



Local Municipality • Mmasepala wa seLehale • Plaaslike Munisipaliteit

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

1. PURPOSE

The purpose of this report is to provide a budget statement of the Municipality for the month ending **31 August 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

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;
 - 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



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- 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.*

8. BACKGROUND AND DISCUSSION

The due date for submitting the August report is the **14th September 2022**

- Please note that the report was delayed due to the following:
 - The month of August was closed late on the 13th September 2022 due to the following:
 - The Payroll Unit was receiving errors when doing the interface to e-Venus and only managed to complete their month end process on the 9th September 2022.
 - The Entity submitted their August journal on the 13th September 2022. The journal was uploaded on the financial system and the month was closed on the 13th September 2022.
 - The report that is used to populate the regulated C- Schedules was ran and emailed to BCX on the 14th September 2022. The municipality still does not have TRU which enables the Budget office to populate the Schedules.
 - The municipality's network have not been stable due to the unstable electricity and load shedding which affects the running and updating of the report on the financial system. The f-drive with all the budget information has not been working from the 14th September 2022.
 - The Eskom invoice which was received on the 20th September 2022.



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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 **R50.2 million**.
- The total actual operational expenditure for the month amounted to **R71.2 million**.
- The total actual capital expenditure for the month amounted to **R5.8 million**.

Debtors Age Analysis

- The total debtor's book by the end of **August 2022** amounted to **R2.2 billion** as indicated on **page 18** of the report.

Creditors Age Analysis

- The creditors balance by the end of **August 2022** amounted to **R7 billion** as indicated on **page 19** of the report. The largest contributor being the Eskom debt.

10. STAFF IMPLICATIONS

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

- Parent municipal staff including Councillors was **1 303**.
- MAP Water (SOC) Ltd was **286**.

11. COMMENTS FROM OTHER DIRECTORS

The report will be circulated to all directorates.

The MFMA s87 report was not received from the Entity.

12. RECOMMENDATION

It is recommended

- That the MFMA section 71 report for the month ending **31 August 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.

.....
PREPARED BY: MJ MAZINYO
CHIEF FINANCIAL OFFICER

.....
DATE

.....
SUBMITTED BY: S MAKHUBU
ACTING MUNICIPAL MANAGER

.....
DATE



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PART 1 IN-YEAR REPORT

1.1 EXECUTIVE SUMMARY

The year to date total revenue amounted to **R50.2 billion**, the year to date operating expenditure amounted to **R71.2 billion**.

Table C1 Consolidated Monthly Budget Statement Summary

FS194 Maluti-a-Phofung - Table C1 Consolidated Monthly Budget Statement Summary - M02 August

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	9 334	18 694	18 663	30	0%	111 979
Service charges	251 630	743 950	743 950	20 288	40 481	123 992	(83 511)	-67%	743 950
Investment revenue	592	10 100	10 100	583	583	1 683	(1 100)	-65%	10 100
Transfers and subsidies	767 794	754 206	754 206	18 716	309 148	125 701	183 447	146%	754 206
Other own revenue	135 076	279 001	279 001	1 349	16 652	46 500	(29 848)	-64%	279 001
Total Revenue (excluding capital transfers and contributions)	1 268 936	1 899 235	1 899 235	50 270	385 558	316 539	69 019	22%	1 899 235
Employee costs	667 674	660 113	660 113	60 990	143 552	110 019	33 533	30%	660 113
Remuneration of Councillors	28 529	30 608	30 608	2 790	5 217	5 101	115	2%	30 608
Depreciation & asset impairment	–	111 500	111 500	–	–	18 583	(18 583)	-100%	111 500
Finance charges	75 727	90 150	90 150	8	8	15 025	(15 017)	-100%	90 150
Inventory consumed and bulk purchases	919 422	543 361	543 361	1 490	2 428	90 560	(88 132)	-97%	543 361
Transfers and subsidies	176 805	174 155	174 155	–	–	29 026	(29 026)	-100%	174 155
Other expenditure	309 821	471 163	471 163	5 983	8 890	78 527	(69 637)	-89%	471 163
Total Expenditure	2 177 979	2 081 050	2 081 050	71 260	160 095	346 842	(186 747)	-54%	2 081 050
Surplus/(Deficit)	(909 042)	(181 815)	(181 815)	(20 990)	225 463	(30 303)	255 765	-844%	(181 815)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	256 240	257 945	257 945	–	–	42 991	###	-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	(652 803)	76 130	76 130	(20 990)	225 463	12 688	212 775	1677%	76 130
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	(652 803)	76 130	76 130	(20 990)	225 463	12 688	212 775	1677%	76 130
Capital expenditure & funds sources									
Capital expenditure	218 959	294 505	294 505	5 889	20 442	49 084	(28 642)	-58%	294 505
Capital transfers recognised	200 320	248 593	248 593	5 889	20 268	41 432	(21 164)	-51%	248 593
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	18 639	45 912	45 912	–	174	7 652	(7 478)	-98%	45 912
Total sources of capital funds	218 959	294 505	294 505	5 889	20 442	49 084	(28 642)	-58%	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) - M02 August

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	9 334	18 694	18 663	30	0%	111 979
Service charges - electricity revenue		64 290	446 336	446 336	4 832	8 983	74 389	(65 407)	-88%	446 336
Service charges - water revenue		101 905	209 623	209 623	8 004	17 148	34 937	(17 790)	-51%	209 623
Service charges - sanitation revenue		43 367	44 186	44 186	3 886	7 318	7 364	(47)	-1%	44 186
Service charges - refuse revenue		42 067	43 804	43 804	3 566	7 033	7 301	(268)	-4%	43 804
Rental of facilities and equipment		1 116	1 781	1 781	80	147	297	(150)	-50%	1 781
Interest earned - external investments		592	10 100	10 100	583	583	1 683	(1 100)	-65%	10 100
Interest earned - outstanding debtors		26 238	41 358	41 358	–	(5)	6 893	(6 898)	-100%	41 358
Dividends received								–		
Fines, penalties and forfeits		322	1 102	1 102	27	51	184	(132)	-72%	1 102
Licences and permits								–		
Agency services								–		
Transfers and subsidies		767 794	754 206	754 206	18 716	309 148	125 701	183 447	146%	754 206
Other revenue		107 392	234 760	234 760	1 242	16 458	39 127	(22 668)	-58%	234 760
Gains		8	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		1 268 936	1 899 235	1 899 235	50 270	385 558	316 539	69 019	22%	1 899 235

- **Property rates** – the year to date billing was **R18.6 million**.
- **Electricity revenue** – the year to date outcomes reflect the total billing of **R8.9 million**. This excludes the LPU's billed by Eskom
- **Water revenue** – The year to date outcomes indicate a total of **R17.1 million**. This excludes the flat rate billing from 21 rural wards
- **Sanitation revenue** – the year to date outcome was **R7.3 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 **R7 million** by the end of August 2022.
- **Rental of facilities** – the year to date outcome was at **R147 thousands** by the end of August. This depends entirely on the need from the community for municipal facilities
- **Interest on investments** – The municipality is investing funds and earning interest was at **R583 thousands**.
- **Interest on outstanding debtors** – the year to date outcome indicated a negative **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 **R51 thousands** by the end of August.
- **Transfers and subsidies** – the total amount was at **R309.1 million** by the end of August.
- **Other revenue** – The year to date outcome indicated a total of **R16.4 million**.

