DRAFT MINUTES OF THE (6TH) SIXTH ORDINARY COUNCIL MEETING OF THE FIFTH COUNCIL OF MALUTI-A-PHOFUNG LOCAL MUNICIPALITY TO BE HELD ON THURSDAY, THE 24TH AUGUST 2023, AT THE NEW COUNCIL CHAMBER QWAQWA AT 10H00 AND THE CONTINUATION MEETING HELD ON THE 29TH OF AUGUST 2023 AT THE NEW COUNCIL CHAMBER

13.2.2 QUARTERLY BUDGET STATEMENT REPORT – MFMA s52 (d) FOR THE 3RD QUARTER (JANUARY – MARCH 2023)

"ANNEXURE L"

RESOLVED:

1. Council takes note of the MFMA section 52(d) report for the 3rd quarter (January - March 2023.

Signed by :..............................

Committee Secretary : N. SIBIYA

CORPORATE SERVICES
KANTORO YA TSHEBELETSO
KORPORNTIEWE DIENSTE
2023 -08- 30
MALUTI-A-PHOFUNG MUNICIPALITY
PRIVATE BAG X 805
WITSIESHOEK 9870

Date : 30th August 2023

Issued by : NJABULO SIBIYA

Received by : Maki Tshabalala

225

Local Municipality • Mmasepala wa seLehae • Plaaslike Munisipaliteit

REPORT BY THE EXECUTIVE MAYOR FOR SUBMISSION TO COUNCIL

QUARTERLY BUDGET STATEMENT REPORT- MFMA s52 (d) FOR THE 3RD QUARTER (JANUARY – MARCH) 2023

1. PURPOSE

The purpose of this report is to provide the budget statement of the Municipality for the 3rd **quarter ending 31st March 2023.**

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 Council.

5. ANNEXURES

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

6. POLICY

Budget related policies

7. LEGAL REQUIREMENTS

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

The mayor of a municipality -

> 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.

8. BACKGROUND AND DISCUSSION

In order to comply with the MFMA requirements, this report must be submitted to Council on or before the **30th April 2023.**

9. FINANCIAL IMPLICATIONS

Consolidated financial performance for the 3rd quarter ending 31st March 2023.

- The total actual operational revenue for the 3rd quarter amounted to **R400.9 million.**
- The total actual operational expenditure for the 3rd quarter amounted to **R449 million.**
- The total actual capital expenditure for the month amounted to **R60.1 million.**
- The total debtor's book total amounted to **R2.3 billion** as indicated on **page 15** of the report.
- The creditors balance amounted to **R7.4 billion** as indicated on **page 15** of the report.

10. STAFF IMPLICATIONS

The total number of employees by the end of the **3rd quarter ending 31st March 2023.**

- Parent municipal staff including Councillors was **1 277.**
- MAP Water (SOC) Ltd was **287.**

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 **3rd quarter (January – March) 2023** be noted.

SUBMITTED BY

.... 21-07-2023

THE EXECUTIVE MAYOR **DATE**

Cllr. T.G MOKOTSO

TABLE OF CONTENTS

228

PART 1 IN-YEAR REPORT

1.1 EXECUTIVE SUMMARY

1.1.1 Table C1 Consolidated Monthly Budget Statement Summary

The total revenue for the 3rd quarter was **R400.9 million** which was **R31 million** less when compared with the 2nd quarter. The total operating expenditure for the 3rd quarter amounted to **R449 million** which was **R27.7 million** more compared with the 2nd quarter. The total capital expenditure for the 3rd quarter amounted to **R60.1 million** which was **R29.5 million** less when compared with the 2nd quarter.

Description R thousands	Original Budget	Adjusted Budget	2nd quarter	3rd quarter	Variance Q3 vs Q2	YTD Actual	YearTD budget	YTD variance	YTD variance %
Financial Performance									
Property rates	111 979	112 361	28 160	34 593	6 433	90 773	84 271	6 503	8%
Service charges	743 950	641 390	90 645	88 584	(2 060)	241 521	481 042	(239 521)	-50%
Investment revenue	10 100	10 100	233	1 618	1 384	3 132	7 575	(4 443)	-59%
Transfers and subsidies	754 206	754 206	249 780	214 568	(35 212)	775 619	565 655	209 964	37%
Other own revenue	279 001	250 150	63 129	61 584	(1 545)	156 017	187 613	(31 596)	-17%
Total Revenue (excluding capital transfers and contributions)	**1 899 235**	**1 768 207**	**431 947**	**400 947**	**(31 000)**	**1 267 062**	**1 326 155**	**(59 093)**	**-4%**
Employee costs	660 113	691 796	148 765	174 097	25 333	525 156	518 847	6 309	1%
Remuneration of Councillors	30 608	31 594	7 757	7 197	(560)	22 593	23 695	(1 102)	-5%
Depreciation & asset impairment	111 500	238 569	–	–	–	–	178 927	(178 927)	-100%
Finance charges	90 150	484 150	51	20	(31)	79 488	363 113	(283 624)	-78%
Inventory consumed and bulk purchases	543 361	1 021 817	161 360	162 117	757	584 246	766 363	(182 117)	-24%
Transfers and subsidies	174 155	174 595	38 016	50 799	12 783	100 409	130 946	(30 537)	-23%
Other expenditure	471 163	431 666	65 332	54 843	(10 489)	135 454	323 749	(188 296)	-58%
Total Expenditure	**2 081 051**	**3 074 187**	**421 280**	**449 073**	**27 793**	**1 447 347**	**2 305 640**	**(858 294)**	**-37%**
Surplus/(Deficit)	(181 815)	(1 305 980)	10 667	(48 126)	(58 793)	(180 284)	(979 485)	799 201	-82%
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	257 945	257 945	2 089 088	(1 930 787)	(4 019 875)	158 301	193 459	(35 157)	-18%
Surplus/(Deficit) after capital transfers & contributions	76 130	(1 048 035)	2 099 755	(1 978 912)	(4 078 667)	(21 983)	(786 026)	764 044	-97%
Capital expenditure	**294 505**	**306 155**	**89 725**	**60 198**	**(29 527)**	**172 391**	**229 616**	**(57 225)**	**-58%**
Capital transfers recognised	248 593	248 593	77 347	45 126	(32 221)	144 661	186 444	(41 783)	-22%
Internally generated funds	45 912	57 562	12 378	15 073	2 695	27 730	43 172	(15 442)	-36%

1.1.2 Material variance explanations on Revenue by Sources

Description R thousands (R'000)	Budget year 2022-2023 Original Budget	Adjusted Budget	2nd quarter actual	3rd quarter actuals	Variance Q3 vs Q2	YearTD actual	YearTD budget	YTD variance	YTD variance %
Revenue By Source									
Property rates	111 979	112 361	28 160	34 593	6 433	90 773	84 271	6 503	8%
Service charges - electricity revenue	446 336	445 105	47 639	31 686	(15 953)	94 772	333 829	(239 056)	-72%
Service charges - water revenue	209 623	108 912	21 087	30 795	9 708	77 251	81 684	(4 433)	-5%
Service charges - sanitation revenue	44 186	44 186	10 917	13 086	2 169	34 887	33 140	1 747	5%
Service charges - refuse revenue	43 804	43 187	11 002	13 018	2 016	34 611	32 390	2 221	7%
Rental of facilities and equipment	1 781	1 428	505	301	(204)	1 015	1 071	(56)	-5%
Interest earned - external investments	10 100	10 100	233	1 618	1 384	3 132	7 575	(4 443)	-59%
Interest earned - outstanding debtors	41 358	14 942	(0)	(17)	(17)	(22)	11 206	(11 228)	-100%
Fines, penalties and forfeits	1 102	1 402	135	178	43	375	1 052	(676)	-64%
Transfers and subsidies	754 206	754 206	249 780	214 568	(35 212)	775 619	565 655	209 964	37%
Other revenue	234 760	232 379	62 488	61 124	(1 364)	154 649	174 284	(19 635)	-11%
Total	1 899 235	1 768 207	431 945	400 949	(30 996)	1 267 062	1 326 155	(59 093)	-4%

- **Property rates** was 8% above the target of **R84.2 million.** The 3rd quarter actual was **R6.4 million** more compared to the 2nd quarter actuals.
- **Electricity revenue** - the 3rd quarter outcome indicated a decrease of **R15.9 million** when compared with the 2nd quarter outcomes. The year to date outcomes reflect the total billing of **R94.7 million.** This excludes the LPUs billed by Eskom.
- **Water revenue** outcome for the 3rd quarter was **R9.7 million** more in comparison with the 2nd quarter.
- **Sanitation revenue** was **R2.1 million** more compared to 2nd quarter. The sewerage infrastructure connection has not reached the majority of the community and the sewer plants are currently not working.
- **Refuse revenue** for the 3rd quarter was **R2 million** more compared to 2nd quarter.
- **Rental of facilities** for the 3rd quarter was **R204 thousand** less compared to 2nd quarter. This depends entirely on the need from the community for municipal facilities.
- **Interest on investment** was **R1.3 million** more compared to 2nd quarter. The municipality is investing funds and earning interest.
- **Interest on outstanding debtors** are now **R17 thousand** compared to 2nd quarter. The municipality has been billing late since July 2023 hence the interest was not charged. The delivery of the invoices to the residential consumers is still a challenge.
- **Fines** there was an increase of **R43 thousands** from the 2nd quarter.
- **Transfers and subsidies** was **R35.2 million** less compared to 2nd quarter.
- **Other revenue** was **R1.3 million** less compared to 2nd quarter.

