



Local Municipality • Mmasepala wa seLehale • Plaaslike Munisipaliteit

MONTHLY BUDGET STATEMENT - MFMA s71 FOR THE MONTH ENDING 31 JULY 2022

1. PURPOSE

The purpose of this report is to provide a budget statement of the Municipality for the month ending **31 July 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 Executive Mayor.

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 No 56 of 2003

8. BACKGROUND AND DISCUSSION

In terms of section 71 of MFMA No 56 of 2003 which reads as follows:

- 1) The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:
 - a) Actual revenue, per revenue source;
 - b) actual borrowings;
 - c) actual expenditure, per vote;
 - d) actual capital expenditure, per vote;



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- e) the amount of any allocations received;
- f) actual expenditure on those allocations, excluding expenditure on—
 - i) its share of the local government equitable share; and
 - ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
- g) when necessary, an explanation of
 - i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
 - ii) any material variances from the service delivery and budget implementation plan; and
 - iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.

The specific format for the report required to be submitted to the Executive Mayor, as referred to in section 71 has been prescribed in terms of Government Gazette No 32141 of 17 April 2009.

Note: All Regulated tables are attached on Annexure A – C.

The due date for July data strings was the 15th of August 2022 which was not met by the Municipality due to the following

- The municipal assets were attached so that contributed to late capturing of vouchers and journals
- MAP Water had not concluded their month end processes
- Our IT network is often down; this hampers the system vendor to assist remotely at times
- A letter of request for late submission of data strings was submitted to Treasury, a response was received. It basically explained that late submission will be regarded as non-compliance
- A letter of reminder for submission of compliance reports and supporting documents is always sent to affected units and the Entity on monthly basis

9. FINANCIAL IMPLICATIONS

Consolidated financial performance for the month of August as indicated on page 5

- The total actual operational revenue for the month amounted to **R335 million**.
- The total actual operational expenditure for the month amounted to **R88.8 million**.
- There was no total capital expenditure for the month.

Debtors Age Analysis

- The total debtor's book by the end of **July 2022** amounted to **R2.1 billion** as indicated on **page 20** of the report.



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Creditors Age Analysis

- The creditors balance by the end of **July 2022** amounted to **R6.9 billion** as indicated on **page 21** of the report. The largest contributor being the Eskom debt.

10. STAFF IMPLICATIONS

The total number of employees by the end of **July 2022**.

- Parent municipal staff including Councillors was **1 304**.
- MAP Water (SOC) Ltd was **284**.

11. COMMENTS FROM OTHER DIRECTORS

The report will be circulated to all directorates.

12. RECOMMENDATION

It is recommended

- That the MFMA section 71 report for the month ending **31 July 2022** be noted.
- That the Accounting Officer submits to the Executive Mayor the MFMA Section 71 report reflecting the implementation of the budget and;
- That the Accounting Officer submits the budget statement to Provincial Treasury and the National Treasury, in both signed and electronic format.

.....
HW URGERER
ACTING MUNICIPAL MANAGER

31/8/2022
.....
DATE



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PART 1 IN-YEAR REPORT

1.1 EXECUTIVE SUMMARY

The year to date total revenue amounted to **R335.2 billion**, the year to date operating expenditure amounted to **R88.8 billion**.

Table C1 Consolidated Monthly Budget Statement Summary

FS194 Maluti-a-Phofung - Table C1 Consolidated Monthly Budget Statement Summary - M01 July

Description	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									
Financial Performance									
Property rates	113 846	111 979	111 979	9 360	9 360	9 332	28	0%	111 979
Service charges	251 630	743 950	743 950	20 193	20 193	61 996	(41 803)	-67%	743 950
Investment revenue	435	10 100	10 100	-	-	842	(842)	-100%	10 100
Transfers and subsidies	767 794	754 206	754 206	290 432	290 432	62 851	227 582	362%	754 206
Other own revenue	135 076	279 001	279 001	15 303	15 303	23 250	(7 947)	-34%	279 001
Total Revenue (excluding capital transfers and contributions)	1 268 780	1 899 235	1 899 235	335 288	335 288	158 270	177 018	112%	1 899 235
Employee costs	671 245	660 113	660 113	82 562	82 562	55 009	27 552	50%	660 113
Remuneration of Councillors	28 529	30 608	30 608	2 427	2 427	2 551	(124)	-5%	30 608
Depreciation & asset impairment	-	111 500	111 500	-	-	9 292	(9 292)	-100%	111 500
Finance charges	75 727	90 150	90 150	-	-	7 513	(7 513)	-100%	90 150
Inventory consumed and bulk purchases	919 369	543 361	543 361	939	939	45 280	(44 341)	-98%	543 361
Transfers and subsidies	173 234	174 155	174 155	-	-	14 513	(14 513)	-100%	174 155
Other expenditure	307 755	471 163	471 163	2 907	2 907	39 264	(36 356)	-93%	471 163
Total Expenditure	2 175 859	2 081 050	2 081 050	88 835	88 835	173 421	(84 586)	-49%	2 081 050
Surplus/(Deficit)	(907 080)	(181 815)	(181 815)	246 453	246 453	(15 151)	261 604	-1727%	(181 815)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	256 240	257 945	257 945	-	-	21 495	###	-100%	257 945
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(650 840)	76 130	76 130	246 453	246 453	6 344	240 109	3785%	76 130
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(650 840)	76 130	76 130	246 453	246 453	6 344	240 109	3785%	76 130
Capital expenditure & funds sources									
Capital expenditure	217 162	294 505	294 505	14 553	14 553	24 542	(9 989)	-41%	294 505
Capital transfers recognised	201 671	248 593	248 593	14 379	14 379	20 716	(6 337)	-31%	248 593
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	15 491	45 912	45 912	174	174	3 826	(3 652)	-95%	45 912
Total sources of capital funds	217 162	294 505	294 505	14 553	14 553	24 542	(9 989)	-41%	294 505



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1.1.1 Material variance explanations on Revenue by Sources

FS194 Maluti-a-Phofung - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July										
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	9,360	9,360	9,332	28	0%	111,979
Service charges - electricity revenue		64,290	446,336	446,336	4,151	4,151	37,195	(33,044)	-89%	446,336
Service charges - water revenue		101,905	209,623	209,623	9,143	9,143	17,469	(8,325)	-48%	209,623
Service charges - sanitation revenue		43,367	44,186	44,186	3,432	3,432	3,682	(250)	-7%	44,186
Service charges - refuse revenue		42,067	43,804	43,804	3,467	3,467	3,650	(184)	-5%	43,804
Rental of facilities and equipment		1,116	1,781	1,781	67	67	148	(81)	-55%	1,781
Interest earned - external investments		435	10,100	10,100	-	-	842	(842)	-100%	10,100
Interest earned - outstanding debtors		26,238	41,358	41,358	(5)	(5)	3,446	(3,451)	-100%	41,358
Dividends received										
Fines, penalties and forfeits		322	1,102	1,102	25	25	92	-	-	
Licences and permits								(67)	-73%	1,102
Agency services								-	-	
Transfers and subsidies								-	-	
Other revenue		767,794	754,206	754,206	290,432	290,432	62,851	227,582	362%	754,206
Gains		107,392	234,760	234,760	15,216	15,216	19,563	(4,347)	-22%	234,760
		8	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1,268,780	1,899,235	1,899,235	335,288	335,288	158,270	177,018	112%	1,899,235