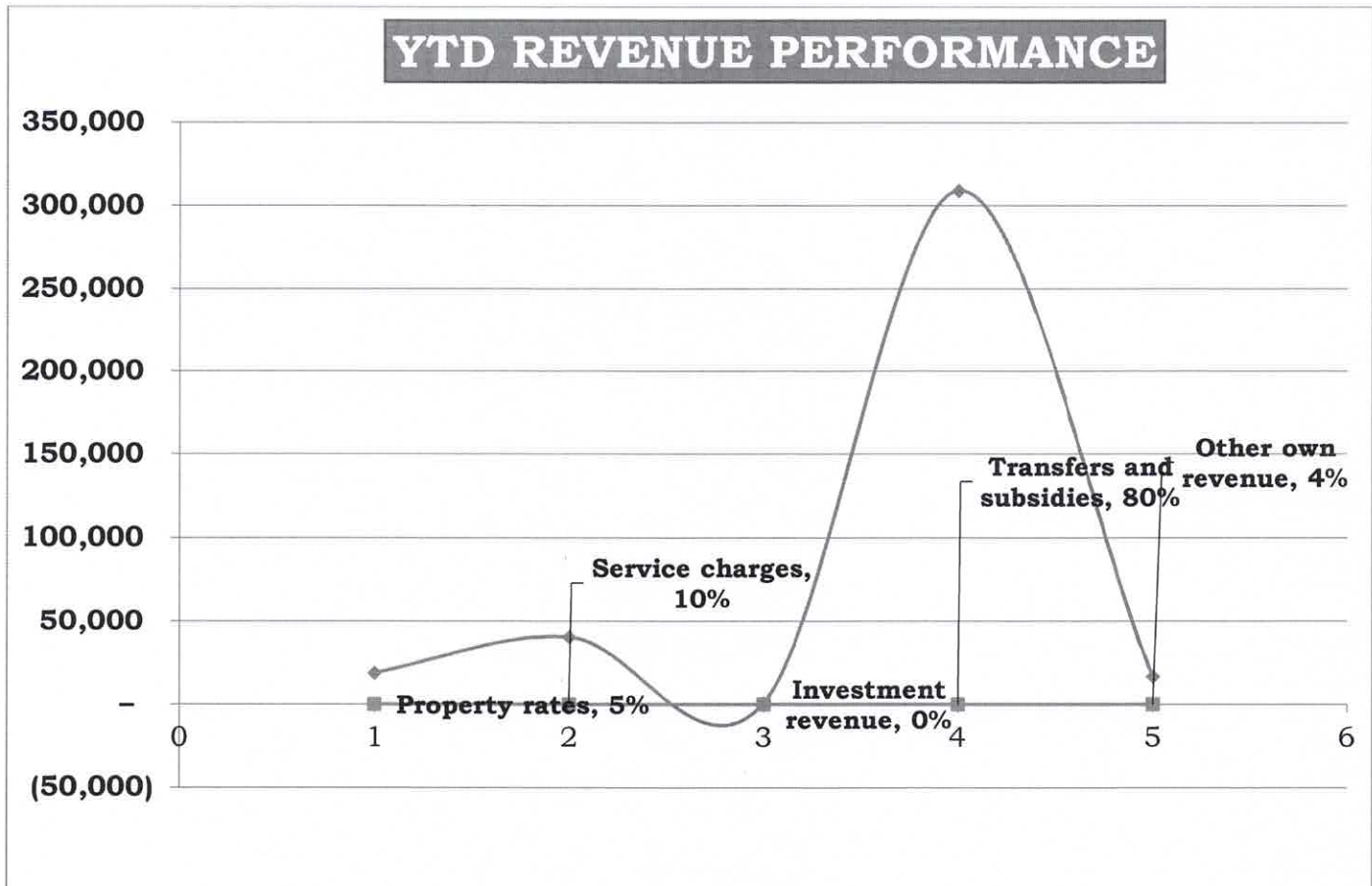


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The chart below indicates the percentage contribution of revenue sources to the total year to date revenue

It can be seen from the table below that **80%** of the total revenue to date came from Grants and subsidies. The second contributor to the municipality comes from services charges, which was at **10%** by the end of **August 2022**.

Description R'000	Year to date performance	%
Property rates	18,694	5%
Service charges	40,481	10%
Investment revenue	583	0%
Transfers and subsidies	309,148	80%
Other own revenue	16,652	4%
Total Revenue	385,558	100%





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1.1.2 Material variance explanations on Expenditure by Type

FS194 Maluti-a-Phofung - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August										
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		667 674	660 113	660 113	60 990	143 552	110 019	33 533	30%	660 113
Remuneration of councillors		28 529	30 608	30 608	2 790	5 217	5 101	115	2%	30 608
Debt impairment		4 117	120 000	120 000	–	–	20 000	(20 000)	-100%	120 000
Depreciation & asset impairment		–	111 500	111 500	–	–	18 583	(18 583)	-100%	111 500
Finance charges		75 727	90 150	90 150	8	8	15 025	(15 017)	-100%	90 150
Bulk purchases - electricity		829 714	506 499	506 499	–	–	84 416	(84 416)	-100%	506 499
Inventory consumed		89 708	36 862	36 862	1 490	2 428	6 144	(3 715)	-60%	36 862
Contracted services		234 871	223 921	223 921	1 365	3 177	37 320	(34 143)	-91%	223 921
Transfers and subsidies		176 805	174 155	174 155	–	–	29 026	(29 026)	-100%	174 155
Other expenditure		70 832	127 241	127 241	4 617	5 714	21 207	(15 493)	-73%	127 241
Losses		1	–	–	–	–	–	–		–
Total Expenditure		2 177 979	2 081 050	2 081 050	71 260	160 095	346 842	(186 747)	-54%	2 081 050

- **Employee related costs** – the outcome for August was **R60.9 million**. This is a consolidated figure, the parent employee related costs amounted to **R45.8 million** including **R13.1** for overtime, the entity's costs were at **R15 million** including **R2 million** for overtime.
- **Remuneration of councillors** – the year to date outcome was **R5.2 million**. This included the allowances and social contributions.
- **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** – The year to date outcome was **R8 thousands**. The Eskom interest transactions were not captured.
- **Bulk purchases - Electricity** – no movement was recorded in August due to non-capturing.
- **Inventory consumed** – the year to date outcome is at **R2.4 million**.
- **Contracted services** – the year to date outcome is **R3.1 million**.
- **Transfers and subsidies** – no movement was recorded in August. MAP Water invoices were not captured
- **Other expenditure** – the year to date is **R5.7 million**. This category includes amongst others; protective clothing, water and sewerage levies to the entity, advertisements, audit fees).

