

**DRAFT MINUTES OF THE SEVENTH (7TH) ORDINARY COUNCIL MEETING
OF THE FIFTH COUNCIL OF MALUTI-A-PHOFUNG LOCAL MUNICIPALITY
HELD ON THURSDAY THE 26TH OCTOBER 2023 AT THE NEW COUNCIL
CAMBER AT 10H00.**

**13.2.3 QUARTERLY BUDGET STATEMENT REPORT –MFMA
Section 52(D) FOR THE 1ST QUARTER
(JULY – SEPTEMBER 2023)**

“ANNEXURE I”

- Resolved:** 1. Council takes note of the MFMA section 52(d) report for the 1st Quarter (July –September 2023)
2. Revenue enhancement must be prioritised by Council and the Municipality.

Signed by :.....

Committee Secretary :..... N. SIBNA

Date : 31 October 2023

Issued by : NJABULO SIBNA

Received by : Tekoho



MALUTI -A- PHOFUNG

LOCAL

MUNICIPALITY

ORDINARY

COUNCIL

MEETING

ANNEXURE "I"



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Budget statement report for the 1st quarter (July – September) 2023- MFMA s52 (d)

REPORT BY THE EXECUTIVE MAYOR FOR SUBMISSION TO COUNCIL QUARTERLY BUDGET STATEMENT REPORT- MFMA s52 (d) FOR THE 1ST QUARTER (JULY – SEPTEMBER) 2023

1. PURPOSE

The purpose of this report is to provide the budget statement of the Municipality for the 1st quarter ending 30th September 2023.

2. BUSINESS PLAN

IDP and Budget Process Plan

3. STRATEGIC OBJECTIVE

To ensure compliance to statutory reporting deadlines.

4. DELEGATED AUTHORITY

Delegated powers vest with Council.

5. ANNEXURES

None.

6. POLICY

Budget related policies.

7. LEGAL REQUIREMENTS

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

The mayor of a municipality -

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



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Budget statement report for the 1st quarter (July – September) 2023- MFMA s52 (d)

8. BACKGROUND AND DISCUSSION

In order to comply with the MFMA requirements, this report must be submitted to Council on or before the **31st October 2023**.

MFMA Circular 123 requires municipalities to include a completed equitable share release requirement checklist as part of the MFMA s52(d) quarterly reporting. The report is included on page 27.

9. FINANCIAL IMPLICATIONS

Consolidated financial performance for the 1st quarter ending 30th September 2023.

- The total actual operational revenue for the 1st quarter amounted to **R562.9 million**.
- The total actual operational expenditure for the 1st quarter amounted to **R554.9 million**.
- The total actual capital expenditure for the 1st quarter amounted to **R36.4 million**.
- The total debtor's book total amounted to **R2.434 billion** as indicated on **page 20** of the report.
- The creditors balance amounted to **R8.161 billion** as indicated on **page 21** of the report.

10. STAFF IMPLICATIONS

The total number of employees by the end of the 1st quarter ending 30th September 2023.

- Parent municipal staff including Councillors was **1 248**.
- MAP Water (SOC) Ltd was **274**.

11. COMMENTS FROM OTHER DIRECTORS

The report will be circulated to all directorates.

12. RECOMMENDATION

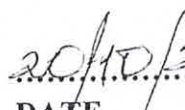
It is recommended

- That the MFMA section 52(d) report for the 1st quarter (July – September) 2023 be noted.

SUBMITTED BY


.....

THE EXECUTIVE MAYOR
Cllr. M.M LAKAJE - MOSIA


20/10/2023
DATE



Local Municipality • Mmasepala wa sechaba • Plaatslike Munisipaliteit

Budget statement report for the 1st quarter (July – September) 2023- MFMA s52 (d)

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Budget statement report for the 1st quarter (July – September) 2023- MFMA s52 (d)

PART 1 IN-YEAR REPORT

1.1 EXECUTIVE SUMMARY

1.1.1 Table C1 Consolidated Monthly Budget Statement Summary

The total revenue for 1st quarter was **R514.5 million** and the total operating expenditure for 1st quarter amounted to **R554.9 million**. The total capital expenditure for the 1st quarter amounted to **R36.4 million**.