230

1.1.3 Material variance explanations on Expenditure by Type

Description	Budget year 2022-2023								
R thousands (R'000)	Original Budget	Adjusted Budget	2nd quarter actual	3rd quarter actual	Variance Q3 vs Q2	YearTD actual	YearTD budget	YTD variance	YTD variance %
Expenditure by type									
Employee related costs	660 113	691 796	148 765	174 097	25 333	525 156	518 847	6 309	1%
Remuneration of councillors	30 608	31 594	7 757	7 197	(560)	22 593	23 695	(1 102)	-5%
Debt impairment	120 000	96 472	18 225	656	(17 569)	18 881	72 354	(53 473)	-74%
Depreciation & asset impairment	111 500	238 569	–	–	–	–	178 927	(178 927)	-100%
Finance charges	90 150	484 150	51	20	(31)	79 488	363 113	(283 624)	-78%
Bulk purchases - electricity	506 499	973 600	153 724	148 589	(5 135)	559 480	730 200	(170 720)	-23%
Inventory consumed	36 862	48 217	7 636	13 527	5 891	24 766	36 163	(11 397)	-32%
Contracted services	223 921	205 542	20 876	35 790	14 913	63 131	154 156	(91 025)	-59%
Transfers and subsidies	174 155	174 595	38 016	50 799	12 783	100 409	130 946	(30 537)	-23%
Other expenditure	127 241	129 651	26 227	18 397	(7 831)	53 438	97 239	(43 801)	-45%
Total	**2 081 050**	**3 074 187**	**421 277**	**449 073**	**27 796**	**1 447 343**	**2 305 640**	**(858 297)**	**-37%**

- **Employee related costs** outcome for the 3rd quarter amounted to **R174 million** which was **R25.3 million** more compared to the 2nd quarter. The year to date outcome was 1% above target at **R525.1 million**. This is a consolidated figure, the year to date employee related costs for the parent amounted to **R399.9 million** including **R54.5 million** for overtime; the Entity employee costs to date amounted **R125.2 million** including the overtime **R17 million** for overtime.
- **Remuneration of councillors'** year to date outcome was 5% less than the target. The 3rd quarter amounted to **R7.1 million.**
- **Debt impairment** year to date outcome was **R18.8 million** due to the debt incentive scheme introduced.
- **Depreciation & assets impairment** transactions will be recorded at the year end.
- **Finance charges** year to date outcome was **R79.4 million.** The capturing of the Eskom interest will now be done since the adjustment budget has been approved by Council.
- **Bulk purchases Electricity** year to date outcome was at **R559.4 million.**
- **Inventory consumed** year to date outcome was at **R24.7 million.**
- **Contracted services** for the 3rd quarter amounted to **R35 million** and year to date outcome was at **R63.1 million.**
- **Transfers and subsidies** for the 3rd quarter amounted to **R50.7 million** and the year to date outcome was at **R100.4 million.**
- **Other expenditure** for the 3rd quarter was **R7.8 million** less than the 2nd quarter and the year to date amounted to **R53.4 million**. This category includes amongst others; protective clothing, water and sewerage levies to the entity, advertisements, audit fees).

1.2.IN-YEAR BUDGET STATEMENT TABLES

1.2.1. Table C2 Consolidated financial performance (functional classification)

FS194 Maluti-a-Phofung - Table C2 Consolidated Monthly Budget Statement - Financial Performance (functional classification) - Q3 Third Quarter

Description	Ref	2021/22	Budget Year 2022/23							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		994 481	1 215 351	1 099 609	247 805	1 016 208	865 216	150 991	17%	1 099 609
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		994 481	1 215 351	1 099 609	247 805	1 016 208	865 216	150 991	17%	1 099 609
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		(22 199)	38 305	31 007	14 434	17 011	25 810	(8 798)	-34%	31 007
Community and social services		(46 657)	24 755	21 067	13 412	14 721	17 091	(2 370)	-14%	21 067
Sport and recreation		23 225	9 714	5 362	944	1 461	5 544	(4 084)	-74%	5 362
Public safety		514	1 429	1 853	16	604	1 241	(637)	-51%	1 853
Housing		719	2 408	2 726	62	225	1 933	(1 708)	-88%	2 726
Health		–	–	–	–	–	–	–		–
Economic and environmental services		30 514	40 203	36 156	(23 291)	17 581	28 533	(10 952)	-38%	36 156
Planning and development		402	574	280	31	199	313	(114)	-36%	280
Road transport		30 111	39 629	35 876	(23 322)	17 382	28 221	(10 839)	-38%	35 876
Environmental protection		–	–	–	–	–	–	–		–
Trading services		542 539	863 321	859 380	54 914	374 374	645 915	(271 541)	-42%	859 380
Energy sources		198 418	485 465	482 872	(422)	112 806	363 061	(250 255)	-69%	482 872
Water management		161 973	219 358	193 593	34 476	135 771	154 212	(18 442)	-12%	193 593
Waste water management		137 005	104 246	131 422	17 291	85 020	89 055	(4 035)	-5%	131 422
Waste management		45 144	54 253	51 494	3 570	40 776	39 586	1 190	3%	51 494
Other	4	–	–	–	–	190	–	190	#DIV/0!	–
Total Revenue - Functional	2	1 545 335	2 157 180	2 026 152	293 863	1 425 364	1 565 474	(140 110)	-9%	2 026 152
Expenditure - Functional										
Governance and administration		566 164	892 655	763 906	31 035	406 328	617 992	(211 663)	-34%	763 906
Executive and council		88 837	128 916	128 043	6 495	63 133	96 338	(33 205)	-34%	128 043
Finance and administration		470 473	756 706	628 253	23 945	337 931	516 148	(178 217)	-35%	628 253
Internal audit		6 854	7 033	7 609	594	5 264	5 505	(241)	-4%	7 609
Community and public safety		211 120	155 772	164 383	12 356	102 779	120 273	(17 494)	-15%	164 383
Community and social services		84 198	25 547	21 750	1 489	13 219	17 641	(4 423)	-25%	21 750
Sport and recreation		56 109	50 244	58 653	3 837	34 657	41 047	(6 389)	-16%	58 653
Public safety		67 834	74 314	77 923	6 669	51 262	57 179	(5 917)	-10%	77 923
Housing		2 979	5 667	6 058	361	3 641	4 407	(765)	-17%	6 058
Health		–	–	–	–	–	–	–		–
Economic and environmental services		199 870	85 737	233 591	5 295	42 456	123 444	(80 988)	-66%	233 591
Planning and development		22 556	31 834	48 136	2 019	15 998	30 397	(14 398)	-47%	48 136
Road transport		177 314	53 903	185 455	3 276	26 458	93 048	(66 590)	-72%	185 455
Environmental protection		–	–	–	–	–	–	–		–
Trading services		1 334 388	942 579	1 909 544	74 745	894 420	1 093 974	(199 554)	-18%	1 909 544
Energy sources		1 067 978	749 700	1 605 064	57 865	729 530	904 675	(175 145)	-19%	1 605 064
Water management		81 675	46 558	88 877	5 364	51 576	51 846	(270)	-1%	88 877
Waste water management		70 807	44 236	74 095	4 373	48 041	45 120	2 921	6%	74 095
Waste management		113 927	102 086	141 508	7 143	65 273	92 333	(27 060)	-29%	141 508
Other		2 225	4 307	2 763	142	1 362	2 613	(1 250)	-48%	2 763
Total Expenditure - Functional	3	2 313 768	2 081 050	3 074 187	123 573	1 447 347	1 958 296	(510 950)	-26%	3 074 187
Surplus/ (Deficit) for the year		(768 433)	76 130	(1 048 035)	170 290	(21 983)	(392 823)	370 840	-94%	(1 048 035)