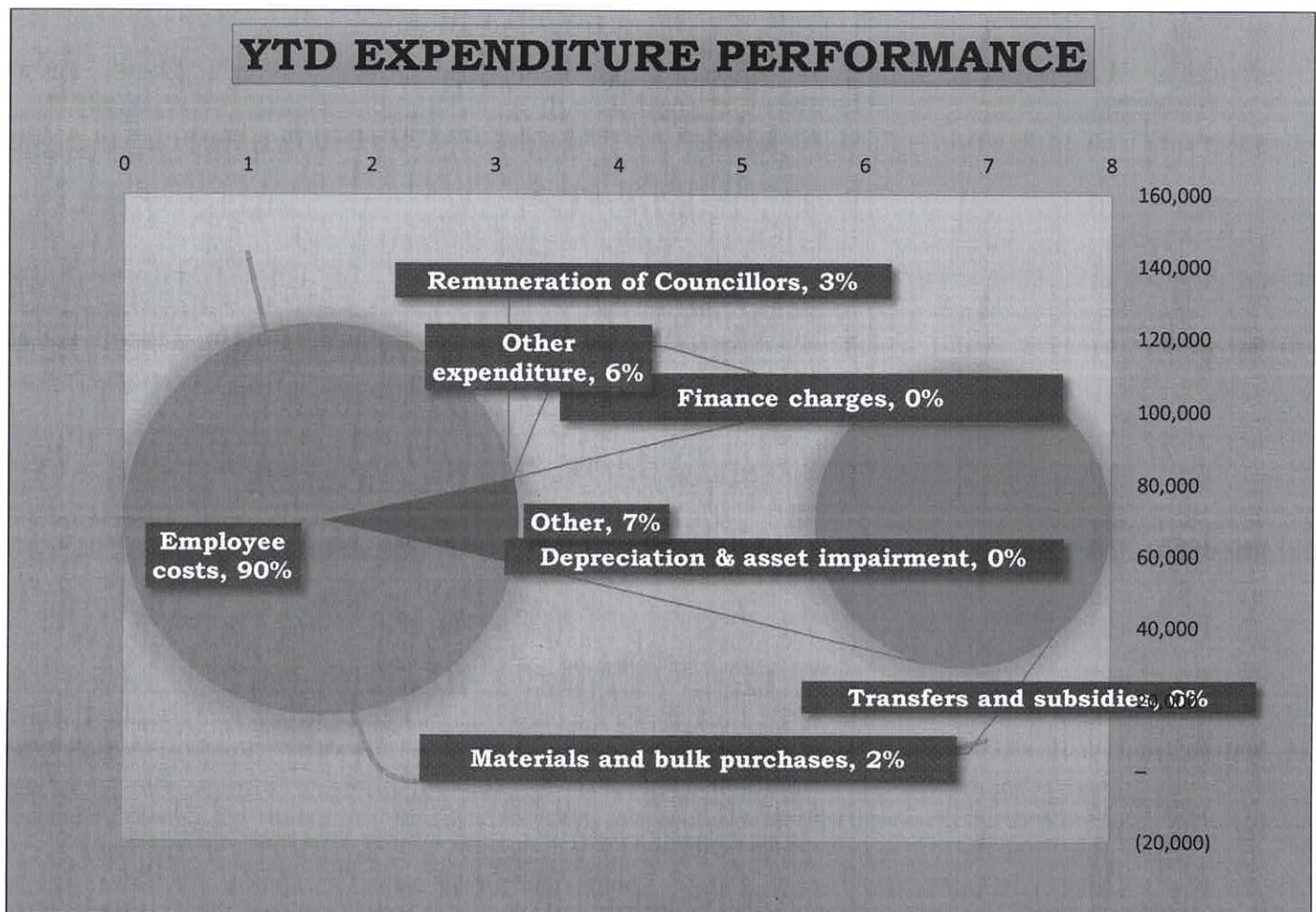


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The chart below indicates the percentage contribution of expenditure types to the total year to date expenditure

The chart shows that to date **2%** of the total year to date expenditure was from materials and bulk purchases. Employee costs are at **90%**. This outcome is above the norm of 25%-40%.

Description R'000	Year to date performance	%
Employee costs	143,552	90%
Remuneration of Councillors	5,217	3%
Depreciation & asset impairment	–	0%
Finance charges	8	0%
Materials and bulk purchases	2,428	2%
Transfers and subsidies	–	0%
Other expenditure	8,890	6%
Total Expenditure	160,095	100%





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1.1.3 Allocations and grants received

The total grants received to date amounts to **R358.4 million**.

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

1.1.4 List of capital projects

Capital assets from own funds

There was no movement during the month of August.

Description FIXED ASSETS	Adjusted Budget 2022/23	August Actuals	YearTD outcomes	%	Balances
PARENT MUNICIPALITY	44,100,000	-	25,465	0%	44,074,535
Machinery & equipment (corporate)	1,000,000	-	-	0%	1,000,000
Computer & equipment	2,000,000	-	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	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	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	45,912,000	-	174,047	0%	45,737,953



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The capital expenditure from conditional grants

The expenditure for August amounted to **R5.8 million** and the year to date was at **R20.2 million (excluding Vat)**.

Description (Functional classification)	Source of funding	2022/23 MTREF				
		Budget year 2022/23	August Actuals	YTD Actuals	%	Balance
ROADS PROJECTS		30,276,909	796,006	955,237	3%	29,321,672
Monontsha: Construction of footbridge	MIG	6,135,991	-	-	0%	6,135,991
Upgrading of paved road Motebang -Phase 2	MIG	2,514,200	-	-	0%	2,514,200
Intabazwe Ext:3 Paved Roads Phase 3	MIG	10,452,805	392,845	552,075	5%	9,900,730
Namahadi: construction of 5km paved roads Phase 4	MIG	11,173,913	403,161	403,161	4%	10,770,752
WATER PROJECTS		101,276,271	1,754,145	3,899,948	4%	97,376,323
Chris Hani Park: Water Reticulation 500 Stands	MIG	15,577,769	894,486	2,572,247	17%	13,005,522
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
Hasethunya 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	859,659	1,327,702	11%	10,577,231
Fika Patso purification project	WSIG	38,896,000	-	-	0%	38,896,000
WASTE WATER MANAGEMENT/ SEWERAGE PROJECTS		55,039,081	1,364,962	10,113,173	18%	44,925,908
Intabazwe Ext. 3: Construction of Waterborne Sewer Network for 1020 erven	MIG	12,572,272	1,364,962	1,873,173	15%	10,699,099
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	41%	11,760,000
COMMUNITY FACILITY PROJECTS		21,583,084	1,973,754	5,299,487	25%	16,283,597
Upgrading of Phuthaditjhaba town hall	MIG	21,583,084	1,973,754	5,299,487	25%	16,283,597
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	5,888,867	20,267,845	8%	228,324,705