Description R thousands	Original Budget	Jul-23	Aug-23	Sep-23	1st quarter	YTD Actual	YearTD budget	YTD variance	YTD variance %
Financial Performance									
Property rates	128 537	4 257	9 142	8 390	21 790	21 790	32 134	(10 345)	-32%
Service charges	723 939	23 504	21 328	106 846	151 678	151 678	180 985	(29 307)	-16%
Transfers and subsidies	4 620	–	564	271	835	835	1 155	(320)	-28%
Other own revenue	848 806	333 173	1 558	5 515	340 245	340 245	212 202	128 044	60%
Intercompany/Parent subsidiary transactions	263 118	15 320	17 499	15 587	48 406	48 406	65 779	(17 374)	-26%
Total Revenue (excluding capital transfers and contributions)	1 969 021	376 255	50 090	136 610	562 954	562 954	492 255	70 699	14%
Employee costs	743 437	57 745	60 140	55 295	173 181	173 181	185 859	(12 678)	-7%
Remuneration of Councillors	33 085	2 427	2 450	2 677	7 554	7 554	8 271	(717)	-9%
Depreciation & asset impairment	153 916	–	–	–	–	–	38 479	(38 479)	-100%
Finance charges	15 144	1	0	–	1	1	3 786	(3 784)	-100%
Inventory consumed and bulk purchases	624 044	111 167	111 353	72 404	294 923	294 923	156 011	138 913	89%
Transfers and subsidies	187 200	11 594	13 033	14 267	38 894	38 894	46 800	(7 906)	-17%
Other expenditure	432 897	5 878	9 358	25 179	40 415	40 415	108 224	(67 809)	-63%
Total Expenditure	2 189 723	188 812	196 335	169 822	554 969	554 969	547 431	7 538	1%
Surplus/(Deficit)	(220 702)	187 443	(146 245)	(33 212)	7 985	7 985	(55 175)	63 161	-114%
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	234 059	–	17 931	1 651	19 583	19 583	58 515	(38 932)	-67%
Surplus/(Deficit) after capital transfers & contributions	13 357	187 443	(128 314)	(31 561)	27 568	27 568	3 339	24 228	726%
Capital expenditure	280 614	14 924	3 831	17 702	36 457	36 457	70 154	(33 697)	-111%
Capital transfers recognised	224 272	14 883	726	16 283	31 893	31 893	56 068	(24 175)	-43%
Internally generated funds	56 342	41	3 104	1 419	4 564	4 564	14 086	(9 522)	-68%



Local Municipality • Matatsoa wa sechaba • Flouklke Municipality

Budget statement report for the 1st quarter (July – September) 2023- MFMA s52 (d)

1.1.2 Material variance explanations on Revenue by Sources

Description	Budget year 2023-2024								
	Original Budget	Jul-23	Aug-23	Sep-23	1st quarter actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands (R'000)									
Revenue By Source									
Exchange Revenue									
Service charges - Electricity	508 227	7 599	5 317	90 216	103 132	103 132	127 057	(23 925)	-19%
Service charges - Water	118 471	7 795	8 674	9 324	25 794	25 794	29 618	(3 824)	-13%
Service charges - Waste Water Management	48 724	3 964	3 624	3 604	11 192	11 192	12 181	(989)	-8%
Service charges - Waste management	48 518	4 146	3 712	3 703	11 561	11 561	12 129	(569)	-5%
Sale of Goods and Rendering of Services	5 918	140	280	285	705	705	1 479	(774)	-52%
Interest earned from Receivables	13 798	-	-	3 056	3 056	3 056	3 450	(394)	-11%
Interest from Current and Non Current Assets	4 620	-	564	271	835	835	1 155	(320)	-28%
Rental from Fixed Assets	2 504	72	72	88	232	232	626	(394)	-63%
Operational Revenue	2 889	20	34	93	147	147	722	(575)	-80%
Non-Exchange Revenue									
Property rates	128 537	4 257	9 142	8 390	21 790	21 790	32 134	(10 345)	-32%
Fines, penalties and forfeits	1 500	(1 070)	1 141	24	94	94	375	(281)	-75%
Transfers and subsidies - Operational	810 030	334 012	30	703	334 746	334 746	202 508	132 238	65%
Interest	12 163	-	-	1 266	1 266	1 266	3 041	(1 775)	-58%
Other Gains	4	-	-	-	-	-	1	(1)	-100%
Total	1 705 903	360 934	32 591	121 023	514 548	514 548	426 476	88 072	21%
Intercompany/Parent subsidiary transactions	263 118	15 320	17 499	15 587	48 406	48 406	65 779	(17 374)	-26%
Total Revenue	1 969 021	376 255	50 090	136 610	562 954	562 954	492 255	70 699	14%

- **Electricity revenue** amounted to **R103.1 million** which is **19%** less than target of **R127 million** for 1st quarter. The July – September transactions amounting to **R57.8 million** for the LPUs billed by Eskom were recorded by a journal into the financial system, and the pre-paid electricity bank transactions amounting to **R28.1 million** which also included July-September transactions were also recorded in September, hence the September figure is high.