1.2.2. Table C3 Consolidated financial performance by municipal vote

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

Vote Description R thousands	Original Budget	Adjusted Budget	2nd quarter	3rd quarter	Variance Q3 vs Q2	YearTD actual	YearTD budget	YTD variance	YTD variance %
Revenue by Vote									
Vote 01 - Legislative Authority	–	–	–	–	–	–	–	–	0,0%
Vote 02 - Office Of The Municipal Manager	–	–	–	–	–	–	–	–	0,0%
Vote 03 - Corporate Services	600	636	318	545	227	863	477	386	80,8%
Vote 04 - Financial Services	1 214 751	1 098 972	337 819	306 519	(31 300)	1 015 344	824 229	191 115	23,2%
Vote 05 - Municipal Infrastructure	417 155	412 232	917 371	(685 285)	(1 602 656)	278 873	309 174	(30 301)	-9,8%
Vote 06 - Community Services	24 608	20 664	326	13 540	13 214	14 316	15 498	(1 182)	-7,6%
Vote 07 - Public Safety & Transport	1 429	1 853	302	207	(94)	604	1 389	(785)	-56,5%
Vote 08 - Sports, Arts, Parks, Culture	9 714	5 362	363	1 015	652	1 461	4 021	(2 561)	-63,7%
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture	–	–	–	190	190	190	–	190	
Vote 10 - Human Settlements	2 885	3 281	210	279	69	707	2 460	(1 754)	-71,3%
Vote 11 - IDP & PMS	–	–	–	–	–	–	–	–	
Vote 12 - Spatial Development, Planning & Traditional Affairs	574	280	72	59	(13)	199	210	(11)	-5,2%
Vote 13 - Electricity	485 465	482 872	1 264 254	(1 166 909)	(2 431 163)	112 806	362 154	(249 347)	-68,9%
Vote 14 - Maluti Water	–	–	–	–	–	–	–	–	0,0%
Total Revenue by Vote	**2 157 180**	**2 026 152**	**2 521 035**	**(1 529 839)**	**(4 050 875)**	**1 425 364**	**1 519 614**	**(94 250)**	**-6,2%**
Expenditure by Vote									
Vote 01 - Legislative Authority	61 448	63 599	13 012	13 186	173	38 972	47 700	(8 727)	-18,3%
Vote 02 - Office Of The Municipal Manager	23 887	29 746	5 358	5 500	142	15 924	22 310	(6 386)	-28,6%
Vote 03 - Corporate Services	137 938	141 433	18 281	33 342	15 062	72 824	106 075	(33 251)	-31,3%
Vote 04 - Financial Services	604 807	432 478	99 405	83 117	(16 288)	223 847	324 358	(100 512)	-31,0%
Vote 05 - Municipal Infrastructure	157 911	391 554	33 881	33 649	(232)	94 495	293 666	(199 171)	-67,8%
Vote 06 - Community Services	24 757	23 354	5 340	5 223	(118)	15 221	17 516	(2 295)	-13,1%
Vote 07 - Public Safety & Transport	106 205	143 240	28 936	33 023	4 087	92 257	107 430	(15 174)	-14,1%
Vote 08 - Sports, Arts, Parks, Culture	50 846	58 653	11 411	11 769	358	34 657	43 990	(9 332)	-21,2%
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture	20 513	15 332	2 515	2 502	(13)	7 309	11 499	(4 190)	-36,4%
Vote 10 - Human Settlements	15 474	14 398	2 051	2 471	420	6 337	10 799	(4 462)	-41,3%
Vote 11 - IDP & PMS	2 926	3 095	674	697	23	2 192	2 321	(129)	-5,6%
Vote 12 - Spatial Development, Planning & Traditional Affairs	13 311	32 921	2 489	2 738	248	7 860	24 690	(16 830)	-68,2%
Vote 13 - Electricity	749 700	1 604 055	185 238	188 813	3 575	728 773	1 203 041	(474 268)	-39,4%
Vote 14 - Maluti Water	111 327	120 327	12 688	33 043	20 355	106 679	90 245	16 433	18,2%
Total Expenditure by Vote	**2 081 050**	**3 074 187**	**421 280**	**449 073**	**27 793**	**1 447 347**	**2 305 640**	**(858 294)**	**-37,2%**
Surplus/ (Deficit) for the year	**76 130**	**(1 048 035)**	**2 099 755**	**(1 978 912)**	**(4 078 667)**	**(21 983)**	**(786 026)**	**764 044**	**-97,2%**

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

FS194 Maluti-a-Phofung - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q3 Third Quarter

Description	Ref	2021/22	Budget Year 2022/23							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source										
Property rates		113 846	111 979	112 361	9 340	90 773	84 137	6 636	8%	112 361
Service charges - electricity revenue		137 109	446 336	445 105	16 110	94 772	334 260	(239 487)	-72%	445 105
Service charges - water revenue		101 905	209 623	108 912	5 863	77 251	116 933	(39 682)	-34%	108 912
Service charges - sanitation revenue		43 367	44 186	44 186	3 260	34 887	33 140	1 747	5%	44 186
Service charges - refuse revenue		42 067	43 804	43 187	3 119	34 611	32 606	2 005	6%	43 187
Rental of facilities and equipment		1 116	1 781	1 428	76	1 015	1 194	(180)	-15%	1 428
Interest earned - external investments		11 332	10 100	10 100	605	3 132	7 575	(4 443)	-59%	10 100
Interest earned - outstanding debtors		26 238	41 358	14 942	(9)	(22)	16 436	(16 458)	-100%	14 942
Dividends received								–		
Fines, penalties and forfeits		322	1 102	1 402	13	375	947	(571)	-60%	1 402
Licences and permits								–		
Agency services								–		
Transfers and subsidies		694 190	754 206	754 206	208 966	775 619	565 655	209 964	37%	754 206
Other revenue		107 392	234 760	232 375	29 517	154 647	175 116	(20 469)	-12%	232 375
Gains		(602)	–	4	–	2	2	0	25%	4
Total Revenue (excluding capital transfers and contributions)		1 278 282	1 899 235	1 768 207	276 861	1 267 062	1 367 999	(100 937)	-7%	1 768 207
Expenditure By Type										
Employee related costs		667 674	660 113	691 796	53 202	525 156	507 758	17 398	3%	691 796
Remuneration of councillors		28 529	30 608	31 594	2 345	22 593	23 350	(757)	-3%	31 594
Debt impairment		305	120 000	96 472	224	18 881	80 589	(61 708)	-77%	96 472
Depreciation & asset impairment		182 718	111 500	238 569	–	–	134 453	(134 453)	-100%	238 569
Finance charges		54 645	90 150	484 150	5	79 488	225 213	(145 724)	-65%	484 150
Bulk purchases - electricity		870 195	506 499	973 600	46 557	559 480	566 715	(7 234)	-1%	973 600
Inventory consumed		94 495	36 862	48 217	5 094	24 766	32 189	(7 423)	-23%	48 217
Contracted services		159 461	223 921	205 542	7 448	63 131	160 589	(97 458)	-61%	205 542
Transfers and subsidies		176 805	174 155	174 595	5 215	100 409	130 792	(30 383)	-23%	174 595
Other expenditure		78 939	127 241	129 645	3 484	53 438	96 392	(42 955)	-45%	129 645
Losses		1	–	7	–	3	3	1	25%	7
Total Expenditure		2 313 768	2 081 050	3 074 187	123 573	1 447 347	1 958 042	(510 696)	-26%	3 074 187
Surplus/(Deficit)		(1 035 487)	(181 815)	(1 305 980)	153 288	(180 284)	(590 044)	409 759	(0)	(1 305 980)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		267 054	257 945	257 945	17 002	158 301	193 459	(35 157)	(0)	257 945
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)								–		
Transfers and subsidies - capital (in-kind - all)								–		
Surplus/(Deficit) after capital transfers & contributions		(768 433)	76 130	(1 048 035)	170 290	(21 983)	(396 585)			(1 048 035)
Taxation								–		
Surplus/(Deficit) after taxation		(768 433)	76 130	(1 048 035)	170 290	(21 983)	(396 585)			(1 048 035)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(768 433)	76 130	(1 048 035)	170 290	(21 983)	(396 585)			(1 048 035)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(768 433)	76 130	(1 048 035)	170 290	(21 983)	(396 585)			(1 048 035)