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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) - M02 August

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		984 351	1 215 351	1 215 351	29 662	344 454	202 558	141 896	70%	1 215 351
Executive and council		–	–	–	–	–	–	–	–	–
Finance and administration		984 351	1 215 351	1 215 351	29 662	344 454	202 558	141 896	70%	1 215 351
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		45 193	38 305	38 305	272	554	6 384	(5 830)	-91%	38 305
Community and social services		20 735	24 755	24 755	188	368	4 126	(3 757)	-91%	24 755
Sport and recreation		23 225	9 714	9 714	26	55	1 619	(1 564)	-97%	9 714
Public safety		514	1 429	1 429	41	74	238	(165)	-69%	1 429
Housing		719	2 408	2 408	17	57	401	(344)	-86%	2 408
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		35 126	40 203	40 203	42	62	6 700	(6 639)	-99%	40 203
Planning and development		402	574	574	42	62	96	(34)	-35%	574
Road transport		34 723	39 629	39 629	–	–	6 605	(6 605)	-100%	39 629
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		460 507	863 321	863 321	20 294	40 488	143 887	(103 399)	-72%	863 321
Energy sources		116 576	485 465	485 465	4 838	8 990	80 911	(71 921)	-89%	485 465
Water management		155 570	219 358	219 358	8 004	17 148	36 560	(19 412)	-53%	219 358
Waste water management		137 005	104 246	104 246	3 886	7 318	17 374	(10 057)	-58%	104 246
Waste management		51 356	54 253	54 253	3 566	7 033	9 042	(2 009)	-22%	54 253
<i>Other</i>	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	1 525 176	2 157 180	2 157 180	50 270	385 558	359 530	26 028	7%	2 157 180
Expenditure - Functional										
<i>Governance and administration</i>		626 742	892 655	892 655	29 244	63 456	148 776	(85 319)	-57%	892 655
Executive and council		88 587	128 916	128 916	7 389	16 139	21 486	(5 347)	-25%	128 916
Finance and administration		531 301	756 706	756 706	21 333	46 277	126 118	(79 841)	-63%	756 706
Internal audit		6 854	7 033	7 033	522	1 040	1 172	(132)	-11%	7 033
<i>Community and public safety</i>		202 034	155 772	155 772	11 029	21 988	25 962	(3 974)	-15%	155 772
Community and social services		84 198	25 547	25 547	1 352	2 733	4 258	(1 525)	-36%	25 547
Sport and recreation		46 637	50 244	50 244	3 617	7 747	8 374	(627)	-7%	50 244
Public safety		66 427	74 314	74 314	5 669	10 685	12 386	(1 701)	-14%	74 314
Housing		4 774	5 667	5 667	390	823	945	(122)	-13%	5 667
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		60 659	85 737	85 737	4 353	9 000	14 290	(5 289)	-37%	85 737
Planning and development		22 556	31 834	31 834	1 847	3 644	5 306	(1 662)	-31%	31 834
Road transport		38 103	53 903	53 903	2 506	5 357	8 984	(3 627)	-40%	53 903
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		1 286 318	942 579	942 579	26 493	65 368	157 096	(91 729)	-58%	942 579
Energy sources		1 055 024	749 700	749 700	7 281	10 993	124 950	(113 957)	-91%	749 700
Water management		66 032	46 558	46 558	6 383	22 378	7 760	14 619	188%	46 558
Waste water management		70 807	44 236	44 236	7 322	21 134	7 373	13 761	187%	44 236
Waste management		94 454	102 086	102 086	5 506	10 862	17 014	(6 152)	-36%	102 086
<i>Other</i>		2 225	4 307	4 307	142	282	718	(436)	-61%	4 307
Total Expenditure - Functional	3	2 177 979	2 081 050	2 081 050	71 260	160 095	346 842	(186 747)	-54%	2 081 050
Surplus/ (Deficit) for the year		(652 803)	76 130	76 130	(20 990)	225 463	12 688	212 775	1677%	76 130



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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	–	–	100	(100)	-100,0%	600
Vote 04 - Financial Services		984 200	1 214 751	1 214 751	29 662	344 454	202 458	141 996	70,1%	1 214 751
Vote 05 - Municipal Infrastructure		378 384	417 155	417 155	15 437	31 460	69 526	(38 066)	-54,8%	417 155
Vote 06 - Community Services		20 524	24 608	24 608	153	313	4 101	(3 788)	-92,4%	24 608
Vote 07 - Public Safety & Transport		514	1 429	1 429	41	74	238	(165)	-69,1%	1 429
Vote 08 - Sports, Arts, Parks, Culture		23 225	9 714	9 714	26	55	1 619	(1 564)	-96,6%	9 714
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		–	–	–	–	–	–	–	–	–
Vote 10 - Hunan Settlements		1 200	2 885	2 885	71	150	481	(331)	-68,8%	2 885
Vote 11 - ldp, Pms Department		–	–	–	–	–	–	–	–	–
Vote 12 - Spatial Development, Planning & Traditional Affairs		402	574	574	42	62	96	(34)	-35,3%	574
Vote 13 - Electricity Department		116 576	485 465	485 465	4 838	8 990	80 911	(71 921)	-88,9%	485 465
Vote 14 - Maluti Water		–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	1 525 176	2 157 180	2 157 180	50 270	385 558	359 530	26 028	7,2%	2 157 180
Expenditure by Vote	1									
Vote 01 - Legislative Authority		52 852	61 448	61 448	4 260	8 140	10 241	(2 101)	-20,5%	61 448
Vote 02 - Office Of The Municipal Manager		21 926	23 887	23 887	1 607	3 323	3 981	(659)	-16,5%	23 887
Vote 03 - Corporate Services		101 452	137 938	137 938	5 770	15 188	22 990	(7 801)	-33,9%	137 938
Vote 04 - Financial Services		368 405	604 807	604 807	10 067	22 023	100 801	(78 778)	-78,2%	604 807
Vote 05 - Municipal Infrastructure		133 812	157 911	157 911	8 154	16 383	26 319	(9 935)	-37,8%	157 911
Vote 06 - Community Services		85 670	24 757	24 757	1 467	2 971	4 126	(1 155)	-28,0%	24 757
Vote 07 - Public Safety & Transport		122 264	106 205	106 205	11 132	20 228	17 701	2 527	14,3%	106 205
Vote 08 - Sports, Arts, Parks, Culture		46 637	50 846	50 846	3 617	7 747	8 474	(727)	-8,6%	50 846
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		10 840	20 513	20 513	753	1 538	3 419	(1 881)	-55,0%	20 513
Vote 10 - Hunan Settlements		16 156	15 474	15 474	606	1 271	2 579	(1 308)	-50,7%	15 474
Vote 11 - ldp, Pms Department		2 922	2 926	2 926	306	602	488	115	23,6%	2 926
Vote 12 - Spatial Development, Planning & Traditional Affairs		11 020	13 311	13 311	931	1 786	2 219	(433)	-19,5%	13 311
Vote 13 - Electricity Department		1 053 764	749 700	749 700	7 181	10 896	124 950	(114 054)	-91,3%	749 700
Vote 14 - Maluti Water		150 258	111 327	111 327	15 410	47 998	18 555	29 444	158,7%	111 327
Vote 15 - Other		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	2 177 979	2 081 050	2 081 050	71 260	160 095	346 842	(186 747)	-53,8%	2 081 050
Surplus/ (Deficit) for the year	2	(652 803)	76 130	76 130	(20 990)	225 463	12 688	212 775	1676,9%	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) - M02 August