Large Power Users billing transactions	
Month	Billing
Jul-23	17 598 358,48
Aug-23	22 673 267,36
Sep-23	17 540 746,36
Total	57 812 372,20



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- **Water revenue** amounted to **R25.7 million**. This includes the flat rate implementation which amounted to **R239.2 thousands** by the end of 1st quarter.
- **Waste water management revenue** amounted to **R11.1 million** by the end of the 1st quarter.
- **Waste management revenue** amounted to **R11.5 million** by the end of the 1st quarter.
- **Sale of good and services** amounted to **R705 thousands**. Details indicated on page 8.
- **Interest earned receivables (debtors)** was **R3 million** by the end of the 1st quarter.
- **Interest from current and non-current assets** amounted to **R835 thousand** by the end of the 1st quarter.
- **Rental of facilities** amounted to **R232 thousands**.
- **Operational revenue** – amounted to **R147 thousands**. Details indicated on page 8.
- **Property rates** amounted to **R21.7 million** which was **32%** less than the target of **R32.1 million**.
- **Fines** amounted to **R94 thousands** by the end of 1st quarter. A journal was done to correct the negative **R1 million** recorded in July 2023.
- **Transfers and subsidies** for 1st quarter amounted to **R334.7 million**, which is the revenue recognised for the grants.
- **Interest (on property rates)** – amounted **R1.2 million** by the end of the 1st quarter.
- **Intercompany transactions** amounted to **R48.4 million** by the end of 1st quarter. This relates to the monthly billing or invoices by the Entity to the Parent.



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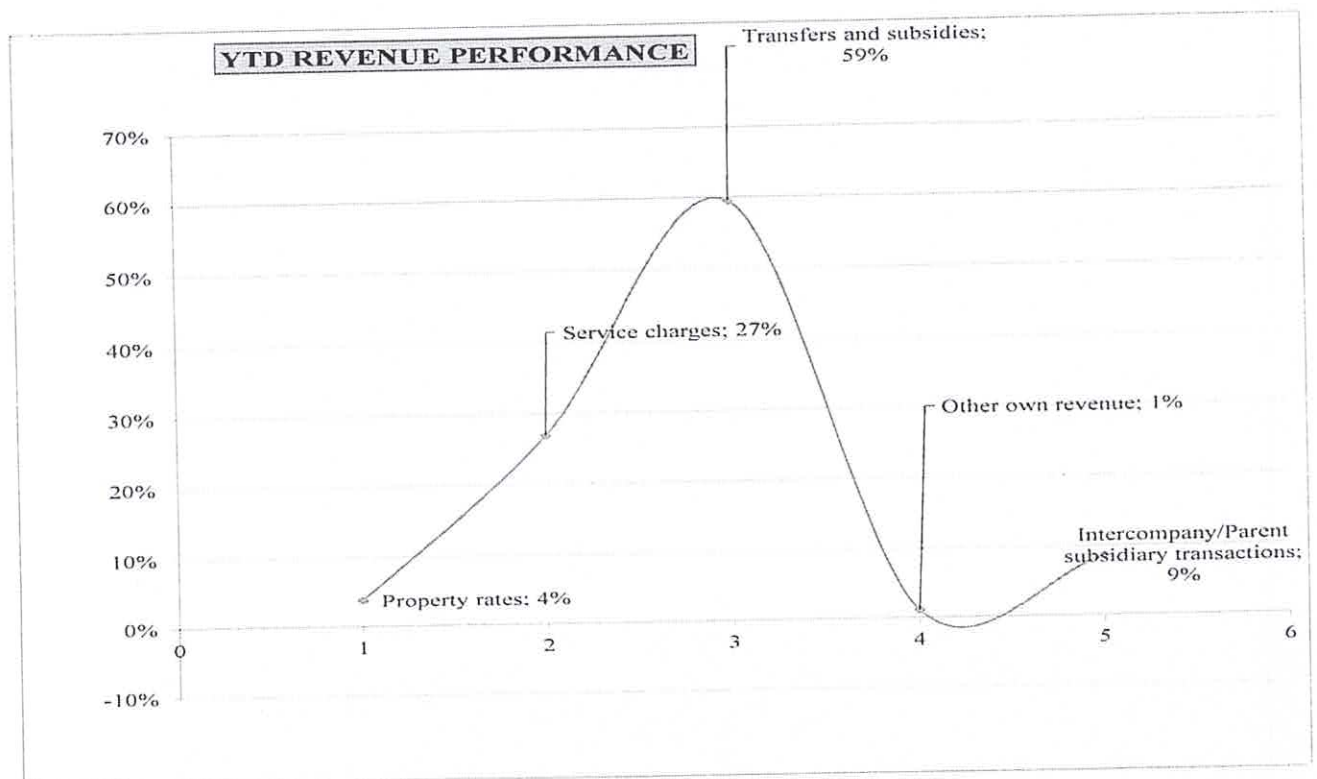
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The chart below indicates the percentage contribution of revenue sources to the total year to date revenue