1.2.4. Table C5 Consolidated capital expenditure

FS194 Maluti-a-Phofung - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding - Q3 Third Quarter

Vote 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									
Multi-Year expenditure appropriation	2									
Vote 01 - Legislative Authoriry		–	–	–	–	–	–	–		–
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 - Idp, 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 Authoriry		–	–	1 500	–	–	600	(600)	-100%	1 500
Vote 02 - Office Of The Municipal Manager		–	–	–	–	–	–	–		–
Vote 03 - Corporate Services		1 041	3 000	1 500	6	447	1 650	(1 203)	-73%	1 500
Vote 04 - Financial Services		308	1 000	10 500	38	159	4 550	(4 391)	-96%	10 500
Vote 05 - Municipal Infrastructure		189 907	201 592	190 820	13 194	115 976	146 885	(30 909)	-21%	190 820
Vote 06 - Community Services		14 897	24 583	25 611	–	12 990	18 849	(5 859)	-31%	25 611
Vote 07 - Public Safety & Transport		–	6 100	500	18	18	2 335	(2 317)	-99%	500
Vote 08 - Sports, Arts, Parks, Culture		6 723	9 417	4 970	–	796	5 284	(4 488)	-85%	4 970
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		–	–	–	–	–	–	–		–
Vote 10 - Hunan Settlements		–	–	–	–	–	–	–		–
Vote 11 - Idp, Pms Department		–	–	–	–	–	–	–		–
Vote 12 - Spatial Development, Planning & Traditional Affairs		–	–	–	–	–	–	–		–
Vote 13 - Electricity Department		45 840	47 000	68 941	1 844	41 592	44 026	(2 435)	-6%	68 941
Vote 14 - Maluti Water		1 036	1 812	1 812	–	414	1 359	(945)	-70%	1 812
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	259 752	294 505	306 155	15 100	172 391	225 538	(53 147)	-24%	306 155
Total Capital Expenditure		259 752	294 505	306 155	15 100	172 391	225 538	(53 147)	-24%	306 155
Capital Expenditure - Functional Classification										
Governance and administration		2 385	9 412	15 312	44	1 020	9 419	(8 399)	-89%	15 312
Executive and council		1 036	1 812	3 312	–	414	1 959	(1 545)	-79%	3 312
Finance and administration		1 349	7 600	12 000	44	606	7 460	(6 854)	-92%	12 000
Internal audit								–		
Community and public safety		21 620	36 500	31 081	18	13 803	25 208	(11 404)	-45%	31 081
Community and social services		14 897	25 583	26 111	18	13 008	19 399	(6 391)	-33%	26 111
Sport and recreation		6 723	9 417	4 970	–	796	5 284	(4 488)	-85%	4 970
Public safety		–	1 500	–	–	–	525	(525)	-100%	–
Housing		–	–	–	–	–	–	–		–
Health								–		
Economic and environmental services		14 818	45 277	26 523	916	10 674	26 456	(15 783)	-60%	26 523
Planning and development								–		
Road transport		14 818	45 277	26 523	916	10 674	26 456	(15 783)	-60%	26 523
Environmental protection								–		
Trading services		220 929	203 315	233 238	14 122	146 894	164 455	(17 561)	-11%	233 238
Energy sources		45 840	47 000	68 941	1 844	41 592	44 026	(2 435)	-6%	68 941
Water management		158 096	101 276	79 571	1 825	54 508	67 275	(12 767)	-19%	79 571
Waste water management		16 993	55 039	84 726	10 453	50 794	53 154	(2 360)	-4%	84 726
Waste management		–	–	–	–	–	–	–		–
Other								–		
Total Capital Expenditure - Functional Classification	3	259 752	294 505	306 155	15 100	172 391	225 538	(53 147)	-24%	306 155
Funded by:										
National Government		257 367	248 593	248 593	13 906	144 661	186 444	(41 783)	-22%	248 593
Provincial Government								–		
District Municipality								–		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private								–		
Transfers recognised - capital		257 367	248 593	248 593	13 906	144 661	186 444	(41 783)	-22%	248 593
Borrowing	6							–		
Internally generated funds		2 385	45 912	57 562	1 194	27 730	39 094	(11 364)	-29%	57 562
Total Capital Funding		259 752	294 505	306 155	15 100	172 391	225 538	(53 147)	-24%	306 155

1.2.4.1.List of capital projects and performance

Capital assets from own funds

The total capital expenditure from own source for the 3rd quarter amounted **R15 million** and the year to date amounted to **R27.2 million**. This was mainly to the procurement of transformers.

Description FIXED ASSETS	Original Budget	Adjusted Budget	2nd Quarter Actuals	3rd Quarter Actuals	Variance Q3 vs Q2	Year to date Actuals	%
PARENT MUNICIPALITY	**44 100 000**	**55 750 000**	**12 133 516**	**15 072 565**	**1 467 311**	**27 315 963**	**62%**
Machinery & equipment (corporate)	1 000 000	500 000	9 072	28 016	18 943	66 288	13%
Computer & equipment	2 000 000	1 000 000	74 851	225 173	150 322	380 706	38%
Furniture & fittings	1 000 000	500 000	105 163	54 278	-50 885	159 441	32%
Electricity prepaid meters	-	10 000 000	-	-	-	-	0%
Fleet	15 000 000	-	-	-	-	-	0%
Machinery & equipment (community services)	3 000 000	1 500 000	-	-	-	-	0%
Vehicles (Legislative)	-	1 500 000	-	-			0%
Machinery & equipment (Generators)	-	5 750 000	-	-			0%
Machinery & equipment (public safety)	1 000 000	500 000	-	17 800	17 800	17 800	4%
Machinery & equipment (security unit)	1 000 000	-	-	-	-	-	0%
Machinery & equipment (sports department)	1 000 000	500 000	-	-	-	-	0%
Vehicles	1 500 000	-	-	-	-	-	0%
Vehicles (security unit)	2 600 000	-	-	-	-	-	0%
Transformers	15 000 000	29 000 000	11 944 429	13 275 560	1 331 131	25 219 989	87%
Phuthaditjhaba: Taxi Facility	-	5 000 000	-	1 471 739	-	1 471 739	29%
MAP WATER	**1 812 000**	**1 812 000**	**244 534**	-	**-244 534**	**413 707**	**23%**
Equipment Other	180 000	180 000	103 530	-	-103 530	124 121	69%
Plant And Machinery	540 000	540 000	112 027	-	-112 027	112 027	21%
Refurbishment Projects	900 000	900 000	25 500	-	-25 500	174 082	19%
Furniture & Fitting	36 000	36 000	-	-	-	-	0%
Office Equipment	36 000	36 000	3 477	-	-3 477	3 477	10%
Computers	120 000	120 000	-	-	-	-	0%
TOTAL ASSETS FUNDED BY OWN SOURCE	**45 912 000**	**57 562 000**	**12 378 050**	**15 072 565**	**1 222 776**	**27 729 671**	**48%**

The capital expenditure from conditional grants (Vat exclusive)

The total grant funded capital expenditure for the 3rd quarter amounted to **R45.1 million** which was **R32.2 million** less than the 2nd quarter outcomes. The total year to date expenditure amounted to **R144.6 million** or **58%** of the budget.