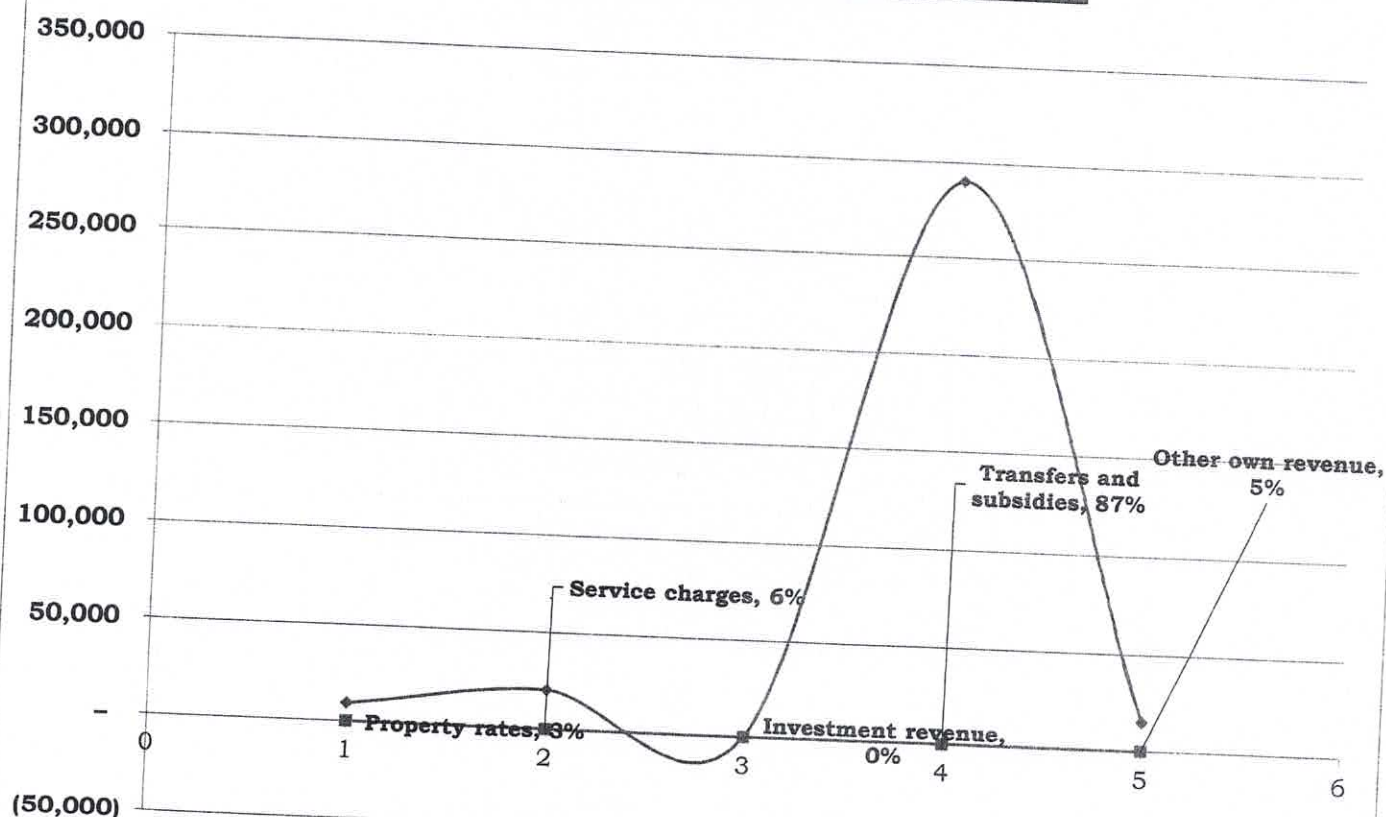
- **Property rates** – the year to date billing was **R9.3 million**.
- **Electricity revenue** – the year to date outcomes reflect the total billing of **R4.1 million**. This excludes the LPU's billed by Eskom
- **Water revenue** – The year to date outcomes indicate a total of **R9.1 million**. This excludes the flat rate billing from 21 rural wards
- **Sanitation revenue** – the year to date outcome was **R3.4 million**. The sewerage infrastructure connection has not reached the majority of the community and the sewer plants are currently not working.
- **Refuse revenue** – the total year to date was **R3.4 million** by the end of July 2022.
- **Rental of facilities** – the year to date outcome was at **R67 thousands** by the end of July. This depends entirely on the need from the community for municipal facilities
- **Interest on investments** – The municipality is investing funds and earning interest, however the transactions have not been recognised on the ledger.
- **Interest on outstanding debtors** – the year to date outcome was at **R5 thousands**. We billed late hence the interest was not charged. The municipality has a challenge with delivering the invoices to the residential consumers.
- **Fines** – the year to date outcomes indicated a total of **R25 thousands** by the end of July.
- **Transfers and subsidies** – the total amount was at **R290.4 million** by the end of July.
- **Other revenue** – The year to date outcome indicated a total of **R15.2 million**.

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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 **87%** of the total revenue to date came from Grants and subsidies. The second contributor to the municipality comes from services charges, which was at **6%** by the end of **July 2022**.

Description R'000	Year to date performance	%
Property rates	9,360	3%
Service charges	20,193	6%
Investment revenue	87	0%
Transfers and subsidies	290,432	87%
Other own revenue	15,216	5%
Total Revenue	335,288	100%

YTD REVENUE PERFORMANCE



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1.1.2 Material variance explanations on Expenditure by Type

FS194 Maluti-a-Phofung - Table G4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Table 64 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July										
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									%	
Expenditure By Type										
Employee related costs		671,245	660,113	660,113	82,562	82,562	55,009	27,552	50%	660,113
Remuneration of councillors		28,529	30,608	30,608	2,427	2,427	2,551	(124)	-5%	30,608
Debt impairment		4,117	120,000	120,000	-	-	10,000	(10,000)	-100%	120,000
Depreciation & asset impairment		-	111,500	111,500	-	-	9,292	(9,292)	-100%	111,500
Finance charges		75,727	90,150	90,150	-	-	7,513	(7,513)	-100%	90,150
Bulk purchases - electricity		829,714	506,499	506,499	-	-	42,208	(42,208)	-100%	506,499
Inventory consumed		89,655	36,862	36,862	939	939	3,072	(2,133)	-69%	36,862
Contracted services		233,141	223,921	223,921	1,811	1,811	18,660	(16,849)	-90%	223,921
Transfers and subsidies		173,234	174,155	174,155	-	-	14,513	(14,513)	-100%	174,155
Other expenditure		70,495	127,241	127,241	1,096	1,096	10,603	(9,507)	-90%	127,241
Losses		1	-	-	-	-	-	-	-	-
Total Expenditure		2,175,859	2,081,050	2,081,050	88,835	88,835	173,421	(84,586)	-49%	2,081,050

- **Employee related costs** – the year to date was **R82.5 million** by the end of July. This is a consolidated figure, the parent employee related costs amounted to **R40.5 million** including **R3,9** for overtime, the entity's costs were at **R42 million** including the overtime, there were several duplicates on the Entity side during the interface of salaries from Payday to Evenus. The duplicates will be reversed in August.
- **Remuneration of councillors** – the year to date outcome was **R2.4 million**.
- **Debt impairment** the transactions for this item are recorded at the year end.
- **Depreciation & assets impairment** – The transactions for this item will be recorded at the year end.
- **Finance charges** – no movement was recorded during July due to non-capturing.
- **Bulk purchases - Electricity** – no movement was recorded in July due to non-capturing.
- **Inventory consumed** – the year to date outcome is at **R939 thousands**.
- **Contracted services** – the year to date outcome is **R1.8 million**.
- **Transfers and subsidies** – no movement was recorded in July. MAP Water invoices were not captured
- **Other expenditure** – the year to date is **R1 million**. This category includes amongst others; protective clothing, water and sewerage levies to the entity, advertisements, audit fees)