It can be seen from the table below that **59%** of the total revenue to date came from Transfers and subsidies. The second contributor to the municipality comes from services charges, which was at **27%** by the end of **September 2023**.

Description R'000	Year to date performance	%
Property rates	21 790	4%
Service charges	151 678	27%
Transfers and subsidies	334 746	59%
Other own revenue	6 335	1%
Intercompany/Parent subsidiary transactions	48 406	9%
Total Revenue	562 954	100%





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Budget statement report for the 1st quarter (July – September) 2023- MFMA s52 (d)

SALES OF GOODS AND RENDERING OF SERVICES & OPERATIONAL REVENUE BREAKDOWN

DESCRIPTION	BUDGET	JULY ACTUAL	AUGUST ACTUAL	SEPTEMBER ACTUAL	Q1 ACTUALS	YTD MOVEMENT
SALES OF GOODS AND RENDERING OF SERVICES						
ADVERTISEMENTS	-318 000	-2 677	-8 846	-1 908	-13 431	-13 431
CEMETERY & BURIAL	-1 490 576	-100 951	-147 194	-104 289	-352 434	-352 434
ESCORT FEES	-40 637	-1 399	-2 449	-2 098	-5 946	-5 946
ENTRANCE FEES	-300 000	-2 174	-2 174	-2 348	-6 696	-6 696
FIRE SERVICES	-56 710	-	-	-	-	-
CALL OUT FEES	-7 797	-	-	-	-	-
SUNDRY INCOME	-360 069	-2 064	-10 850	-791	-13 705	-13 705
HOUSING/BOARDING SERVICES: PRIVATE	-636 000	-	-	-	-	-
MANAGEMENT FEES	-38 269	-732	-753	-3 420	-4 905	-4 905
PARKING FEES	-19 046	-	-1 900	-1 900	-3 800	-3 800
PHOTOCOPIES & FAXES	-943	-	-	-	-	-
PLAN & DEV: APPLICAT FEES FOR LAND USAGE	-31 800	-204	-204	-	-408	-408
PLAN & DEV: BUILDING PLAN APPROVAL	-159 000	-18 950	-80 783	-149 452	-249 185	-249 185
PLAN & DEV: BUILDING PLAN CLAUSE LEVY	-2 650	-	-	-	-	-
PLAN & DEV: CLEARANCE CERTIFICATES	-19 492	-6 764	-9 507	-4 988	-21 259	-21 259
PLAN & DEV: ENCROACHMENT FEES	-10 600	-1 277	-	-	-1 277	-1 277
CONTAINERS 12MONTHS	-5 300	-	-	-	-	-
IDENTIFICATION OF PEGS	-2 765	-	-4 348	-	-4 348	-4 348
SPECIAL CONSENT APPLICATION	-15 900	-	-	-	-	-
SUB DIVISION APPLICATION	-15 900	-	-1 478	-	-1 478	-1 478
PLAN & DEV: TOWN PLANNING & SERVITUDES	-1 060	-	-	-	-	-
SALE OF: AGRIC PROD - ASSET < CAP THRESH	-2 000 000	-	-	-	-	-
SALE OF: PUBLICATION - MAPS	-10 600	-	-	-	-	-
SALE OF: PUBLICATION - PRINTS	-1 518	-	-	-	-	-
SALE OF: PUBLICATION - TENDER DOCUMENTS	-330 000	-1 025	-6 087	-8 468	-15 580	-15 580
SALE OF: VALUATION ROLLS	-43 110	-2 061	-3 880	-4 973	-10 915	-10 915
SUB TOTAL : SALES & RENDERING OF SERV	-5 917 742	-140 278	-280 453	-284 636	-705 366	-705 366
OPERATIONAL REVENUE						
STAFF RECOVERIES	-418 349	-	-16 474	-16 474	-32 948	-32 948
REQ INFO - MUNICIPAL INFOR & STATISTICS	-200 000	-1 636	-3 622	-2 794	-8 052	-8 052
SALE OF PROPERTY	-1 590 000	-18 261	-14 261	-73 913	-106 435	-106 435
SKILLS DEVELOPMENT LEVY REFUND	-680 988	-	-	-	-	-
SUB TOTAL : OPERATIONAL REVENUE	-2 889 337	-19 897	-34 357	-93 181	-147 435	-147 435