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	9 334	18 694	18 663	30	0%	111 979
Service charges - electricity revenue		64 290	446 336	446 336	4 832	8 983	74 389	(65 407)	-88%	446 336
Service charges - water revenue		101 905	209 623	209 623	8 004	17 148	34 937	(17 790)	-51%	209 623
Service charges - sanitation revenue		43 367	44 186	44 186	3 886	7 318	7 364	(47)	-1%	44 186
Service charges - refuse revenue		42 067	43 804	43 804	3 566	7 033	7 301	(268)	-4%	43 804
Rental of facilities and equipment		1 116	1 781	1 781	80	147	297	(150)	-50%	1 781
Interest earned - external investments		592	10 100	10 100	583	583	1 683	(1 100)	-65%	10 100
Interest earned - outstanding debtors		26 238	41 358	41 358	–	(5)	6 893	(6 898)	-100%	41 358
Dividends received								–		
Fines, penalties and forfeits		322	1 102	1 102	27	51	184	(132)	-72%	1 102
Licences and permits								–		
Agency services								–		
Transfers and subsidies		767 794	754 206	754 206	18 716	309 148	125 701	183 447	146%	754 206
Other revenue		107 392	234 760	234 760	1 242	16 458	39 127	(22 668)	-58%	234 760
Gains		8	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		1 268 936	1 899 235	1 899 235	50 270	385 558	316 539	69 019	22%	1 899 235
Expenditure By Type										
Employee related costs		667 674	660 113	660 113	60 990	143 552	110 019	33 533	30%	660 113
Remuneration of councillors		28 529	30 608	30 608	2 790	5 217	5 101	115	2%	30 608
Debt impairment		4 117	120 000	120 000	–	–	20 000	(20 000)	-100%	120 000
Depreciation & asset impairment		–	111 500	111 500	–	–	18 583	(18 583)	-100%	111 500
Finance charges		75 727	90 150	90 150	8	8	15 025	(15 017)	-100%	90 150
Bulk purchases - electricity		829 714	506 499	506 499	–	–	84 416	(84 416)	-100%	506 499
Inventory consumed		89 708	36 862	36 862	1 490	2 428	6 144	(3 715)	-60%	36 862
Contracted services		234 871	223 921	223 921	1 365	3 177	37 320	(34 143)	-91%	223 921
Transfers and subsidies		176 805	174 155	174 155	–	–	29 026	(29 026)	-100%	174 155
Other expenditure		70 832	127 241	127 241	4 617	5 714	21 207	(15 493)	-73%	127 241
Losses		1	–	–	–	–	–	–		–
Total Expenditure		2 177 979	2 081 050	2 081 050	71 260	160 095	346 842	(186 747)	-54%	2 081 050
Surplus/(Deficit)		(909 042)	(181 815)	(181 815)	(20 990)	225 463	(30 303)	255 765	(0)	(181 815)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		256 240	257 945	257 945	–	–	42 991	(42 991)	(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		(652 803)	76 130	76 130	(20 990)	225 463	12 688			76 130
Taxation								–		
Surplus/(Deficit) after taxation		(652 803)	76 130	76 130	(20 990)	225 463	12 688			76 130
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(652 803)	76 130	76 130	(20 990)	225 463	12 688			76 130
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(652 803)	76 130	76 130	(20 990)	225 463	12 688			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 - M02 August)

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		1 094	3 000	3 000	-	25	500	(475)	-95%	3 000
Vote 04 - Financial Services		572	1 000	1 000	-	-	167	(167)	-100%	1 000
Vote 05 - Municipal Infrastructure		138 036	201 592	201 592	3 915	14 968	33 599	(18 630)	-55%	201 592
Vote 06 - Community Services		9 954	24 583	24 583	1 974	5 299	4 097	1 202	29%	24 583
Vote 07 - Public Safety & Transport		1 962	6 100	6 100	-	-	1 017	(1 017)	-100%	6 100
Vote 08 - Sports, Arts, Parks, Culture		14 574	9 417	9 417	-	-	1 570	(1 570)	-100%	9 417
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		-	-	-	-	-	-	-	-	-
Vote 10 - Hunan Settlements		-	-	-	-	-	-	-	-	-
Vote 11 - ldp, Pms Department		-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-	-	-
Vote 13 - Electricity Department		51 732	47 000	47 000	-	-	7 833	(7 833)	-100%	47 000
Vote 14 - Maluti Water		1 036	1 812	1 812	-	149	302	(153)	-51%	1 812
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	218 959	294 505	294 505	5 889	20 442	49 084	(28 642)	-58%	294 505
Total Capital Expenditure		218 959	294 505	294 505	5 889	20 442	49 084	(28 642)	-58%	294 505
Capital Expenditure - Functional Classification										
Governance and administration		2 701	9 412	9 412	-	174	1 569	(1 395)	-89%	9 412
Executive and council		1 036	1 812	1 812	-	149	302	(153)	-51%	1 812
Finance and administration		1 665	7 600	7 600	-	25	1 267	(1 241)	-98%	7 600
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		26 490	36 500	36 500	1 974	5 299	6 083	(784)	-13%	36 500
Community and social services		9 954	25 583	25 583	1 974	5 299	4 264	1 036	24%	25 583
Sport and recreation		14 574	9 417	9 417	-	-	1 570	(1 570)	-100%	9 417
Public safety		1 962	1 500	1 500	-	-	250	(250)	-100%	1 500
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		12 369	45 277	45 277	796	955	7 546	(6 591)	-87%	45 277
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		12 369	45 277	45 277	796	955	7 546	(6 591)	-87%	45 277
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		177 400	203 315	203 315	3 119	14 013	33 886	(19 873)	-59%	203 315
Energy sources		51 732	47 000	47 000	-	-	7 833	(7 833)	-100%	47 000
Water management		52 596	101 276	101 276	1 754	3 900	16 879	(12 979)	-77%	101 276
Waste water management		73 071	55 039	55 039	1 365	10 113	9 173	940	10%	55 039
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	218 959	294 505	294 505	5 889	20 442	49 084	(28 642)	-58%	294 505
Funded by:										
National Government		200 320	248 593	248 593	5 889	20 268	41 432	(21 164)	-51%	248 593
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Companies, Urban Education)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		200 320	248 593	248 593	5 889	20 268	41 432	(21 164)	-51%	248 593
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		18 639	45 912	45 912	-	174	7 652	(7 478)	-98%	45 912
Total Capital Funding		218 959	294 505	294 505	5 889	20 442	49 084	(28 642)	-58%	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 - M02