Description (Functional classification)	Funding	Original Budget	Adjusted Budget	2nd quarter Actuals	3rd quarter Actuals	Variance Q3 vs Q2	Year to Date Actuals	%
ROADS PROJECTS		**30 276 908**	**26 523 442**	**6 242 237**	**3 443 962**	**(2 798 275)**	**10 673 502**	**91%**
Monontsha:Construction of footbridge	MIG	6 135 990	-	-	-	-	-	0%
Phuthaditjhaba: Upgrading of 1km paved road Motebang -P1	MIG	2 514 200	2 514 200	-	-	-	-	0%
Intabazwe Ext3 Paved Roads Phase 3	MIG	10 452 805	9 958 964	2 973 321	1 691 395	(1 281 926)	5 248 857	53%
Namahadi: construction of 5km paved roads Phase 4	MIG	11 173 913	14 050 278	3 268 916	1 752 567	(1 516 349)	5 424 645	39%
WATER PROJECTS		**101 276 267**	**79 570 828**	**41 728 190**	**8 879 916**	**(32 848 274)**	**54 508 054**	**54%**
Chris Hani Park: Water Reticulation 500 Stands	MIG	15 577 768	15 250 147	5 339 281	2 707 268	(2 632 013)	10 618 796	70%
Intabazwe ext 3 Water reticulation	MIG	4 106 680	-	-	-	-	-	0%
Thaba Bosiu Water Pipeline	MIG	26 579 206	7 817 326	-	-	-	-	0%
Hasethunya water reticulation	MIG	2 731 018	1 684 240	-	-	-	-	0%
Upgrading of water pump station	MIG	1 480 663	-	-	-	-	-	0%
Matebeleng Construction of 3ML Reservoir	MIG	11 904 932	15 923 115	10 345 429	1 307 779	(9 037 650)	12 980 910	82%
Fika Patso purification project	WSIG	38 896 000	-	26 043 479	(26 043 479)	(52 086 958)	-	0%
Tholong Ext 5 Water project	WSIG	-	34 942 913	-	30 908 348	30 908 348	30 908 348	88%
Intabazwe borehole project	WSIG	-	3 953 087	-	-	-	-	0%
WASTE WATER MANAGEMENT/ SEWERAGE PROJECTS		**55 039 080**	**84 725 660**	**12 596 441**	**27 242 822**	**14 646 381**	**50 794 256**	**144%**
Intabazwe Ext. 3: Construction of Waterborne Sewer Network for 1020 erven	MIG	12 572 272	12 406 439	1 917 244	4 133 751	2 216 507	7 924 168	64%
Refurbishment of sewer pump stations	MIG	12 437 969	5 469 950	-	-	-	-	0%
Namahadi: Construction of sewer reticulation network	MIG	10 028 839	4 986 615	-	570 533	570 533	570 533	11%
Qwaqwa: Construction of 2400 VIP Toilets - Phase 13A	MIG	20 000 000	61 862 656	10 679 197	22 538 539	11 859 342	42 299 556	68%
COMMUNITY FACILITY PROJECTS		**21 583 084**	**19 111 174**	**5 171 187**	**-**	**(5 171 187)**	**11 518 039**	**53%**
Upgrading of Phuthaditjhaba town hall	MIG	21 583 084	19 111 174	5 171 187	-	(5 171 187)	11 518 039	60%
SPORTS AND RECREATIONAL FACILITIES		**8 417 205**	**4 470 243**	**-**	**795 788**	**795 788**	**795 788**	**0%**
Upgrading of Platberg stadium Phase 1	MIG	8 417 205	-	-	-	-	-	0%
Upgrading of bluegumbosch Stadium	MIG		4 470 243		795 788	795 788	795 788	18%
ELECTRICITY PROJECTS		**32 000 000**	**34 191 197**	**11 608 727**	**4 763 017**	**(6 845 709)**	**16 371 744**	**50%**
Upgrading of E-Ross Substation- Phase 1	DOE	32 000 000	32 000 000	11 608 727	4 296 918	(7 311 808)	15 905 645	50%
MAP: Hihg mast light in town Phase 2	MIG	-	2 191 197		466 099	466 099	466 099	21%
TOTAL ASSETS FUNDED BY NATIONAL GRANTS (Vat Excl.)		**248 592 544**	**248 592 544**	**77 346 781**	**45 125 506**	**(32 221 276)**	**144 661 383**	**58%**

1.2.5. Table C6 Consolidated Financial Position

The table indicates that the total assets amounted to **R8.8 billion** and the total liabilities amounted to **R10.5 billion** by the end of 3rd quarter.

FS194 Maluti-a-Phofung - Table C6 Consolidated Monthly Budget Statement - Financial Position - Q3 Third

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		388,199	(538,223)	(1,622,470)	215,462	(1,622,470)
Call investment deposits		22,976	9,022	9,022	36,414	9,022
Consumer debtors		1,608,458	2,018,200	1,905,958	1,773,453	1,905,958
Other debtors		1,256,841	367,174	367,174	1,408,680	367,174
Current portion of long-term receivables		144	–	–	144	–
Inventory		5,720	(198)	541	5,420	541
Total current assets		**3,282,339**	**1,855,975**	**660,225**	**3,439,573**	**660,225**
Non current assets						
Long-term receivables		(144)	–	–	(144)	–
Investments						
Investment property		803,255	–	–	803,255	–
Investments in Associate						
Property, plant and equipment		4,466,733	7,792,365	7,804,015	4,639,124	7,804,015
Biological						
Intangible		–	–	–	–	–
Other non-current assets						
Total non current assets		**5,269,843**	**7,792,365**	**7,804,015**	**5,442,234**	**7,804,015**
TOTAL ASSETS		**8,552,182**	**9,648,340**	**8,464,241**	**8,881,808**	**8,464,241**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		(15,019)	–	–	(15,019)	–
Consumer deposits		25,978	295	295	25,595	295
Trade and other payables		9,558,822	5,668,665	6,721,874	9,859,157	6,721,874
Provisions		688,033	–	–	688,023	–
Total current liabilities		**10,257,814**	**5,668,960**	**6,722,169**	**10,557,756**	**6,722,169**
Non current liabilities						
Borrowing		320	–	–	320	–
Provisions		–	–	–	–	–
Total non current liabilities		**320**	**–**	**–**	**320**	**–**
TOTAL LIABILITIES		**10,258,134**	**5,668,960**	**6,722,169**	**10,558,076**	**6,722,169**
NET ASSETS	2	**(1,705,952)**	**3,979,380**	**1,742,072**	**(1,676,268)**	**1,742,072**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		(1,818,626)	2,858,682	1,744,945	(2,099,543)	1,744,945
Reserves		(212,934)	–	–	(212,934)	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**(2,031,560)**	**2,858,682**	**1,744,945**	**(2,312,477)**	**1,744,945**

1.2.6. 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 the bank movements.

FS194 Maluti-a-Phofung - Table C7 Consolidated Monthly Budget Statement - Cash Flow - Q3 Third Quarter

Description	Ref	2021/22	Budget Year 2022/23							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		–	138,133	69,997	3,025	56,205	52,498	3,708	7%	69,997
Service charges		–	404,913	292,756	41,171	166,381	219,567	(53,186)	-24%	292,756
Other revenue		–	50,829	48,114	(9,457)	(378,028)	36,085	(414,113)	-1148%	48,114
Transfers and Subsidies - Operational		–	753,706	753,706	208,443	750,652	565,279	185,373	33%	753,706
Transfers and Subsidies - Capital		–	257,945	257,945	68,146	248,999	193,459	55,540	29%	257,945
Interest		–	10,100	10,100	–	1,012	7,575	(6,563)	-87%	10,100
Dividends								–		
Payments										
Suppliers and employees		–	(1,551,983)	(405,036)	25,181	242,791	(303,777)	(546,568)	180%	(405,036)
Finance charges								–		
Transfers and Grants								–		
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	63,643	1,027,582	336,509	1,088,013	770,687	(317,326)	-41%	1,027,582
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								–		
Decrease (increase) in non-current receivables		–	144	–	–	(144)	–	(144)	#DIV/0!	–
Decrease (increase) in non-current investments								–		
Payments										
Capital assets		–	(294,505)	(306,155)	–	(157,291)	(229,616)	(72,325)	31%	(306,155)
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	(294,360)	(306,155)	–	(157,435)	(229,616)	(72,181)	31%	(306,155)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								–		
Borrowing long term/refinancing								–		
Increase (decrease) in consumer deposits		–	295	–	(8)	(384)	221	(605)	-273%	295
Payments										
Repayment of borrowing								–		
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	295	–	(8)	(384)	221	605	273%	295
NET INCREASE/ (DECREASE) IN CASH HELD		–	(230,422)	721,428	336,501	930,194	541,292			721,723
Cash/cash equivalents at beginning:		181,011	–	–	278,962	61,604	–			61,604
Cash/cash equivalents at month/year end:		181,011	(230,422)	721,428		991,797	541,292			783,327