Local Municipality • Mmabatho water & sewerage • Ficksburg Municipality

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Budget statement report for the 1st quarter (July – September) 2023- MFMA s52 (d)

1.1.3 Material variance explanations on Expenditure by Type

Description R thousands (R'000)	Budget year 2023-2024								
	Original Budget	Jul-23	Aug-23	Sep-23	1st quarter actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
Expenditure by type									
Employee related costs	743 437	57 745	60 140	55 295	173 181	173 181	185 859	(12 678)	-7%
Remuneration of councillors	33 085	2 427	2 450	2 677	7 554	7 554	8 271	(717)	-9%
Bulk purchases - electricity	565 900	110 598	108 849	70 778	290 225	290 225	141 475	148 750	105%
Inventory consumed	58 144	569	2 504	1 626	4 699	4 699	14 536	(9 837)	-68%
Debt impairment	60 000	—	—	—	—	—	15 000	(15 000)	-100%
Depreciation and amortisation	153 916	—	—	—	—	—	38 479	(38 479)	-100%
Interest	15 144	1	0	—	1	1	3 786	(3 784)	-100%
Contracted services	210 581	2 125	5 831	16 171	24 127	24 127	52 645	(28 518)	-54%
Transfers and subsidies	187 200	11 594	13 033	14 267	38 894	38 894	46 800	(7 906)	-17%
Irrecoverable debts written off	17 000	235	86	27	348	348	4 250	(3 902)	-92%
Operational costs	145 300	3 518	3 441	8 981	15 939	15 939	36 325	(20 386)	-56%
Other Losses	16	—	—	—	—	—	4	(4)	-100%
Total	2 189 723	188 812	196 335	169 822	554 969	554 969	547 431	7 538	1%

- **Employee related costs** outcome for the 1st quarter amounted **R173.1 million**. This is a consolidated figure, the parent employee related costs amounted to **R137.6 million** including **R14 million** for overtime, the entity's costs amounted to **R35.5 million** including the overtime of **R3.9 million**.
- **Remuneration of councillors'** outcome for the 1st quarter amounted to **R7.5 million**.
- **Bulk purchases - Electricity** for the 1st quarter amounted to **R290 million**.
- **Inventory consumed** amounted to **R4.6 million**.
- **Debt impairment** there is no movement by the end of the 1st quarter.
- **Depreciation and amortisation** there is no movement by the end of the 1st quarter.
- **Interest** amounted to **R1.4 thousands** by the end of 1st quarter. The 1st quarter total interest charged of **R106.3** for the bulk electricity could not be captured due to insufficient budget.
- **Contracted services** amounted to **R24.1 million**. Details indicated on **page 11-12**.
- **Transfers and subsidies** 1st quarter outcomes was at **R38.8 million**.
- **Irrecoverable debts written off** amounted to date **R348 thousands**.
- **Operational costs** for 1st quarter was at **R15.9 million**. This category includes amongst others; protective clothing, water and sewerage levies to the entity, advertisements, audit fees).