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		61 265	(538 223)	(538 223)	470 117	(538 223)
Call investment deposits		22 976	9 022	9 022	23 560	9 022
Consumer debtors		1 626 060	2 018 200	2 018 200	1 657 192	2 018 200
Other debtors		1 229 687	367 174	367 174	1 238 912	367 174
Current portion of long-term receivables		144	–	–	144	–
Inventory		5 740	(198)	(198)	5 515	(198)
Total current assets		2 945 872	1 855 975	1 855 975	3 395 439	1 855 975
Non current assets						
Long-term receivables		(144)	–	–	(144)	–
Investments						
Investment property		53 717	–	–	53 717	–
Investments in Associate						
Property, plant and equipment		3 910 578	7 792 365	7 792 365	3 931 020	7 792 365
Biological						
Intangible		233	–	–	233	–
Other non-current assets						
Total non current assets		3 964 385	7 792 365	7 792 365	3 984 827	7 792 365
TOTAL ASSETS		6 910 257	9 648 340	9 648 340	7 380 266	9 648 340
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		(18 216)	–	–	(18 216)	–
Consumer deposits		25 978	295	295	26 028	295
Trade and other payables		9 443 063	5 668 665	5 668 665	9 291 908	5 668 665
Provisions		667 656	–	–	667 646	–
Total current liabilities		10 118 481	5 668 960	5 668 960	9 967 366	5 668 960
Non current liabilities						
Borrowing		10 166	–	–	10 166	–
Provisions		–	–	–	–	–
Total non current liabilities		10 166	–	–	10 166	–
TOTAL LIABILITIES		10 128 647	5 668 960	5 668 960	9 977 532	5 668 960
NET ASSETS	2	(3 218 390)	3 979 380	3 979 380	(2 597 266)	3 979 380
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		(3 247 857)	2 858 682	2 858 682	(2 704 406)	2 858 682
Reserves		(212 934)	–	–	(212 934)	–
TOTAL COMMUNITY WEALTH/EQUITY	2	(3 460 791)	2 858 682	2 858 682	(2 917 340)	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 - M02 August

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	23 022	(17 246)	-75%	138 133
Service charges		-	404 913	404 913	-	14 134	67 485	(53 351)	-79%	404 913
Other revenue		-	50 829	50 829	-	(39 346)	8 472	(47 817)	-564%	50 829
Transfers and Subsidies - Operational		-	753 706	753 706	-	290 332	125 618	164 714	131%	753 706
Transfers and Subsidies - Capital		-	257 945	257 945	-	63 431	42 991	20 440	48%	257 945
Interest		-	10 100	10 100	-	-	1 683	(1 683)	-100%	10 100
Dividends								-		
Payments										
Suppliers and employees		-	(1 551 983)	(1 551 983)	-	67 420	(258 664)	(326 084)	126%	(1 551 983)
Finance charges								-		
Transfers and Grants								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	63 643	63 643	-	401 748	10 607	(391 141)	-3688%	63 643
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)	(294 505)	-	(14 553)	(49 084)	(34 531)	70%	(294 505)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(294 360)	(294 505)	-	(14 697)	(49 084)	(34 387)	70%	(294 505)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits		-	295	-	17	17	49	(32)	-66%	295
Payments										
Repayment of borrowing								-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	295	-	17	17	49	32	66%	295
NET INCREASE/ (DECREASE) IN CASH HELD		-	(230 422)	(230 862)	17	387 067	(38 428)			(230 566)
Cash/cash equivalents at beginning:		(107 837)	-	-	(13 683)	507 360	-			507 360
Cash/cash equivalents at month/year end:		(107 837)	(230 422)	(230 862)		894 427	(38 428)			276 794



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PART 2 - SUPPORTING DOCUMENTATION

2.1. SUPPORTING TABLES

2.1.1. Debtors Age Analysis

- The total debt book amounted to **R2.2 billion** by the end of **August 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 **R627.5 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 - M02 August

Description	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis By Income Source										
Water	1200	10 844	12 655	14 454	9 197	12 210	14 626	61 271	492 342	627 599
Electricity	1300	5 411	5 810	5 200	4 334	3 636	3 319	23 082	257 990	308 783
Property Rates	1400	8 633	8 021	7 780	11 720	7 335	7 340	40 344	462 928	554 101
Waste Water Management	1500	4 337	3 897	3 933	3 863	3 825	3 814	22 443	196 354	242 467
Waste Management	1600	3 916	3 850	3 687	3 662	3 642	3 647	21 220	196 878	240 501
Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	3	18	10	5 560	6	5 418	15 765	188 708	215 488
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-
Other	1900	100	89	85	85	124	88	914	30 001	31 486
Total By Income Source	2000	33 245	34 339	35 149	38 420	30 778	38 252	185 039	1 825 202	2 220 424
Debtors Age Analysis By Customer Group										
Organs of State	2200	7 811	8 473	9 053	7 425	8 571	8 035	38 571	355 058	442 998
Commercial	2300	7 760	6 831	6 625	7 380	5 094	7 023	36 789	429 525	507 027
Households	2400	17 674	19 035	19 470	23 616	17 112	23 194	109 679	1 040 618	1 270 399
Other	2500	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	33 245	34 339	35 149	38 420	30 778	38 252	185 039	1 825 202	2 220 424



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2.1.2.Creditors Age Analysis

The total creditors amounted to **R7 billion** by the end of **August 2022**.

FS194 Maluti-a-Phofung - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

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	149,809	122,095	124,728	381,818	-	-	-	6,210,177	6,988,627
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	1,162	7,760	13,927	68,762	-	-	-	-	91,611
Auditor General	0800	-	7,591	53,820	219	-	-	-	-	281
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	150,971	129,862	138,709	450,800	-	-	-	6,210,177	7,080,519

2.1.3.Investments Portfolio Analysis

- The closing balances by the end of **August 2022** amounted to **R118.3 million**.