PART 2 - SUPPORTING DOCUMENTATION

2.1. SUPPORTING TABLES

2.1.1. Debtor's Analysis

- The total debt book amounted to **R2.3 billion** by the end of the **3rd quarter 2023.**
- 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 **R675.4 million.**
- The largest debt by customer group is from Household with a total of **R1.3 billion.**

FS194 Maluti-a-Phofung - Supporting Table SC3 Monthly Budget Statement - aged debtors - 3rd 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	6,969	10,590	15,203	6,225	8,743	8,797	66,095	552,809	675,432
Electricity	1300	4,667	3,824	4,056	3,967	3,597	3,545	21,896	264,761	310,314
Property Rates	1400	8,548	7,840	7,619	7,412	7,393	6,850	42,069	484,182	571,913
Waste Water Management	1500	3,815	3,784	3,854	3,720	3,484	3,324	20,074	214,900	256,956
Waste Management	1600	3,787	3,725	3,711	3,673	3,485	3,435	20,143	215,538	257,497
Interest on Arrear Debtor Accounts	1810	6	1	0	3	17	21	5,460	206,685	212,193
Other	1900	169	163	123	412	111	92	505	30,842	32,418
Total By Income Source	**2000**	**27,963**	**29,928**	**34,566**	**25,412**	**26,829**	**26,064**	**176,243**	**1,969,717**	**2,316,721**
Debtors Age Analysis By Customer Group										
Organs of State	2200	6,764	7,280	7,691	6,250	6,351	5,609	36,081	367,039	443,066
Commercial	2300	6,849	5,792	7,254	5,684	5,105	4,916	30,465	449,772	515,837
Households	2400	14,350	16,855	19,620	13,478	15,373	15,539	109,697	1,152,906	1,357,819
Total By Customer Group	**2600**	**27,963**	**29,928**	**34,566**	**25,412**	**26,829**	**26,064**	**176,243**	**1,969,717**	**2,316,721**

2.1.2. Creditors Analysis

The total creditors amounted to **R7.4 billion** by the end of the **3rd quarter 2023.**

FS194 Maluti-a-Phofung - Supporting Table SC4 Monthly Budget Statement - aged creditors - 3rd quarter

Description	NT Code	Budget Year 2021/22								
R thousands		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180	181 Days -	Over 1 Year	Total
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	170,648	84,482	91,876	–	–	–	–	7,069,488	7,416,494
Bulk Water	0200	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	1,399	114	65,638	–	–	–	–	–	–
Auditor General	0800	-	-	42,982	–	–	–	–	–	67,152
Other	0900	-	-	-	–	–	–	–	–	43
Total By Customer Type	**1000**	172,047	84,596	157,558	–	–	–	–	7,069,488	7,483,689

2.1.3. Investments Portfolio Analysis

- The closing balances by the end of the 3rd **quarter 2023** amounted to **R143.3 million.**

FS194 Maluti-a-Phofung - Supporting Table SC5 Monthly Budget Statement - investment portfolio - 3rd quarter

Investments by maturity Name of institution & investment ID R thousands	Period of Investment	Type of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Municipality							
Sanlam- 5926	Yrs	Money market	556 954	-	-	-	**556 954**
Sanlam - Money Market-50189057	Yrs	Money market	2 299 584	-	-	-	**2 299 584**
Sanlam- 11690236x2	Yrs	Money market	346 197	-	-	-	**346 197**
FNB 62212896346	Months	Call account	163 217	2 957	- 208 203	43 050	**1 020**
ABSA 9358605812	Months	Investment	141	-	-	-	**141**
SBSA 34 852 640 7	Months	Investment	19 713	379	- 10 000 000	30 000 000	**20 020 092**
FNB 62756806661	Months	Investment	33 105 913	68 169	- 88 206 094	55 094 268	**62 256**
NEDBANK 03/7881162791	Months	Investment	20 407	361	- 16 020 837	136 020 837	**120 020 768**
SBSA 04 082 393 8	Months	Months	110 000 000		- 111 111 541	1 111 541	**0**
Municipality sub-total			**146 512 126**	**71 866**	- **225 546 676**	**222 269 696**	**143 307 012**
Entities							
Entities sub-total			-	-	-	-	-
			-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST			**146 512 126**	**71 866**	- **225 546 676**	**222 269 696**	**143 307 012**

1.2.7. Allocations and grants received

The total grants received by the end of the 3rd **quarter** amounted to **R1 billion.**

Descritption R thousands	Original Budget	Adjusted budget	2nd Quarter Actuals	3rd Quarter Actuals	YearTD Actuals	Balance
RECEIPTS:						
Operating Transfers and Grants						
National Government:						
Equitable Share	744 441	744 441	244 460	208 443	743 235	(1 206)
Expanded Public Works Programme Integrated Grant	6 165	6 165	2 775	1 848	6 165	–
Local Government Financial Management Grant	3 100	3 100	–	–	3 100	–
Total Operating Transfers and Grants	**753 706**	**753 706**	**247 235**	**210 291**	**752 500**	**(1 206)**
Capital Transfers and Grants						
Integrated National Electrification Programme Grant	32 000	32 000	8 000	16 000	32 000	–
Municipal Infrastructure Grant	187 049	187 049	96 975	52 146	187 049	–
Water Services Infrastructure Grant	38 896	38 896	12 447	28 946	58 896	20 000
Total Capital Transfers and Grants	**257 945**	**257 945**	**117 422**	**97 092**	**277 945**	**20 000**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	**1 011 651**	**1 011 651**	**364 657**	**307 383**	**1 030 445**	**18 794**

241

2.1.4. Councillors and Board Member Allowances and Employee Benefits

The total year to date employee costs by the end of the 3rd Quarter for Parent municipality including councillors amounted to **R422.5 million.**

FS194 Maluti-a-Phofung - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q3 Third Quarter

Summary of Employee and Councillor remuneration R thousands	Ref	2021/22 Audited Outcome	Budget Year 2022/23 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		19,505	24,790	26,697	1,955	19,041	19,355	(314)	-2%	26,697
Pension and UIF Contributions		119	134	131	11	97	99	(2)	-2%	131
Medical Aid Contributions		75	113	52	4	39	60	(21)	-35%	52
Motor Vehicle Allowance		–	–	–	–	–	–	–		–
Cellphone Allowance		7,378	3,196	2,898	235	2,160	2,278	(118)	-5%	2,898
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		1,453	2,376	1,817	141	1,256	1,558	(302)	-19%	1,817
Sub Total - Councillors		28,529	30,608	31,594	2,345	22,593	23,350	(757)	-3%	31,594
% increase	4		7.3%	10.7%						10.7%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4,981	7,502	7,915	432	4,570	5,792	(1,222)	-21%	7,915
Pension and UIF Contributions		523	543	527	20	272	401	(129)	-32%	527
Medical Aid Contributions		99	131	129	5	70	98	(27)	-28%	129
Overtime										
Performance Bonus								–		
Motor Vehicle Allowance		758	1,035	1,122	70	584	811	(227)	-28%	1,122
Cellphone Allowance		72	122	143	6	72	100	(28)	-28%	143
Housing Allowances								–		
Other benefits and allowances		–	0	–	–	–	0	(0)	-100%	–
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards								–		
Post-retirement benefit obligations	2							–		
Sub Total - Senior Managers of Municipality		6,433	9,333	9,837	533	5,568	7,201	(1,633)	-23%	9,837
% increase	4		45.1%	52.9%						52.9%
Other Municipal Staff										
Basic Salaries and Wages		312,134	317,645	319,051	22,270	241,733	238,796	2,936	1%	319,051
Pension and UIF Contributions		48,532	51,317	52,191	4,265	39,106	38,837	269	1%	52,191
Medical Aid Contributions		22,108	22,653	23,175	2,165	17,636	17,199	438	3%	23,175
Overtime		63,620	44,424	73,047	6,666	54,587	44,767	9,820	22%	73,047
Performance Bonus		22,639	24,377	24,112	1,868	20,151	18,177	1,974	11%	24,112
Motor Vehicle Allowance		12,567	12,913	13,462	1,114	10,034	9,904	130	1%	13,462
Cellphone Allowance		802	826	1,092	87	818	726	92	13%	1,092
Housing Allowances		1,485	1,595	1,424	118	1,058	1,128	(70)	-6%	1,424
Other benefits and allowances		5,238	5,679	6,182	437	4,388	4,461	(73)	-2%	6,182
Payments in lieu of leave		2,119	2,530	1,937	–	1,040	1,660	(620)	-37%	1,937
Long service awards		3,720	6,820	6,286	439	4,118	4,902	(783)	-16%	6,286
Post-retirement benefit obligations	2	(398)	–	–	(67)	(294)	–	(294)	#DIV/0!	–
Sub Total - Other Municipal Staff		494,566	490,781	521,960	39,361	394,376	380,557	13,819	4%	521,960
% increase	4		-0.8%	5.5%						5.5%
Total Parent Municipality		529,529	530,722	563,390	42,239	422,537	411,109	11,428	3%	563,390