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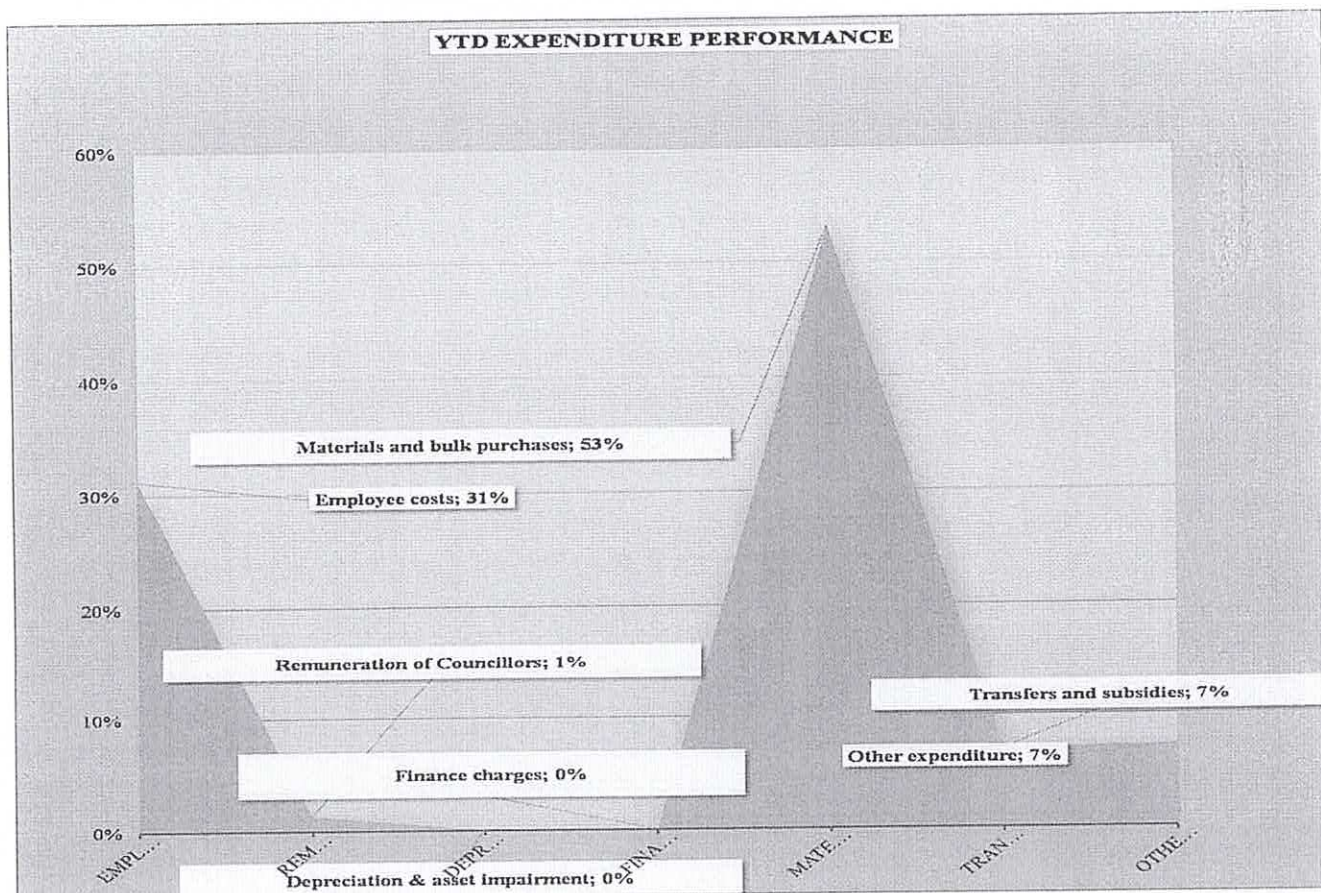
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Budget statement report for the 1st quarter (July – September) 2023- MFMA s52 (d)

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

The chart shows that to date 53% of the total year to date expenditure was from materials and bulk purchases. The year to date employee costs are at 31% of the total expenditure.