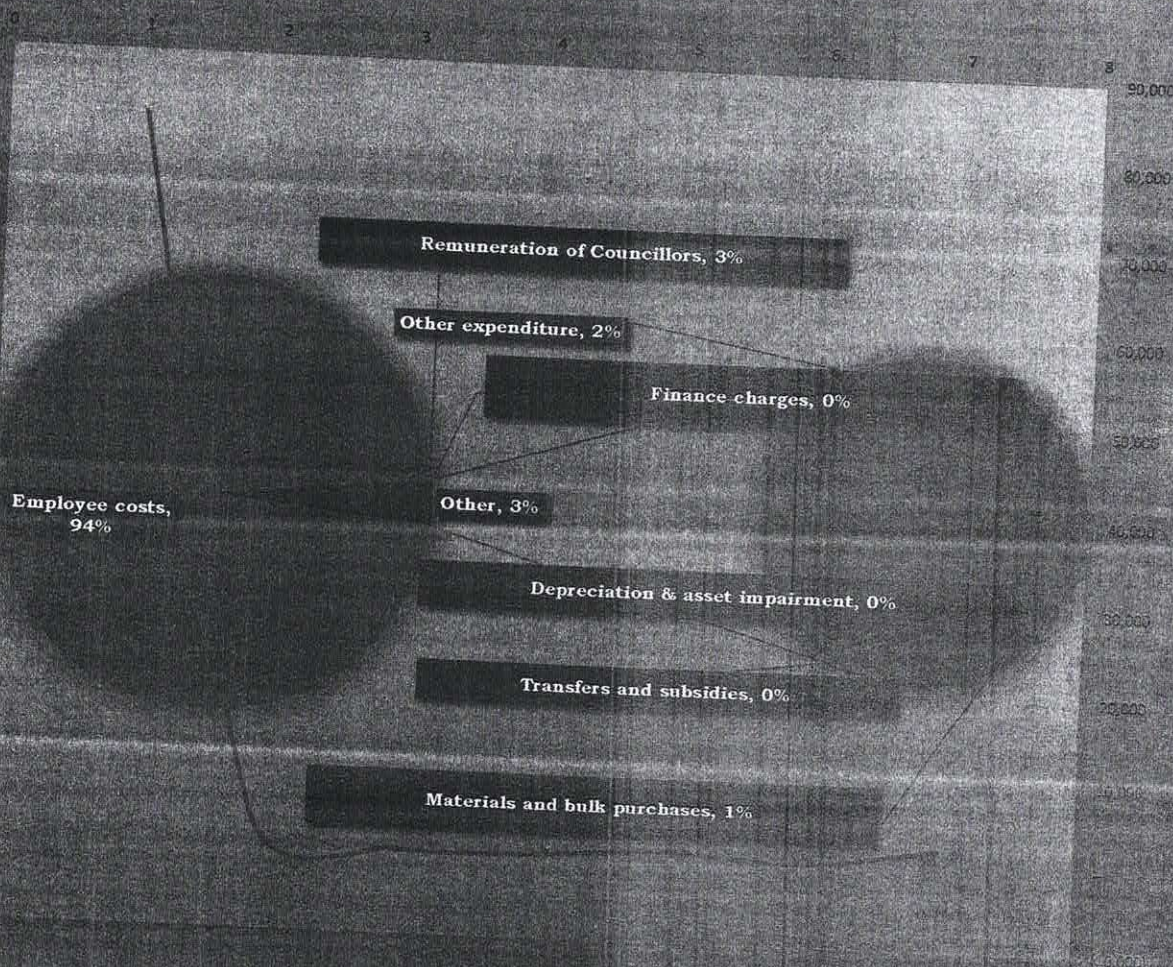
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The chart below indicates the percentage contribution of expenditure types to the total year to date expenditure

The chart shows that to date **1%** of the total year to date expenditure was from materials and bulk purchase. Employee costs are at **94%**. This outcome is above the norm of 25%-40%.

Description R'000	Year to date performance	%
Employee costs	82,562	94%
Remuneration of Councillors	2,427	3%
Depreciation & asset impairment	–	0%
Finance charges	–	0%
Materials and bulk purchases	939	1%
Transfers and subsidies	–	0%
Other expenditure	2,035	2%
Total Expenditure	87,962	100%

YTD EXPENDITURE PERFORMANCE





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1.1.3 Allocations and grants received

The total grants received to date amounts to **R353.7 million**.

Description R'000	Budget 2022/23	July Actual	YearTD actual	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	-	-	6 165
Local Government Financial Management Grant	3 100	-	-	3 100
Total Operating Transfers and Grants	753 706	290 332	290 332	463 374
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	353 763	657 888



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1.1.4 List of capital projects

Capital assets from own funds

The total capital expenditure from own source for the month of July amounted to **R174 thousands** and the year to date is at **R174 thousands**.

Description FIXED ASSETS	Adjusted Budget 2021/22	July Actuals	YearTD Outcomes	%	Balances
PARENT MUNICIPALITY	44 100 000	25 465	25 465	0%	44 074 535
Machinery & equipment (corporate)	1 000 000	-	-	0%	1 000 000
Computer & equipment	2 000 000	25 465	25 465	1%	1 974 535
Furniture & fittings	1 000 000	-	-	0%	1 000 000
Fleet	15 000 000	-	-	0%	15 000 000
Machinery & equipment (community services)	3 000 000	-	-	0%	3 000 000
Machinery & equipment (public safety)	1 000 000	-	-	0%	1 000 000
Machinery & equipment (security unit)	1 000 000	-	-	0%	1 000 000
Machinery & equipment (sports department)	1 000 000	-	-	0%	1 000 000
Vehicles	1 500 000	-	-	0%	1 500 000
Vehicles (security unit)	2 600 000	-	-	0%	2 600 000
Transformers	15 000 000	-	-	0%	15 000 000
MAP WATER	1 812 000	148 582	148 582	8%	1 663 418
Equipment Other	180 000	-	-	0%	180 000
Plant And Machinery	540 000	-	-	0%	540 000
Refurbishment Projects	900 000	148 582	148 582	17%	751 418
Furniture & Fitting	36 000	-	-	0%	36 000
Office Equipment	36 000	-	-	0%	36 000
Computers	120 000	-	-	0%	120 000
TOTAL ASSETS FUNDED BY OWN SOURCE	46 912 000	174 047	174 047	0%	46 737 953



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The capital expenditure from conditional grants

The expenditure for July amounted to **R14.3 million** and the year to date was at **R14.3 million (excluding Vat)**.