242

- The total year to date employee costs for the Entity amounted to **R125.2 million.**
- The consolidated total year to date for employee costs (including councillors) amounted to **R547.7 million.**

FS194 Maluti-a-Phofung - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q3 Third Quarter

Summary of Employee and Councillor remuneration R thousands	Ref	2021/22 Audited Outcome	Budget Year 2022/23 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Senior Managers of Entities										
Basic Salaries and Wages		80	15,434	15,434	–	–	11,575	(11,575)	-100%	15,434
Pension and UIF Contributions		129	3,572	3,572	13	113	2,679	(2,566)	-96%	3,572
Medical Aid Contributions		–	816	816	–	–	612	(612)	-100%	816
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		–	–	–	–	–	–	–		–
Motor Vehicle Allowance		–	3,401	3,401	–	–	2,551	(2,551)	-100%	3,401
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		–	689	689	–	–	517	(517)	-100%	689
Other benefits and allowances		246	1,576	1,576	23	210	1,182	(972)	-82%	1,576
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	116	116	–	–	87	(87)	-100%	116
Post-retirement benefit obligations	2							–		
Sub Total - Senior Managers of Entities		455	25,605	25,605	36	323	19,204	(18,881)	-98%	25,605
% increase	4		5531.1%	5531.1%						5531.1%
Other Staff of Entities										
Basic Salaries and Wages		83,586	75,318	75,318	7,114	67,234	56,489	10,745	19%	75,318
Pension and UIF Contributions		8,401	14,783	14,783	574	5,294	11,087	(5,793)	-52%	14,783
Medical Aid Contributions		8,953	7,079	7,079	701	6,260	5,309	950	18%	7,079
Overtime		25,799	972	972	1,794	17,008	729	16,279	2234%	972
Performance Bonus		5,408	12,185	12,185	436	3,202	9,139	(5,936)	-65%	12,185
Motor Vehicle Allowance		13,585	11,028	11,028	1,096	10,105	8,271	1,834	22%	11,028
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		2,330	3,151	3,151	177	1,632	2,363	(731)	-31%	3,151
Other benefits and allowances		14,876	8,807	8,807	1,359	12,549	6,605	5,944	90%	8,807
Payments in lieu of leave		1,462	–	–	–	706	–	706	#DIV/0!	–
Long service awards		731	1,072	1,072	21	115	804	(689)	-86%	1,072
Post-retirement benefit obligations		1,090	–	–	–	783	–	783	#DIV/0!	–
Sub Total - Other Staff of Entities		166,220	134,394	134,394	13,272	124,889	100,796	24,093	24%	134,394
% increase	4		-19.1%	-19.1%						-19.1%
Total Municipal Entities		166,674	160,000	160,000	13,308	125,212	120,000	5,212	4%	160,000
TOTAL SALARY, ALLOWANCES & BENEFITS		696,203	690,722	723,390	55,548	547,750	531,109	16,641	3%	723,390
% increase	4		-0.8%	3.9%						3.9%
TOTAL MANAGERS AND STAFF		667,674	660,113	691,796	53,202	525,156	507,758	17,398	3%	691,796

The total year to date expenditure by the end of the 3rd quarter amounted to **R1.2 billion.**

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							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source										
Property rates		113,846	111,979	112,361	9,340	90,773	84,137	6,636	8%	112,361
Service charges - electricity revenue		137,109	446,336	445,105	16,110	94,772	334,260	(239,487)	-72%	445,105
Service charges - water revenue		101,905	209,623	108,912	5,863	77,251	116,933	(39,682)	-34%	108,912
Service charges - sanitation revenue		43,367	44,186	44,186	3,260	34,887	33,140	1,747	5%	44,186
Service charges - refuse revenue		42,067	43,804	43,187	3,119	34,611	32,606	2,005	6%	43,187
Rental of facilities and equipment		1,116	1,781	1,428	76	1,015	1,194	(180)	-15%	1,428
Interest earned - external investments		11,332	10,000	10,000	605	3,132	7,500	(4,368)	-58%	10,000
Interest earned - outstanding debtors		26,238	41,358	14,942	(9)	(22)	16,436	(16,458)	-100%	14,942
Dividends received								–		
Fines, penalties and forfeits		322	1,102	1,402	13	375	947	(571)	-60%	1,402
Licences and permits								–		
Agency services								–		
Transfers and subsidies		569,251	754,206	754,206	208,966	749,996	565,655	184,342	33%	754,206
Other revenue		34,071	38,860	36,475	7,160	27,947	28,191	(244)	-1%	36,475
Gains		(602)	–	4	–	2	2	0	25%	4
Total Revenue (excluding capital transfers and contribution		**1,080,022**	**1,703,235**	**1,572,207**	**254,504**	**1,114,739**	**1,220,999**	**(106,260)**	**-9%**	**1,572,207**
Expenditure By Type										
Employee related costs		(500,999)	(500,113)	(531,796)	(39,894)	(399,944)	(387,759)	(12,186)	3%	(531,796)
Remuneration of councillors		(28,529)	(30,608)	(31,594)	(2,345)	(22,593)	(23,350)	757	-3%	(31,594)
Debt impairment		3,812	(120,000)	(60,000)	–	–	(66,000)	66,000	-100%	(60,000)
Depreciation & asset impairment		(182,718)	(110,000)	(237,069)	–	–	(133,328)	133,328	-100%	(237,069)
Finance charges		(54,645)	(90,150)	(484,150)	(5)	(79,488)	(225,213)	145,724	-65%	(484,150)
Bulk purchases - electricity		(870,191)	(506,499)	(973,600)	(46,557)	(559,480)	(566,715)	7,234	-1%	(973,600)
Inventory consumed		(86,040)	(25,596)	(36,941)	(5,125)	(20,084)	(23,735)	3,651	-15%	(36,941)
Contracted services		(151,276)	(215,831)	(195,461)	(7,446)	(60,435)	(153,725)	93,290	-61%	(195,461)
Transfers and subsidies		(176,805)	(174,155)	(174,595)	(5,215)	(100,409)	(130,792)	30,383	-23%	(174,595)
Other expenditure		(59,629)	(113,910)	(116,914)	(2,942)	(44,448)	(86,634)	42,186	-49%	(116,914)
Losses		(1)	–	(7)	–	(3)	(3)	(1)	25%	(7)
Total Expenditure		**(2,107,022)**	**(1,886,862)**	**(2,842,127)**	**(109,529)**	**(1,286,885)**	**(1,797,253)**	**510,368**	**-28%**	**(2,842,127)**
Surplus/(Deficit)		3,187,044	3,590,097	4,414,333	364,032	2,401,624	3,018,251	(616,628)	-20%	4,414,333
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		267,054	257,945	257,945	17,002	158,301	193,459	(35,157)	-18%	257,945
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)								–		
Transfers and subsidies - capital (in-kind - all)								–		
Surplus/(Deficit) after capital transfers & contributions		3,454,097	3,848,042	4,672,278	381,035	2,559,925	3,211,710	(651,785)	-20%	4,672,278
Taxation								–		
Surplus/(Deficit) after taxation		**3,454,097**	**3,848,042**	**4,672,278**	**381,035**	**2,559,925**	**3,211,710**	**(651,785)**	**-20%**	**4,672,278**

244

FS194_3rd quarter budget statement report (January-March) 2023- MFMA s52 (d)

FS194 Maluti-a-Phofung - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding - Q3 Third Quarter