Description R'000	Year to date performance	%
Employee costs	173 181	31%
Remuneration of Councillors	7 554	1%
Depreciation & asset impairment	—	0%
Finance charges	1	0%
Materials and bulk purchases	294 923	53%
Transfers and subsidies	38 894	7%
Other expenditure	40 415	7%
Total Expenditure	554 969	100%





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Budget statement report for the 1st quarter (July – September) 2023- MFMA s52 (d)

CONTRACTED SERVICES BREAKDOWN

DESCRIPTION	BUDGET	JULY ACTUAL	AUGUST ACTUAL	SEPTEMBER ACTUAL	1ST QUARTER ACTUAL	YTD MOVEMENT
OUTSOURCE SERVICES						
OS: BURIAL SERVICES	600 000	-	6 000	41 500	47 500	47 500
OS: B&A COMMUNICATIONS	23 126	-	-	-	-	-
OS: B&A HUMAN RESOURCES	710 000	-	-	-	-	-
OS: B&A OCCUPATIONAL HEALTH & SAFETY	250 000	28 950	-	-	28 950	28 950
OS: B&A PROJECT MANAGEMENT	11 498 700	-	-	-	-	-
OS: B&A RESEARCH & ADVISORY	11 949 268	899 142	1 342 016	1 953 680	4 194 838	4 194 838
OS: CLEARING & GRASS CUTTING SERVICES	50 278	-	-	-	-	-
R & M - GROUNDS & OPEN SPACES	180 000	-	-	-	-	-
OS: FIRE SERVICES	214 000	-	-	-	-	-
OS: PROFESSIONAL STAFF	200 000	-	-	-	-	-
OS: PRINTING SERVICES	1 000 000	-	-	-	-	-
OS: SECURITY SERVICES	22 493 548	-	1 275 321	1 865 850	3 141 171	3 141 171
OS: TRAFFIC FINES MANAGEMENT	1 000 000	-	22 174	-	22 174	22 174
SUB TOTAL : OUTSOURCE SERVICES	50 168 920	928 092	2 645 511	3 861 030	7 434 632	7 434 632
CONSULTANTS AND PROFESSIONAL SERVICES						
C&PS: B&A ACCOUNTANTS & AUDITORS	150 000	-	-	-	-	-
C&PS: B&A AIR POLLUTION	300 000	-	-	-	-	-
C&PS: B&A AUDIT COMMITTEE	832 908	29 586	-	59 173	88 759	88 759
C&PS: B&A BUSINESS & FIN MANAGEMENT	9 963 896	-	263 115	-	263 115	263 115
INDIGENT REGISTER	2 140 000	-	-	-	-	-
READING OF METERS	2 818 346	-	-	341 517	341 517	341 517
SERVICE CONTRACTS	1 166 312	-	-	-	-	-
VAT REVIEW	5 000 000	-	-	-	-	-
C&PS: B&A HUMAN RESOURCES	5 000 000	-	-	-	-	-
C&PS: B&A ORGANISATIONAL	119 519	-	80 000	-	80 000	80 000
C&PS: B&A PROJECT MANAGEMENT	10 322 100	709 210	709 299	709 300	2 127 809	2 127 809
C&PS: B&A VALUER & ASSESSORS	2 605 000	-	-	-	-	-
C&PS: I&P TOWN PLANNER	3 000 000	-	-	250 000	250 000	250 000
C&PS: LAB SERV WATER	754 185	-	-	-	-	-
C&PS: LEGAL COST ADVICE & LITIGATION	10 714 786	155 294	1 304	2 285 559	2 442 158	2 442 158
SUB TOTAL : CONSULTANT AND PROF SERVICES	54 887 052	894 091	1 053 718	3 645 549	5 593 357	5 593 357



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Budget statement report for the 1st quarter (July – September) 2023- MFMA s52 (d)