Description (Functional classification)		Source of funding	2022/23 MTREF				
			Budget year 2022/23	July Actuals	YTD Actuals	%	Balance
ROADS PROJECTS			30 276 909	159 230	159 230	1%	30 117 679
Monontsha:Construction of footbridge	MIG	6 135 991				0%	6 135 991
Upgrading of paved road Mote bang -Phase 2	MIG	2 514 200				0%	2 514 200
Intabazwe Ext:3 Paved Roads Phase 3	MIG	10 452 805	159 230	159 230		2%	10 293 575
Namahadi: construction of 5km paved roads Phase 4	MIG	11 173 913				0%	11 173 913
WATER PROJECTS			101 276 271	2 145 804	2 145 804	2%	99 130 467
Chris Hani Park: Water Reticulation 500 Stands	MIG	15 577 769	1 677 761	1 677 761		11%	13 900 008
Intabazwe ext 3 Water reticulation	MIG	4 106 680				0%	4 106 680
Thaba Bosiu Water Pipeline	MIG	26 579 206				0%	26 579 206
Haseethunya water reticulation	MIG	2 731 019				0%	2 731 019
Upgrading of water pump station	MIG	1 480 664				0%	1 480 664
Matebeleng: Construction of 3ML Reservoir	MIG	11 904 933	468 043	468 043		4%	11 436 890
Fika Patso purification project	WSIG	38 896 000				0%	38 896 000
WASTE WATER MANAGEMENT/ SEWERAGE PROJECTS			55 039 081	8 748 211	8 748 211	16%	46 290 870
Intabazwe Ext. 3: Construction of Waterborne Sewer Network for 1020 erven	MIG	12 572 272	508 211	508 211		4%	12 064 061
Refurbishment of sewer pump stations	MIG	12 437 969				0%	12 437 969
Namahadi: Construction of sewer reticulation network	MIG	10 028 840				0%	10 028 840
Qwaqwa: Construction of 2400 VIP Toilets - Phase 13A	MIG	20 000 000	8 240 000	8 240 000		41%	11 760 000
COMMUNITY FACILITY PROJECTS			21 583 084	3 325 733	3 325 733	15%	18 257 351
Upgrading of Phuthadijhaba town hall	MIG	21 583 084	3 325 733	3 325 733		15%	18 257 351
SPORTS AND RECREATIONAL FACILITIES			8 417 205	-	-	0%	8 417 205
Upgrading of Platberg stadium Phase 1	MIG	8 417 205	-	-		0%	8 417 205
ELECTRICITY PROJECTS			32 000 000	-	-	0%	32 000 000
Upgrading of E-Ross Substation- Phase 1	DOE	32 000 000	-	-		0%	32 000 000
TOTAL ASSETS FUNDED BY NATIONAL GRANTS			248 592 550	14 378 978	14 378 978	6%	234 213 572



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1.1.5 Cash flow and bank balances

The closing balance for the main account amounted to **R1.1 million**.

Description	Jul-22
Opening balances as per bank statement (surplus/(deficit))	672 403,86
INFLOW	
Interest on credit balance	39 549,64
Equitable Share	290 332 000,00
Other Grants received	63 431 000,00
Direct deposits	9 045 585,01
Cashier deposits	1 049 725,03
Transfer from Pre-paid acc	17 100 000,00
Transfer from NEW Standard Bank	50 074 657,53
Transfer from First National Bank	461 072 978,00
Sundry credit on bank statement	26 452,68
Total income for the period	892 171 948
OUTFLOW	
Ele payments- Creditors	- 116 817 231,73
Ele -Netto Salaries	- 84 267 752,14
ESKOM	- 128 617,81
Ele- Project salaries	- 56 628,00
Bank charges	- 68 034,40
Debit order	- 311 711,03
Debit transfer to Standard Bank acc	- 100 000 000,00
Debit transfer to NedBank	- 100 000 000,00
Debit transfer to First National Bank	- 490 000 000,00
Total expenditure for the period	(891 649 975)
Closing balance as per bank statement (surplus/ (deficit))	1 194 377

The closing balance for all bank accounts amounted to **R157.6 million** as indicated below.

Description	Jul-22
Main Accounts	
FNB - Maluti Main Acc	1 194 376,64
FNB - Pre-paid Acc	4 784 338,92
Total Main Accounts	5 978 716
Call deposits	
FNB CALL Account- 62212896346	817 917,89
Investments accounts	
Standard Bank - 40823938	141,47
Standard Bank - 348526407	50 000 000,00
ABSA - 9358605812	19 107,02
Nedbank -03/7881162791	100 019 808,48
First National Bank Investment	817 917,89
Total - Call Accounts	151 674 893
Total - Bank Balances	157 653 608



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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) - M01 July

Description	Ref	2021/22	Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								Full Year Forecast
Revenue - Functional									
<i>Governance and administration</i>		984,194	1,215,351	1,215,351	314,792	314,792	101,279	213,513	211%
Executive and council		-	-	-	-	-	-	-	-
Finance and administration		984,194	1,215,351	1,215,351	314,792	314,792	101,279	213,513	211%
Internal audit		-	-	-	-	-	-	-	-
<i>Community and public safety</i>		45,193	38,305	38,305	282	282	3,192	(2,911)	-91%
Community and social services		20,735	24,755	24,755	180	180	2,063	(1,883)	-91%
Sport and recreation		23,225	9,714	9,714	29	29	809	(780)	-96%
Public safety		514	1,429	1,429	33	33	119	(87)	-73%
Housing		719	2,408	2,408	39	39	201	(161)	-80%
Health		-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		35,126	40,203	40,203	20	20	3,350	(3,330)	-99%
Planning and development		402	574	574	20	20	48	(27)	-57%
Road transport		34,723	39,629	39,629	-	-	3,302	(3,302)	-100%
Environmental protection		-	-	-	-	-	-	-	-
<i>Trading services</i>		460,507	863,321	863,321	20,194	20,194	71,943	(51,749)	-72%
Energy sources		116,576	485,465	485,465	4,152	4,152	40,455	(36,303)	-90%
Water management		155,570	219,358	219,358	9,143	9,143	18,280	(9,136)	-50%
Waste water management		137,005	104,246	104,246	3,432	3,432	8,687	(5,255)	-60%
Waste management		51,356	54,253	54,253	3,467	3,467	4,521	(1,054)	-23%
Other	4	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1,525,019	2,157,180	2,157,180	335,288	335,288	179,765	155,523	87%
Expenditure - Functional									
<i>Governance and administration</i>		625,307	892,655	892,655	34,213	34,213	74,388	(40,175)	-54%
Executive and council		88,559	128,916	128,916	8,750	8,750	10,743	(1,993)	-19%
Finance and administration		529,894	756,706	756,706	24,944	24,944	63,059	(38,115)	-60%
Internal audit		6,854	7,033	7,033	519	519	586	(67)	-12%
<i>Community and public safety</i>		202,021	155,772	155,772	10,959	10,959	12,981	(2,022)	-16%
Community and social services		84,189	25,547	25,547	1,381	1,381	2,129	(748)	-35%
Sport and recreation		46,637	50,244	50,244	4,130	4,130	4,187	(57)	-1%
Public safety		66,422	74,314	74,314	5,016	5,016	6,193	(1,177)	-19%
Housing		4,774	5,667	5,667	433	433	472	(39)	-8%
Health		-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		60,653	85,737	85,737	4,648	4,648	7,145	(2,497)	-35%
Planning and development		22,550	31,834	31,834	1,797	1,797	2,653	(856)	-32%
Road transport		38,103	53,903	53,903	2,851	2,851	4,492	(1,641)	-37%
Environmental protection		-	-	-	-	-	-	-	-
<i>Trading services</i>		1,285,653	942,579	942,579	38,875	38,875	78,548	(39,673)	-51%
Energy sources		1,055,024	749,700	749,700	3,712	3,712	62,475	(58,763)	-94%
Water management		66,032	46,558	46,558	15,995	15,995	12,115	312%	275%
Waste water management		70,807	44,236	44,236	13,812	13,812	3,686	10,125	275%
Waste management		93,789	102,086	102,086	5,356	5,356	8,507	(3,151)	-37%
Other		2,225	4,307	4,307	140	140	359	(219)	-61%
Total Expenditure - Functional	3	2,175,859	2,081,050	2,081,050	88,835	88,835	173,421	(84,586)	-49%
Surplus/ (Deficit) for the year		(650,840)	76,130	76,130	246,453	246,453	6,344	240,109	3785%