FS194 Maluti-a-Phofung - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02 August

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands							
Municipality							
Sanlam- 5926	Yrs	Money market	393	-	-	-	393
Sanlam - Money Market-50189057	Yrs	Money market	2 300	-	-	-	2 300
Sanlam- 11690236x2	Yrs	Money market	394	-	-	-	394
FNB 62212896346	Months	Call account	818	-	(0)	166	984
ABSA 9358605812	Months	Investment	19	0	-	-	19
SBSA 40823938	Months	Investment	50 000	-	-	-	50 000
SBSA 34 852 640 7	Months	Investment	0	-	-	-	0
FNB 62756806661	Months	Investment	14 208	65	-	-	14 272
NEDBANK 03/7881162791	Months	Investment	100 020	329	(50 329)	-	50 020
Municipality sub-total			168 151	394	(50 329)	166	118 382
Entities							
			-	-	-	-	-
Entities sub-total			-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST			168 151	394	(50 329)	166	118 382



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2.1.4.Councillors and Board Member Allowances and Employee Benefits

- The total employee costs in August for the Parent municipality including councillors amounted to **R48.6 million** and the year to date was at **R91.5 million**.

FS194 Maluti-a-Phofung - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August

Summary of Employee and Councillor remuneration	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		19 505	24 790	24 790	2 385	4 428	4 132	296	7%	24 790
Pension and UIF Contributions		119	134	134	11	21	22	(1)	-6%	134
Medical Aid Contributions		75	113	113	4	9	19	(10)	-54%	113
Motor Vehicle Allowance								-		
Cellphone Allowance		7 378	3 196	3 196	238	497	533	(36)	-7%	3 196
Housing Allowances								-		
Other benefits and allowances		1 453	2 376	2 376	152	262	396	(134)	-34%	2 376
Sub Total - Councillors		28 529	30 608	30 608	2 790	5 217	5 101	115	2%	30 608
% increase	4		7,3%	7,3%						7,3%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4 981	7 502	7 502	425	774	1 250	(476)	-38%	7 502
Pension and UIF Contributions		523	543	543	43	86	91	(4)	-4%	543
Medical Aid Contributions		99	131	131	10	19	22	(2)	-11%	131
Overtime								-		
Performance Bonus								-		
Motor Vehicle Allowance		758	1 035	1 035	38	97	172	(76)	-44%	1 035
Cellphone Allowance		72	122	122	14	18	20	(2)	-11%	122
Housing Allowances								-		
Other benefits and allowances		-	0	0	-	-	0	(0)	-100%	0
Payments in lieu of leave		-	-	-	-	-	-	-		-
Long service awards								-		
Post-retirement benefit obligations	2							-		
Sub Total - Senior Managers of Municipality		6 433	9 333	9 333	529	995	1 555	(561)	-36%	9 333
% increase	4		45,1%	45,1%						45,1%
Other Municipal Staff										
Basic Salaries and Wages		312 134	317 645	317 645	26 373	52 291	52 941	(650)	-1%	317 645
Pension and UIF Contributions		48 532	51 317	51 317	4 342	8 685	8 553	132	2%	51 317
Medical Aid Contributions		22 108	22 653	22 653	1 830	3 802	3 775	27	1%	22 653
Overtime		63 620	44 424	44 424	9 715	13 177	7 404	5 773	78%	44 424
Performance Bonus		22 639	24 377	24 377	921	3 397	4 063	(666)	-16%	24 377
Motor Vehicle Allowance		12 567	12 913	12 913	1 126	2 270	2 152	118	5%	12 913
Cellphone Allowance		802	826	826	93	185	138	47	34%	826
Housing Allowances		1 485	1 595	1 595	119	234	266	(32)	-12%	1 595
Other benefits and allowances		5 238	5 679	5 679	613	1 028	947	81	9%	5 679
Payments in lieu of leave		2 119	2 530	2 530	-	52	422	(369)	-88%	2 530
Long service awards		3 720	6 820	6 820	260	311	1 137	(825)	-73%	6 820
Post-retirement benefit obligations	2	(398)	-	-	(39)	(78)	-	(78)	#DIV/0!	-
Sub Total - Other Municipal Staff		494 566	490 781	490 781	45 352	85 354	81 797	3 558	4%	490 781
% increase	4		-0,8%	-0,8%						-0,8%
Total Parent Municipality		529 529	530 722	530 722	48 671	91 566	88 454	3 112	4%	530 722



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- The August total employee costs for the Entity amounted to **R15 million** and the year to date amounted to **R57 million**.
- The August **consolidated** total employee costs amounted to **R63.7 million** and the year to date was at **R148.7 million** (excluding councillors).

FS194 Maluti-a-Phofung - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August

Summary of Employee and Councillor remuneration	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									%	
	1	A	B	C						D
Senior Managers of Entities										
Basic Salaries and Wages		80	15 434	15 434	–	–	2 572	(2 572)	-100%	15 434
Pension and UIF Contributions		129	3 572	3 572	15	46	595	(549)	-92%	3 572
Medical Aid Contributions		–	816	816	–	–	136	(136)	-100%	816
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		–	–	–	–	–	–	–		–
Motor Vehicle Allowance		–	3 401	3 401	–	–	567	(567)	-100%	3 401
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		–	689	689	–	–	115	(115)	-100%	689
Other benefits and allowances		246	1 576	1 576	27	86	263	(177)	-67%	1 576
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	116	116	–	–	19	(19)	-100%	116
Post-retirement benefit obligations	2							–		
Sub Total - Senior Managers of Entities		455	25 605	25 605	42	132	4 268	(4 136)	-97%	25 605
% increase	4		5531,1%	5531,1%						5531,1%
Other Staff of Entities										
Basic Salaries and Wages		83 586	75 318	75 318	7 476	30 270	12 553	17 717	141%	75 318
Pension and UIF Contributions		8 401	14 783	14 783	602	2 428	2 464	(36)	-1%	14 783
Medical Aid Contributions		8 953	7 079	7 079	702	2 815	1 180	1 635	139%	7 079
Overtime		25 799	972	972	2 009	8 145	162	7 983	4930%	972
Performance Bonus		5 408	12 185	12 185	1 334	1 943	2 031	(88)	-4%	12 185
Motor Vehicle Allowance		13 585	11 028	11 028	1 158	4 560	1 838	2 722	148%	11 028
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		2 330	3 151	3 151	185	738	525	212	40%	3 151
Other benefits and allowances		14 876	8 807	8 807	1 422	5 763	1 468	4 296	293%	8 807
Payments in lieu of leave		1 462	–	–	64	64	–	64	#DIV/0!	–
Long service awards		731	1 072	1 072	–	–	179	(179)	-100%	1 072
Post-retirement benefit obligations		1 090	–	–	115	346	–	346	#DIV/0!	–
Sub Total - Other Staff of Entities		166 220	134 394	134 394	15 067	57 071	22 399	34 672	155%	134 394
% increase	4		-19,1%	-19,1%						-19,1%
Total Municipal Entities		166 674	160 000	160 000	15 109	57 203	26 667	30 536	115%	160 000
TOTAL SALARY, ALLOWANCES & BENEFITS		696 203	690 722	690 722	63 780	148 769	115 120	33 648	29%	690 722
% increase	4		-0,8%	-0,8%						-0,8%
TOTAL MANAGERS AND STAFF		667 674	660 113	660 113	60 990	143 552	110 019	33 533	30%	660 113



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2.2. PARENT MUNICIPALITY FINANCIAL PERFORMANCE

The total revenue for the parent municipality amounted to **R30.5 million**

The total expenditure amounted to **R51.3 million**.