Vote Description	Ref	2021/22	Budget Year 2022/23							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Single Year expenditure appropriation	2									
Vote 01 - Legislative Authoriry		–	–	1,500	–	–	600	(600)	-100%	1,500
Vote 02 - Office Of The Municipal Manager		–	–	–	–	–	–	–		–
Vote 03 - Corporate Services		1,040	3,000	1,500	6	447	1,650	(1,203)	-73%	1,500
Vote 04 - Financial Services		308	1,000	10,500	38	159	4,550	(4,391)	-96%	10,500
Vote 05 - Municipal Infrastructure		189,907	201,592	190,820	13,194	115,976	146,385	(30,909)	-21%	190,820
Vote 06 - Community Services		14,897	24,583	25,611	–	12,990	18,849	(5,859)	-31%	25,611
Vote 07 - Public Safety & Transport		–	6,100	500	18	18	2,335	(2,317)	-99%	500
Vote 08 - Sports, Arts, Parks, Culture		6,723	9,417	4,970	–	796	5,284	(4,488)	-85%	4,970
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		–	–	–	–	–	–	–		–
Vote 10 - Hunan Settlements		–	–	–	–	–	–	–		–
Vote 11 - Idp, Pms Department		–	–	–	–	–	–	–		–
Vote 12 - Spatial Development, Planning & Traditional Affairs		–	–	–	–	–	–	–		–
Vote 13 - Electricity Department		45,840	47,000	68,941	1,844	41,592	44,026	(2,435)	-6%	68,941
Vote 14 - Maluti Water		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	258,715	292,693	304,343	15,100	171,977	224,179	(52,202)	-23%	304,343
Total Capital Expenditure		258,715	292,693	304,343	15,100	171,977	224,179	(52,202)	-23%	304,343
Capital Expenditure - Functional Classification										
Governance and administration		1,348	7,600	13,500	44	606	8,060	(7,454)	-92%	13,500
Executive and council		–	–	1,500	–	–	600	(600)	-100%	1,500
Finance and administration		1,348	7,600	12,000	44	606	7,460	(6,854)	-92%	12,000
Internal audit								–		
Community and public safety		21,620	36,500	31,081	18	13,803	25,208	(11,404)	-45%	31,081
Community and social services		14,897	25,583	26,111	18	13,008	19,399	(6,391)	-33%	26,111
Sport and recreation		6,723	9,417	4,970	–	796	5,284	(4,488)	-85%	4,970
Public safety		–	1,500	–	–	–	525	(525)	-100%	–
Housing		–	–	–	–	–	–	–		–
Health								–		
Economic and environmental services		14,818	45,277	26,523	916	10,674	26,456	(15,783)	-60%	26,523
Planning and development								–		
Road transport		14,818	45,277	26,523	916	10,674	26,456	(15,783)	-60%	26,523
Environmental protection								–		
Trading services		220,929	203,315	233,238	14,122	146,894	164,455	(17,561)	-11%	233,238
Energy sources		45,840	47,000	68,941	1,844	41,592	44,026	(2,435)	-6%	68,941
Water management		158,096	101,276	79,571	1,825	54,508	67,275	(12,767)	-19%	79,571
Waste water management		16,993	55,039	84,726	10,453	50,794	53,154	(2,360)	-4%	84,726
Waste management		–	–	–	–	–	–	–		–
Other								–		
Total Capital Expenditure - Functional Classification	3	258,715	292,693	304,343	15,100	171,977	224,179	(52,202)	-23%	304,343
Funded by:										
National Government		257,367	248,593	248,593	13,906	144,661	186,444	(41,783)	-22%	248,593
Provincial Government								–		
District Municipality								–		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)								–		
Transfers recognised - capital		257,367	248,593	248,593	13,906	144,661	186,444	(41,783)	-22%	248,593
Borrowing	6							–		
Internally generated funds		1,348	44,100	55,750	1,194	27,316	37,735	(10,419)	-28%	55,750
Total Capital Funding		258,715	292,693	304,343	15,100	171,977	224,179	(52,202)	-23%	304,343

2.3. MUNICIPAL ENTITY FINANCIAL PERFORMANCE

The total year to date revenue by the end of the 3rd Quarter amounted to **R152.3 million.** The entity has incorrectly captured the transactions under the subsidy category. A journal must be performed to move **R25.6 million** and record under to other revenue category. The total year to date expenditure by the end of the 3rd quarter amounted to **R141.5 million**.

Maluti Water (Pty) Ltd - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q3 Third Quarter

Description	Ref	2020/21	Current Year 2021/22							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
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	–	–	75	(75)	-100,0%	100
Interest earned - outstanding debtors								–		
Dividends received								–		
Fines, penalties and forfeits								–		
Licences and permits								–		
Agency services								–		
Transfers and subsidies		124 939	–	–	–	25 623	–	25 623	#DIV/0!	–
Other revenue		73 321	195 900	195 900	22 357	126 700	146 925	(20 225)	-13,8%	195 900
Gains		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		198 260	196 000	196 000	22 357	152 323	147 000	5 323	3,6%	196 000
Expenditure By Type										
Employee related costs		166 674	160 000	160 000	13 308	125 212	(120 000)	245 212	-204,3%	160 000
Remuneration of Directors								–		
Debt impairment								–		
Depreciation & asset impairment		–	1 500	1 500	–	–	(1 125)	1 125	-100,0%	1 500
Finance charges		–	–	–	–	–	–	–		–
Bulk purchases - electricity	2	3	–	–	–	–	–	–		–
Inventory consumed		8 455	11 266	11 276	(31)	4 681	(8 453)	13 135	-155,4%	11 276
Contracted services		8 185	8 091	10 081	2	2 696	(6 864)	9 561	-139,3%	10 081
Transfers and subsidies								–		
Other expenditure		19 310	13 331	12 731	541	8 990	(9 758)	18 749	-192,1%	12 731
Losses		–	–	–	–	–	–	–		–
Total Expenditure	3	202 629	194 188	195 588	13 821	141 580	(146 201)	287 781	-196,8%	195 588
Surplus/(Deficit)		(4 369)	1 812	412	8 537	10 743	293 201	(282 458)	-96,3%	412
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 Corporatons, Higher Educational Institutions)								–		
Transfers and subsidies - capital (in-kind - all)								–		
Surplus/(Deficit) before taxation		(4 369)	1 812	412	8 537	10 743	293 201	(282 458)	-96,3%	412
Taxation								–		
Surplus/(Deficit) for the year		(4 369)	1 812	412	8 537	10 743	293 201	(282 458)		412

The total capital expenditure by the end of the 3rd quarter amounted to **R414 thousand.**

Maluti Water (Pty) Ltd - Table F3 Monthly Budget Statement - Capital Expenditure - Q3 Third Quarter

Description	Ref	2020/21	Current Year 2021/22							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Computer Equipment		105	120	120	–	–	90	90	100,0%	120
Computer Equipment		105	120	120	–	–	90	90	100,0%	120
Furniture and Office Equipment		44	72	72	–	3	54	51	93,6%	72
Furniture and Office Equipment		44	72	72	–	3	54	51	93,6%	72
Machinery and Equipment		774	1 620	1 620	–	410	1 215	805	66,2%	1 620
Machinery and Equipment		774	1 620	1 620	–	410	1 215	805	66,2%	1 620
Transport Assets		113	–	–	–	–	–	–		–
Transport Assets		113	–	–	–	–	–	–		–
Total Capital Expenditure	1	1 036	1 812	1 812	–	414	1 359	945	69,6%	1 812
Funded by:										
National Government								–		
Provincial Government								–		
Parent Municipality								–		
District Municipality								–		
Transfers recognised - capital		–	–	–	–	–	–	–	–	–
	6									
Borrowing	3							–		
Internally generated funds		1 036	1 812	1 812	–	414	1 359	945	69,6%	1 812
Total Capital Funding	4	1 036	1 812	1 812	–	414	1 359	945	0	1 812

2.4. MUNICIPAL MANAGER'S QUALITY CERTIFICATION

I the Acting Municipal Manager of Maluti - A - Phofung Municipality, hereby certify that -

(mark as appropriate)

- [ ] the monthly budget statement
- [x] quarterly report on the implementation of the budget and financial state affairs of the municipality
- [ ] mid-year budget and performance assessment

for the **3rd quarter (January- March) 2023** has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print name: MC Sepheka

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

Signature: ____________________

Date: 03/05/2023