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1.2.2. 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	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 Vote	1									
Vote 01 - Legislative Authority		-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		151	600	600	-	-	50	(50)	-100.0%	600
Vote 04 - Financial Services		984,043	1,214,751	1,214,751	314,792	314,792	101,229	213,563	211.0%	1,214,751
Vote 05 - Municipal Infrastructure		378,384	417,155	417,155	16,023	16,023	34,763	(18,740)	-53.9%	417,155
Vote 06 - Community Services		20,524	24,608	24,608	160	160	2,051	(1,891)	-92.2%	24,608
Vote 07 - Public Safety & Transport		514	1,429	1,429	33	33	119	(87)	-72.7%	1,429
Vote 08 - Sports, Arts, Parks, Culture		23,225	9,714	9,714	29	29	809	(780)	-96.4%	9,714
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		-	-	-	-	-	-	-	-	-
Vote 10 - Hunan Settlements		1,200	2,885	2,885	79	79	240	(162)	-67.2%	2,885
Vote 11 - ldp, Pms Department		-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		402	574	574	20	20	48	(27)	-57.4%	574
Vote 13 - Electricity Department		116,576	485,465	485,465	4,152	4,152	40,455	(36,303)	-89.7%	485,465
Vote 14 - Maluti Water		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1,525,019	2,157,180	2,157,180	335,288	335,288	179,765	155,523	86.5%	2,157,180
Expenditure by Vote	1									
Vote 01 - Legislative Authority		52,824	61,448	61,448	3,881	3,881	5,121	(1,240)	-24.2%	61,448
Vote 02 - Office Of The Municipal Manager		21,883	23,887	23,887	1,716	1,716	1,991	(275)	-13.8%	23,887
Vote 03 - Corporate Services		100,974	137,938	137,938	9,418	9,418	11,495	(2,077)	-18.1%	137,938
Vote 04 - Financial Services		367,519	604,807	604,807	11,956	11,956	50,401	(38,445)	-76.3%	604,807
Vote 05 - Municipal Infrastructure		133,148	157,911	157,911	8,230	8,230	13,159	(4,930)	-37.5%	157,911
Vote 06 - Community Services		85,661	24,757	24,757	1,503	1,503	2,063	(560)	-27.1%	24,757
Vote 07 - Public Safety & Transport		122,259	106,205	106,205	9,096	9,096	8,850	246	2.8%	106,205
Vote 08 - Sports, Arts, Parks, Culture		46,637	50,846	50,846	4,130	4,130	4,237	(107)	-2.5%	50,846
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		10,838	20,513	20,513	785	785	1,709	(924)	-54.1%	20,513
Vote 10 - Hunan Settlements		16,155	15,474	15,474	664	664	1,290	(625)	-48.5%	15,474
Vote 11 - ldp, Pms Department		2,919	2,926	2,926	297	297	244	53	21.7%	2,926
Vote 12 - Spatial Development, Planning & Traditional Affairs		11,020	13,311	13,311	855	855	1,109	(254)	-22.9%	13,311
Vote 13 - Electricity Department		1,053,764	749,700	749,700	3,715	3,715	62,475	(58,760)	-94.1%	749,700
Vote 14 - Maluti Water		150,258	111,327	111,327	32,588	32,588	9,277	23,311	251.3%	111,327
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	2,175,859	2,081,050	2,081,050	88,835	88,835	173,421	(84,586)	-48.8%	2,081,050
Surplus/ (Deficit) for the year	2	(650,840)	76,130	76,130	246,453	246,453	6,344	240,109	3784.7%	76,130



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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) - M01 July

Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July										
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	9,360	9,360	9,332	28	0%	111,979
Service charges - electricity revenue		64,290	446,336	446,336	4,151	4,151	37,195	(33,044)	-89%	446,336
Service charges - water revenue		101,905	209,623	209,623	9,143	9,143	17,469	(8,325)	-48%	209,623
Service charges - sanitation revenue		43,367	44,186	44,186	3,432	3,432	3,682	(250)	-7%	44,186
Service charges - refuse revenue		42,067	43,804	43,804	3,467	3,467	3,650	(184)	-5%	43,804
Rental of facilities and equipment		1,116	1,781	1,781	67	67	148	(81)	-55%	1,781
Interest earned - external investments		435	10,100	10,100	-	-	842	(842)	-100%	10,100
Interest earned - outstanding debtors		26,238	41,358	41,358	(5)	(5)	3,446	(3,451)	-100%	41,358
Dividends received										
Fines, penalties and forfeits		322	1,102	1,102	25	25	92	(67)	-73%	1,102
Licences and permits										
Agency services										
Transfers and subsidies		767,794	754,206	754,206	290,432	290,432	62,851	227,582	362%	754,206
Other revenue		107,392	234,760	234,760	15,216	15,216	19,563	(4,347)	-22%	234,760
Gains		8	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1,268,780	1,899,235	1,899,235	335,288	335,288	158,270	177,018	112%	1,899,235
Expenditure By Type										
Employee related costs		671,245	660,113	660,113	82,562	82,562	55,009	27,552	50%	660,113
Remuneration of councillors		28,529	30,608	30,608	2,427	2,427	2,551	(124)	-5%	30,608
Debt impairment		4,117	120,000	120,000	-	-	10,000	(10,000)	-100%	120,000
Depreciation & asset impairment		-	111,500	111,500	-	-	9,292	(9,292)	-100%	111,500
Finance charges		75,727	90,150	90,150	-	-	7,513	(7,513)	-100%	90,150
Bulk purchases - electricity		829,714	506,499	506,499	-	-	42,208	(42,208)	-100%	506,499
Inventory consumed		89,655	36,862	36,862	939	939	3,072	(2,133)	-69%	36,862
Contracted services		233,141	223,921	223,921	1,811	1,811	18,660	(16,849)	-90%	223,921
Transfers and subsidies		173,234	174,155	174,155	-	-	14,513	(14,513)	-100%	174,155
Other expenditure		70,495	127,241	127,241	1,096	1,096	10,603	(9,507)	-90%	127,241
Losses		1	-	-	-	-	-	-	-	-
Total Expenditure		2,175,859	2,081,050	2,081,050	88,835	88,835	173,421	(84,586)	-49%	2,081,050
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(907,080)	(181,815)	(181,815)	246,453	246,453	(15,151)	261,604	(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	-	-	21,495	(21,495)	(0)	257,945
Transfers and subsidies - capital (in-kind - all)										
Surplus/(Deficit) after capital transfers & contributions		(650,840)	76,130	76,130	246,453	246,453	6,344			76,130
Taxation										
Surplus/(Deficit) after taxation		(650,840)	76,130	76,130	246,453	246,453	6,344			76,130
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(650,840)	76,130	76,130	246,453	246,453	6,344			76,130
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(650,840)	76,130	76,130	246,453	246,453	6,344			76,130



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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 - M01 July)