FS194 Maluti-a-Phofung - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

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	9 334	18 694	18 663	30	0%	111 979
Service charges - electricity revenue		64 290	446 336	446 336	4 832	8 983	74 389	(65 407)	-88%	446 336
Service charges - water revenue		101 905	209 623	209 623	8 004	17 148	34 937	(17 790)	-51%	209 623
Service charges - sanitation revenue		43 367	44 186	44 186	3 886	7 318	7 364	(47)	-1%	44 186
Service charges - refuse revenue		42 067	43 804	43 804	3 566	7 033	7 301	(268)	-4%	43 804
Rental of facilities and equipment		1 116	1 781	1 781	80	147	297	(150)	-50%	1 781
Interest earned - external investments		592	10 000	10 000	583	583	1 667	(1 083)	-65%	10 000
Interest earned - outstanding debtors		26 238	41 358	41 358	–	(5)	6 893	(6 898)	-100%	41 358
Dividends received										
Fines, penalties and forfeits		322	1 102	1 102	27	51	184	(132)	-72%	1 102
Licences and permits										
Agency services										
Transfers and subsidies		642 855	754 206	754 206	–	290 332	125 701	164 631	131%	754 206
Other revenue		34 071	38 860	38 860	237	591	6 477	(5 886)	-91%	38 860
Gains		8	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		1 070 677	1 703 235	1 703 235	30 548	350 874	283 873	67 002	24%	1 703 235
Expenditure By Type										
Employee related costs		500 999	500 113	500 113	45 881	86 349	83 352	2 997	4%	500 113
Remuneration of councillors		28 529	30 608	30 608	2 790	5 217	5 101	115	2%	30 608
Debt impairment		4 117	120 000	120 000	–	–	20 000	(20 000)	-100%	120 000
Depreciation & asset impairment		–	110 000	110 000	–	–	18 333	(18 333)	-100%	110 000
Finance charges		75 727	90 150	90 150	8	8	15 025	(15 017)	-100%	90 150
Bulk purchases - electricity		829 711	506 499	506 499	–	–	84 416	(84 416)	-100%	506 499
Inventory consumed		81 252	25 596	25 596	19	629	4 266	(3 637)	-85%	25 596
Contracted services		226 685	215 831	215 831	739	1 844	35 972	(34 128)	-95%	215 831
Transfers and subsidies		176 805	174 155	174 155	–	–	29 026	(29 026)	-100%	174 155
Other expenditure		51 521	113 910	113 910	1 958	2 426	18 985	(16 559)	-87%	113 910
Losses		1	–	–	–	–	–	–		–
Total Expenditure		1 975 350	1 886 862	1 886 862	51 395	96 472	314 477	(218 005)	-69%	1 886 862
Surplus/(Deficit)		(904 673)	(183 627)	(183 627)	(20 847)	254 402	(30 605)	285 007	(0)	(183 627)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		256 240	257 945	257 945	–	–	42 991	(42 991)	(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		(648 433)	74 318	74 318	(20 847)	254 402	12 386			74 318
Taxation								–		
Surplus/(Deficit) after taxation		(648 433)	74 318	74 318	(20 847)	254 402	12 386			74 318
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(648 433)	74 318	74 318	(20 847)	254 402	12 386			74 318
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(648 433)	74 318	74 318	(20 847)	254 402	12 386			74 318



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2.3. MUNICIPAL ENTITY FINANCIAL PERFORMANCE

The total revenue for August was **R19.7 million** and the year to date was **R34.6 million**. The entity has incorrectly captured the transactions under the subsidy category. A journal must be performed to move the transactions to other revenue category. The total expenditure for August was **R19.8 million** and the year to date amounted to **R63.6 million**.

Maluti Water (Pty) Ltd - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Mauli Water (Pty) Ltd - Table 12 Monthly Budget Statement - Financial Performance (Revenue and Expenditure) - 2021/22										
Description	Ref	2020/21	Current Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source	1									
Property rates								-		
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue								-		
Rental of facilities and equipment								-		
Interest earned - external investments		-	100	100	-	-	17	(17)	-100,0%	100
Interest earned - outstanding debtors								-		
Dividends received								-		
Fines, penalties and forfeits								-		
Licences and permits								-		
Agency services								-		
Transfers and subsidies		124 939	-	-	18 716	18 816	-	18 816	#DIV/0!	-
Other revenue		73 321	195 900	195 900	1 005	15 867	32 650	(16 783)	-51,4%	195 900
Gains		-	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		198 260	196 000	196 000	19 722	34 684	32 667	2 017	6,2%	196 000
Expenditure By Type										
Employee related costs		166 674	160 000	160 000	15 109	57 203	26 667	30 536	114,5%	160 000
Remuneration of Directors								-		
Debt impairment		-	-	-	-	-	-	-		
Depreciation & asset impairment		-	1 500	1 500	-	-	250	(250)	-100,0%	1 500
Finance charges		-	-	-	-	-	-	-		
Bulk purchases - electricity	2	3	-	-	-	-	-	-		
Inventory consumed		8 455	11 266	11 266	1 470	1 799	1 878	(78)	-4,2%	11 266
Contracted services		8 185	8 091	8 091	626	1 333	1 348	(16)	-1,2%	8 091
Transfers and subsidies								-		
Other expenditure		19 310	13 331	13 331	2 660	3 288	2 222	1 066	48,0%	13 331
Losses		-	-	-	-	-	-	-		-
Total Expenditure	3	202 629	194 188	194 188	19 865	63 623	32 365	31 258	96,6%	194 188
Surplus/(Deficit)		(4 369)	1 812	1 812	(143)	(28 939)	302	(29 241)	-9682,4%	1 812
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)								-		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)								-		
Transfers and subsidies - capital (in-kind - all)								-		
Surplus/(Deficit) before taxation		(4 369)	1 812	1 812	(143)	(28 939)	302	(29 241)	-9682,4%	1 812
Taxation								-		
Surplus/(Deficit) for the year		(4 369)	1 812	1 812	(143)	(28 939)	302	(29 241)		1 812
References										
1. Revenue includes sales of: (insert description)										
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 SAM MAKHUBU 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 **August 2022** has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print name: SAM MAKHUBU

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

Signature: [Signature]

Date: 27/09/2022