
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue								-		
Rental of facilities and equipment								-		
Interest earned - external investments		-	100	100	-	-	25	(25)	-100,0%	100
Interest earned - outstanding debtors								-		
Dividends received								-		
Fines, penalties and forfeits								-		
Licences and permits								-		
Agency services								-		
Transfers and subsidies		124 939	-	-	2 122	20 938	-	20 938	#DIV/0!	-
Other revenue		73 321	195 900	195 900	14 351	30 218	48 975	(18 757)	-38,3%	195 900
Gains		-	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		198 260	196 000	196 000	16 473	51 156	49 000	2 156	4,4%	196 000
Expenditure By Type	2									
Employee related costs		166 674	160 000	160 000	13 985	71 188	40 000	31 188	78,0%	160 000
Remuneration of Directors		-	-	-	-	-	-	-		-
Debt impairment		-	-	-	-	-	-	-		-
Depreciation & asset impairment		-	1 500	1 500	-	-	375	(375)	-100,0%	1 500
Finance charges		-	-	-	-	-	-	-		-
Bulk purchases - electricity		3	-	-	-	-	-	-		-
Inventory consumed		8 455	11 266	11 266	704	2 503	2 816	(313)	-11,1%	11 266
Contracted services		8 185	8 091	8 091	458	1 791	2 023	(232)	-11,5%	8 091
Transfers and subsidies		-	-	-	-	-	-	-		-
Other expenditure		19 310	13 331	13 331	1 547	4 835	3 333	1 503	45,1%	13 331
Losses		-	-	-	-	-	-	-		-
Total Expenditure	3	202 629	194 188	194 188	16 694	80 317	48 547	31 770	65,4%	194 188
Surplus/(Deficit)		(4 369)	1 812	1 812	(222)	(29 161)	453	(29 614)	-6537,2%	1 812
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)								-		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)								-		
Transfers and subsidies - capital (in-kind - all)								-		
Surplus/(Deficit) before taxation		(4 369)	1 812	1 812	(222)	(29 161)	453	(29 614)	-6537,2%	1 812
Taxation								-		
Surplus/(Deficit) for the year		(4 369)	1 812	1 812	(222)	(29 161)	453	(29 614)		1 812
References										
1. Revenue includes sales of: (insert description)										
2. Bulk purchases - electricity										
2. Bulk purchases - water										
3. Expenditure includes repairs & maintenance of:										



09

FS194_1st quarter budget statement report (July-September) 2022- MFMA s52 (d)

2.4. MUNICIPAL MANAGER'S QUALITY CERTIFICATION

I the Municipal Manager of Maluti - A - Phofung Municipality, hereby certify that -
(mark as appropriate)

- ☐ the monthly budget statement
- ☒ quarterly report on the implementation of the budget and financial state affairs of the municipality
- ☐ mid-year budget and performance assessment

for the **1st quarter (July- September) 2022** has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print name: Sam Makhubu

Municipal Manager of: MALUTI - A - PHOFUNG MUNICIPALITY (FS194)

Signature: (1) [Signature]

Date: 27/1/2023