Budget Statement - Capital Expenditure (municipal vote, functional classification and										
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 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		-	-	-	-	-	-	-	-	-
Vote 04 - Financial Services		1,069	3,000	3,000	25	25	250	(225)	-90%	3,000
Vote 05 - Municipal Infrastructure		572	1,000	1,000	-	-	83	(83)	-100%	1,000
Vote 06 - Community Services		135,491	201,592	201,592	11,053	11,053	16,799	(5,746)	-34%	201,592
Vote 07 - Public Safety & Transport		9,954	24,583	24,583	3,326	3,326	2,049	1,277	82%	24,583
Vote 08 - Sports, Arts, Parks, Culture		1,962	6,100	6,100	-	-	508	(508)	-100%	6,100
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		15,925	9,417	9,417	-	-	785	(785)	-100%	9,417
Vote 10 - Hunan Settlements		-	-	-	-	-	-	-	-	-
Vote 11 - ldp, Pms Department		-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-	-	-
Vote 13 - Electricity Department		-	-	-	-	-	-	-	-	-
Vote 14 - Maluti Water		51,153	47,000	47,000	-	-	3,917	(3,917)	-100%	47,000
Vote 15 - Other		1,036	1,812	1,812	149	149	151	(2)	-2%	1,812
Total Capital single-year expenditure	4	217,162	294,505	294,505	14,553	14,553	24,542	(9,989)	-41%	294,505
Total Capital Expenditure		217,162	294,505	294,505	14,553	14,553	24,542	(9,989)	-41%	294,505
Capital Expenditure - Functional Classification										
Governance and administration		2,677	9,412	9,412	174	174	784	(610)	-78%	9,412
Executive and council		1,036	1,812	1,812	149	149	151	(2)	-2%	1,812
Finance and administration		1,641	7,600	7,600	25	25	633	(608)	-96%	7,600
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		27,841	36,500	36,500	3,326	3,326	3,042	284	9%	36,500
Community and social services		9,954	25,583	25,583	3,326	3,326	2,132	1,194	56%	25,583
Sport and recreation		15,925	9,417	9,417	-	-	785	(785)	-100%	9,417
Public safety		1,962	1,500	1,500	-	-	125	(125)	-100%	1,500
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		9,824	45,277	45,277	159	159	3,773	(3,614)	-96%	45,277
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		9,824	45,277	45,277	159	159	3,773	(3,614)	-96%	45,277
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		176,821	203,315	203,315	10,894	10,894	16,943	(6,049)	-36%	203,315
Energy sources		51,153	47,000	47,000	-	-	3,917	(3,917)	-100%	47,000
Water management		52,596	101,276	101,276	2,146	2,146	8,440	(6,294)	-75%	101,276
Waste water management		73,071	55,039	55,039	8,748	8,748	4,587	4,162	91%	55,039
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	217,162	294,505	294,505	14,553	14,553	24,542	(9,989)	-41%	294,505
Funded by:										
National Government		201,671	248,593	248,593	14,379	14,379	20,716	(6,337)	-31%	248,593
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		201,671	248,593	248,593	14,379	14,379	20,716	(6,337)	-31%	248,593
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds	6	15,491	45,912	45,912	174	174	3,826	(3,652)	-95%	45,912
Total Capital Funding		217,162	294,505	294,505	14,553	14,553	24,542	(9,989)	-41%	294,505



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1.2.5. Table C6 Consolidated Financial Position

FS194 Maluti-a-Phofung - Table C6 Consolidated Monthly Budget Statement - Financial Position - M01 July

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		56,794	(538,223)	(538,223)	479,914	(538,223)
Call investment deposits		22,819	9,022	9,022	22,819	9,022
Consumer debtors		1,626,060	2,018,200	2,018,200	1,637,022	2,018,200
Other debtors		1,229,621	367,174	367,174	1,232,000	367,174
Current portion of long-term receivables		144	-	-	144	-
Inventory		5,740	(198)	(198)	5,719	(198)
Total current assets		2,941,178	1,855,975	1,855,975	3,377,618	1,855,975
Non current assets						
Long-term receivables		(144)	-	-	(144)	-
Investments		53,717	-	-	53,717	-
Investment property		3,908,782	7,792,365	7,792,365	3,923,335	7,792,365
Investments in Associate		233	-	-	233	-
Property, plant and equipment						
Biological						
Intangible						
Other non-current assets						
Total non current assets		3,962,588	7,792,365	7,792,365	3,977,141	7,792,365
TOTAL ASSETS		6,903,766	9,648,340	9,648,340	7,354,759	9,648,340
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		(18,216)	-	-	(18,216)	-
Consumer deposits		25,978	295	295	25,995	295
Trade and other payables		9,439,081	5,668,665	5,668,665	9,275,427	5,668,665
Provisions		667,656	-	-	667,646	-
Total current liabilities		10,114,499	5,668,960	5,668,960	9,950,851	5,668,960
Non current liabilities						
Borrowing		10,166	-	-	10,166	-
Provisions		-	-	-	-	-
Total non current liabilities		10,166	-	-	10,166	-
TOTAL LIABILITIES		10,124,664	5,668,960	5,668,960	9,961,017	5,668,960
NET ASSETS	2	(3,220,898)	3,979,380	3,979,380	(2,606,258)	3,979,380
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		(3,247,857)	2,858,682	2,858,682	(2,670,515)	2,858,682
Reserves		(212,934)	-	-	(212,934)	-
TOTAL COMMUNITY WEALTH/EQUITY	2	(3,460,791)	2,858,682	2,858,682	(2,883,450)	2,858,682



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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 what the bank movements are. The reporting schedules are locked for editing.

FS194 Maluti-a-Phofung - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M01 July

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	5,776	5,776	11,511	(5,735)	-50%	138,133
Service charges		-	404,913	404,913	14,134	14,134	33,743	(19,608)	-58%	404,913
Other revenue		-	50,829	50,829	(39,346)	(39,346)	4,236	(43,581)	-1029%	50,829
Transfers and Subsidies - Operational		-	753,706	753,706	290,332	290,332	62,809	227,523	362%	753,706
Transfers and Subsidies - Capital		-	257,945	257,945	63,431	63,431	21,495	41,936	195%	257,945
Interest		-	10,100	10,100	-	-	842	(842)	-100%	10,100
Dividends		-								
Payments										
Suppliers and employees		-	(1,551,983)	(1,551,983)	96,976	67,420	(129,332)	(196,752)	152%	(1,551,983)
Finance charges		-								
Transfers and Grants		-								
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	63,643	63,643	431,304	401,748	5,304	(396,444)	-7475%	63,643
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	144	-	25	(144)	-	(144)	#DIV/0!	-
Decrease (increase) in non-current receivables		-								
Decrease (increase) in non-current investments		-								
Payments										
Capital assets		-	(294,505)	(294,505)	(14,553)	(14,553)	(24,542)	(9,989)	41%	(294,505)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(294,360)	(294,505)	(14,528)	(14,697)	(24,542)	(9,845)	40%	(294,505)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	295	-	8	17	25	(8)	-32%	295
Borrowing long term/refinancing		-								
Increase (decrease) in consumer deposits		-								
Payments										
Repayment of borrowing		-								
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	295	-	8	17	25	8	32%	295
NET INCREASE/ (DECREASE) IN CASH HELD		-	(230,422)	(230,862)	416,783	387,067	(19,214)			(230,566)
Cash/cash equivalents at beginning:		(107,994)	-	-	566,997	(64,264)	-			(64,264)
Cash/cash equivalents at month/year end:		(107,994)	(230,422)	(230,862)	322,803	(19,214)				(294,830)



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PART 2 - SUPPORTING DOCUMENTATION

2.1. SUPPORTING TABLES

2.1.1. Debtors Age Analysis

- The total debt book amounted to **R2.1 billion** by the end of **July 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 **R619.2 million**.
- The largest debt by customer group is from Households with a total of **1.2 billion**.

FS194 Maluti-a-Phofung - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July

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	12,860	14,563	9,268	12,280	14,678	10,182	64,335	481,111	619,277
Electricity	1300	6,790	6,013	4,523	3,739	3,415	5,766	22,501	254,199	306,945
Property Rates	1400	8,467	8,194	11,836	7,411	7,409	7,243	38,788	457,927	547,274
Waste Water Management	1500	3,960	3,964	3,879	3,841	3,829	3,808	22,234	193,018	238,532
Waste Management	1600	3,926	3,734	3,694	3,657	3,659	3,575	21,197	193,564	237,006
Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	18	10	5,568	6	5,424	5,379	10,407	188,786	215,599
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-
Other	1900	101	89	88	127	88	160	844	29,921	31,419
Total By Income Source	2000	36,122	36,567	38,857	31,060	38,503	36,114	180,305	1,798,526	2,196,052
Debtors Age Analysis By Customer Group										
Organs of State	2200	8,529	9,075	7,434	8,571	8,035	6,890	37,550	349,480	435,565
Commercial	2300	8,091	7,868	7,694	5,254	7,163	9,259	33,502	425,370	504,202
Households	2400	19,502	19,624	23,729	17,234	23,305	19,964	109,252	1,023,675	1,256,285
Other	2500	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	36,122	36,567	38,857	31,060	38,503	36,114	180,305	1,798,526	2,196,052



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2.1.2.Creditors Age Analysis

The total creditors amounted to **R6.9 billion** by the end of **July 2022**.

FS194 Maluti-a-Phofung - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July

Budget Statement - aged creditors - M01 July										
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	122 095	124 728	118 804	285 885	-	-	-	6 210 177	6 861 689
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	141	136	64 973	-	-	-	-	65 250
Other	0900	-	-	-	43	-	-	-	-	43
Total By Customer Type	1000	122 095	124 869	118 940	350 901	-	-	-	6 210 177	6 926 982

This table shows information taken from the Eskom Bulk Electricity invoices. The payments indicated on the table include payments made by the municipality and those made by the large power users.

ESKOM CHARGES AND PAYMENTS

Months	Opening balance	Payments	Payments Adjustment	Total charges for billing period	Adjustments (Interest on overdue account)	VAT 15%	Closing balance
Jul-22	6 754 142 505	- 14 548 066	-	89 033 853	19 705 747	13 355 078	6 861 689 116
TOTAL	-	14 548 066	-	89 033 853	19 705 747	13 355 078	



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2.1.3. Investments Portfolio Analysis

- The closing balances by the end of **July 2022** amounted to **R168 million**.

FS194 Maluti-a-Phofung - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M01 July

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	393	-	-	-	393
Sanlam - Money Market-50189057	Yrs	Money market	2 300	-	-	-	2 300
Sanlam- 11690236x2	Yrs	Money market	394	-	-	-	394
FNB 62212896346	Months	Call account	439	1	(1)	379	818
ABSA 9358605812	Months	Investment	19	0	-	-	19
SBSA 40823938	Months	Investment	-	75	(50 075)	100 000	50 000
SBSA 34 852 640 7	Months	Investment	0	-	-	-	0
FNB 62756806661	Months	Investment	92	54	(276 073)	290 000	14 072
NEDBANK 03/7881162791	Months	Investment	20	0	-	100 000	100 020
Municipality sub-total							
Entities			3 656	130	(326 149)	490 379	168 016
Entities sub-total			-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST			3 656	130	(326 149)	490 379	168 016



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2.1.4.Councillors and Board Member Allowances and Employee Benefits

- The total employee costs in July for the Parent municipality including councillors amounted to **R42.8 million** and the year to date was at **R42.8 million**.

FS194 Maluti-a-Phofung - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M01 July

2021/22 Monthly Budget Statement - councillor and staff benefits - M01 July										
Summary of Employee and Councillor remuneration	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										
Councillors (Political Office Bearers plus Other)	1	A	B	C					%	D
Basic Salaries and Wages		19,505	24,790	24,790	2,043	2,043	2,066	(22)	-1%	24,790
Pension and UIF Contributions		119	134	134	10	10	11	(1)	-7%	134
Medical Aid Contributions		75	113	113	4	4	9	(5)	-54%	113
Motor Vehicle Allowance										
Cellphone Allowance		7,378	3,196	3,196	259	259	266	(7)	-3%	3,196
Housing Allowances										
Other benefits and allowances		1,453	2,376	2,376	110	110	198	(88)	-45%	2,376
Sub Total - Councillors		28,529	30,608	30,608	2,427	2,427	2,551	(124)	-5%	30,608
% increase			7.3%	7.3%						7.3%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4,981	7,502	7,502	350	350	625	(276)	-44%	7,502
Pension and UIF Contributions		523	543	543	43	43	45	(2)	-4%	543
Medical Aid Contributions		99	131	131	10	10	11	(1)	-11%	131
Overtime										
Performance Bonus										
Motor Vehicle Allowance		758	1,035	1,035	59	59	86	(28)	-32%	1,035
Cellphone Allowance		72	122	122	5	5	10	(6)	-56%	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										
Sub Total - Senior Managers of Municipality	2	6,433	9,333	9,333	466	466	778	(312)	-40%	9,333
% increase	4		45.1%	45.1%						45.1%
Other Municipal Staff										
Basic Salaries and Wages		315,705	317,645	317,645	25,918	25,918	26,470	(553)	-2%	317,645
Pension and UIF Contributions		48,532	51,317	51,317	4,342	4,342	4,276	66	2%	51,317
Medical Aid Contributions		22,108	22,653	22,653	1,972	1,972	1,888	85	4%	22,653
Overtime		63,620	44,424	44,424	3,463	3,463	3,702	(239)	-6%	44,424
Performance Bonus		22,639	24,377	24,377	2,476	2,476	2,031	445	22%	24,377
Motor Vehicle Allowance		12,567	12,913	12,913	1,144	1,144	1,076	68	6%	12,913
Cellphone Allowance		802	826	826	92	92	69	23	34%	826
Housing Allowances		1,485	1,595	1,595	114	114	133	(19)	-14%	1,595
Other benefits and allowances		5,238	5,679	5,679	415	415	473	(58)	-12%	5,679
Payments in lieu of leave		2,119	2,530	2,530	52	52	211	(159)	-75%	2,530
Long service awards		3,720	6,820	6,820	51	51	568	(517)	-91%	6,820
Post-retirement benefit obligations		(398)	-	-	(39)	(39)	-	(39)	#DIV/0!	-
Sub Total - Other Municipal Staff	2	498,137	490,781	490,781	40,002	40,002	40,898	(896)	-2%	490,781
% increase	4		-1.5%	-1.5%						-1.5%
Total Parent Municipality		533,100	530,722	530,722	42,895	42,895	44,227	(1,332)	-3%	530,722



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- The July total employee costs for the Entity amounted to **R42 million** and the year to date amounted to **R42 million**.
- The July consolidated total employee costs amounted to **R82.5 million** and the year to date was at **R82.5 million** (excluding councillors).

FS194 Maluti-a-Phofung - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M01 July

Summary of Employee and Councillor remuneration R thousands	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
	1	A	B	C					%	D
Senior Managers of Entities										
Basic Salaries and Wages		80	15,434	15,434	-	-	1,286	(1,286)	-100%	15,434
Pension and UIF Contributions		129	3,572	3,572	31	31	298	(267)	-90%	3,572
Medical Aid Contributions		-	816	816	-	-	68	(68)	-100%	816
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	3,401	3,401	-	-	-	-	-	-
Cellphone Allowance		-	-	-	-	-	283	(283)	-100%	3,401
Housing Allowances		-	689	689	-	-	-	-	-	-
Other benefits and allowances		246	1,576	1,576	59	59	57	(57)	-100%	689
Payments in lieu of leave		-	-	-	-	-	131	(73)	-55%	1,576
Long service awards		-	116	116	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	10	(10)	-100%	116
Sub Total - Senior Managers of Entities		455	25,605	25,605	90	90	2,134	(2,044)	-96%	25,605
% increase	4		5531.1%	5531.1%			2,134	(2,044)	-96%	5531.1%
Other Staff of Entities										
Basic Salaries and Wages		83,586	75,318	75,318	22,794	22,794	6,277	16,518	263%	75,318
Pension and UIF Contributions		8,401	14,783	14,783	1,826	1,826	1,232	594	48%	14,783
Medical Aid Contributions		8,953	7,079	7,079	2,113	2,113	590	1,523	258%	7,079
Overtime		25,799	972	972	6,136	6,136	81	6,055	7480%	972
Performance Bonus		5,408	12,185	12,185	609	609	1,015	(406)	-40%	12,185
Motor Vehicle Allowance		13,585	11,028	11,028	3,402	3,402	919	2,483	270%	11,028
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		2,330	3,151	3,151	552	552	263	290	110%	3,151
Other benefits and allowances		14,876	8,807	8,807	4,341	4,341	734	3,607	492%	8,807
Payments in lieu of leave		1,462	-	-	-	-	-	-	-	-
Long service awards		731	1,072	1,072	-	-	89	(89)	-100%	1,072
Post-retirement benefit obligations		1,090	-	-	230	230	-	230	#DIV/0!	-
Sub Total - Other Staff of Entities		166,220	134,394	134,394	42,004	42,004	11,200	30,805	275%	134,394
% increase	4		-19.1%	-19.1%			11,200	30,805	275%	-19.1%
Total Municipal Entities		166,674	160,000	160,000	42,094	42,094	13,333	28,761	216%	160,000
TOTAL SALARY, ALLOWANCES & BENEFITS		699,774	690,722	690,722	84,989	84,989	57,560	27,429	48%	690,722
% Increase	4		-1.3%	-1.3%			57,560	27,429	48%	-1.3%
TOTAL MANAGERS AND STAFF		671,245	660,113	660,113	82,562	82,562	55,009	27,552	50%	660,113



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2.2. PARENT MUNICIPALITY FINANCIAL PERFORMANCE

The total revenue for the parent municipality amounted to **R320.3 million**
 The total expenditure amounted to **R45 million**.

FS194 Maluti-a-Phofung - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

City of Durban - Planning - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July										
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	9,360	9,360	9,332	28	0%	111,979
Service charges - electricity revenue		64,290	446,336	446,336	4,151	4,151	37,195	(33,044)	-89%	446,336
Service charges - water revenue		101,905	209,623	209,623	9,143	9,143	17,469	(8,325)	-48%	209,623
Service charges - sanitation revenue		43,367	44,186	44,186	3,432	3,432	3,682	(250)	-7%	44,186
Service charges - refuse revenue		42,067	43,804	43,804	3,467	3,467	3,650	(184)	-5%	43,804
Rental of facilities and equipment		1,116	1,781	1,781	67	67	148	(81)	-55%	1,781
Interest earned - external investments		435	10,000	10,000	-	-	833	(833)	-100%	10,000
Interest earned - outstanding debtors		26,238	41,358	41,358	(5)	(5)	3,446	(3,451)	-100%	41,358
Dividends received										
Fines, penalties and forfeits		322	1,102	1,102	25	25	92	(67)	-73%	1,102
Licences and permits										
Agency services										
Transfers and subsidies		642,855	754,206	754,206	290,332	290,332	62,851	227,482	362%	754,206
Other revenue		34,071	38,860	38,860	354	354	3,238	(2,884)	-89%	38,860
Gains		8	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1,070,520	1,703,235	1,703,235	320,326	320,326	141,936	178,390	126%	1,703,235
Expenditure By Type										
Employee related costs		504,570	500,113	500,113	40,468	40,468	41,676	(1,208)	-3%	500,113
Remuneration of councillors		28,529	30,608	30,608	2,427	2,427	2,551	(124)	-5%	30,608
Debt impairment		4,117	120,000	120,000	-	-	10,000	(10,000)	-100%	120,000
Depreciation & asset impairment		-	110,000	110,000	-	-	9,167	(9,167)	-100%	110,000
Finance charges		75,727	90,150	90,150	-	-	7,513	(7,513)	-100%	90,150
Bulk purchases - electricity		829,711	506,499	506,499	-	-	42,208	(42,208)	-100%	506,499
Inventory consumed		81,200	25,596	25,596	609	609	2,133	(1,524)	-71%	25,596
Contracted services		224,956	215,831	215,831	1,105	1,105	17,986	(16,881)	-94%	215,831
Transfers and subsidies		173,234	174,155	174,155	-	-	14,513	(14,513)	-100%	174,155
Other expenditure		51,184	113,910	113,910	468	468	9,493	(9,025)	-95%	113,910
Losses		1	-	-	-	-	-	-	-	-
Total Expenditure		1,973,231	1,886,862	1,886,862	45,077	45,077	157,239	(112,162)	-71%	1,886,862
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(902,711)	(183,627)	(183,627)	275,249	275,249	(15,302)	290,551	(0)	(183,627)
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	-	-	21,495	(21,495)	(0)	257,945
Transfers and subsidies - capital (in-kind - all)										
Surplus/(Deficit) after capital transfers & contributions		(646,471)	74,318	74,318	275,249	275,249	6,193			74,318
Taxation										
Surplus/(Deficit) after taxation		(646,471)	74,318	74,318	275,249	275,249	6,193			74,318
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(646,471)	74,318	74,318	275,249	275,249	6,193			74,318
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(646,471)	74,318	74,318	275,249	275,249	6,193			74,318



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2.3. MUNICIPAL ENTITY FINANCIAL PERFORMANCE

The total revenue for July was **R14.9 million** and the year to date was **R14.9 million**.
The total expenditure for July was **R43.7 million** and the year to date amounted to **R43.7 million**.

Maluti Water (Pty) Ltd - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Financial Performance (revenue and expenditure) - M01 July										
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										
Property rates	1									
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								-		
Interest earned - outstanding debtors		-	100	100	-	-	8	(8)	-100.0%	100
Dividends received								-		
Fines, penalties and forfeits								-		
Licences and permits								-		
Agency services								-		
Transfers and subsidies								-		
Other revenue		124,939	-	-	100	100	-	100	#DIV/0!	-
Gains		73,321	195,900	195,900	14,862	14,862	16,325	(1,463)	-9.0%	195,900
		-	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		198,260	196,000	196,000	14,962	14,962	16,333	(1,371)	-8.4%	196,000
Expenditure By Type										
Employee related costs										
Remuneration of Directors		166,674	160,000	160,000	42,094	42,094	13,333	28,761	215.7%	160,000
Debt impairment		-	-	-	-	-	-	-		
Depreciation & asset impairment		-	-	-	-	-	-	-		
Finance charges		-	1,500	1,500	-	-	125	(125)	-100.0%	1,500
Bulk purchases - electricity		-	-	-	-	-	-	-		
Inventory consumed	2	3	-	-	-	-	-	-		
Contracted services		8,455	11,266	11,266	329	329	939	(610)	-64.9%	11,266
Transfers and subsidies		8,185	8,091	8,091	707	707	674	32	4.8%	8,091
Other expenditure										
Losses		19,310	13,331	13,331	628	628	1,111	(483)	-43.5%	13,331
		-	-	-	-	-	-	-		-
Total Expenditure		202,629	194,188	194,188	43,758	43,758	16,182	27,576	170.4%	194,188
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(4,369)	1,812	1,812	(28,796)	(28,796)	151	(28,947)	-19169.9%	1,812
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										
Taxation		(4,369)	1,812	1,812	(28,796)	(28,796)	151	(28,947)	-19169.9%	1,812
Surplus/(Deficit) for the year										
		(4,369)	1,812	1,812	(28,796)	(28,796)	151	(28,947)		1,812
References										
1. Revenue includes sales of: (insert description)										1,812
2. Bulk purchases - electricity										
2. Bulk purchases - water										
3. Expenditure includes repairs & maintenance of:										



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2.4. MUNICIPAL MANAGER'S QUALITY CERTIFICATION

I 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 month of **July 2022** has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print name: HWUNGGERIN

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

Signature: [Signature]

Date: 30/8/2022