CONTRACTED SERVICES BREAKDOWN

DESCRIPTION	BUDGET	JULY ACTUAL	AUGUST ACTUAL	SEPTEMBER ACTUAL	1ST QUARTER ACTUAL	YTD MOVEMENT
CONTRACTORS						
CONTR: AUDIO-VISUAL SERVICES	220 000	-	-	-	-	-
CONTR: CATERING SERVICES	1 230 000	1 497	-	28 978	30 475	30 475
CONTR: ELECTRICAL	1 000 000	-	-	-	-	-
R & M - NETWORK RETICULATION	15 000 000	-	1 409 935	2 572 250	3 982 185	3 982 185
R & M - SUBSTATIONS	15 000 000	-	-	5 510 993	5 510 993	5 510 993
R & M - TRANSFORMERS	5 000 000	-	-	-	-	-
R & M - STREET LIGHTS	5 000 000	-	-	-	-	-
R & M - TRAFFIC LIGHTS	3 000 000	-	-	-	-	-
CONTR: EMPLOYEE WELLNESS	550 166	-	-	66 450	66 450	66 450
CONTR: MAINT OF BUILDINGS & FACILITIES	300 000	-	-	-	-	-
R & M - BUILDINGS	5 000 000	-	-	28 380	28 380	28 380
CONTR: MAINTENANCE OF EQUIPMENT	1 635 000	-	-	-	-	-
R & M - COMPUTER EQUIPMENT	2 128 211	-	-	-	-	-
R & M - MOTORS & PUMPS	200 000	-	-	-	-	-
CONTR: MAINTENANCE OF LANDFILLSITE	9 675 000	-	-	-	-	-
R & M - BUILD & GROUND PUMP STATIONS	418 258	-	-	20 435	20 435	20 435
R & M - BUILD & GROUND RESERVOIRS	334 606	-	-	-	-	-
R & M - BUILD & GROUNDS FIKA PATSO WTW	19 010	-	-	-	-	-
R & M - BUILD & GROUNDS MAKWANE WTW	38 022	-	-	-	-	-
R & M - BUILDING & GR STERKFORTEIN WTW	19 010	-	-	-	-	-
R & M - BUILDING & GROUNDS WILGE WTW	623 902	-	-	-	-	-
R & M - FLEET MANAGEMENT	1 059 669	-	-	-	-	-
R & M - MAINTANANCE OF VIP TOILETS	4 000 000	-	-	-	-	-
R & M - MOTORS & PUMPS FIKA PATSO WTW	38 022	-	-	-	-	-
R & M - MOTORS & PUMPS HS & TSIAME WWTW	246 787	-	-	-	-	-
R & M - MOTORS & PUMPS MAKWANE WTW	95 057	-	-	-	-	-
R & M - MOTORS & PUMPS PIHU ELA KEST WWTW	258 965	-	-	-	-	-
R & M - MOTORS & PUMPS PUMP STATIONS	841 805	-	-	-	-	-
R & M - MOTORS & PUMPS RESERVOIRS	76 646	-	-	-	-	-
R & M - MOTORS & PUMPS STERKFORTEIN WTW	19 010	-	-	-	-	-
R & M - MOTORS & PUMPS WILGE WTW	145 179	-	-	-	-	-
R & M - NETW RETICUL QWA QWA	6 187 191	-	102 297	312 591	414 888	414 888
R & M - NETWORK RETICULATION HARRYSMITH	2 433 537	-	24 031	76 964	100 994	100 994
R & M - QUALITY MONITORING	628 487	-	-	-	-	-
R & M - RESURFACING OF ROADS	6 000 000	301 000	-	-	301 000	301 000
R & M - SHEQ PLUS SHEQ INCENTIVE	1 907 753	-	-	-	-	-
R & M - STREETS & STORMWATER	2 000 000	-	-	-	-	-
R & M - VEHICLE LICENSES	1 005 581	-	-	-	-	-
R & M - VEHICLES	2 128 487	-	231 878	47 701	279 578	279 578
R&M - MOTORS & PUMPS MAKW & MOEDING WWTW	30 417	-	-	-	-	-
CONTR: MEDICAL SERVICES	600 000	-	-	-	-	-
CONTR: PREPAID ELECTRICITY VENDORS	8 920 420	-	363 951	-	363 951	363 951
CONTR: TRACING AGENTS & DEBT COLLECTORS	11 102	-	-	-	-	-
CONTR: TRANSPORTATION CONTRACTOR	500 000	-	-	-	-	-
SUB TOTAL : CONTRACTORS	105 525 300	302 497	2 132 091	8 664 741	11 099 329	11 099 329
SUB TOTAL : CONTRACTED SERVICES	210 581 272	2 124 679	5 831 320	16 171 319	24 127 318	24 127 318



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Budget statement report for the 1st quarter (July – September) 2023- MFMA s52 (d)

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) - Q1 First Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		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>		870 972	938 149	938 149	10 164	358 374	234 537	123 837	53%	938 149
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		870 972	938 149	938 149	10 164	358 374	234 537	123 837	53%	938 149
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		22 319	45 270	45 270	297	1 450	11 317	(9 867)	-87%	45 270
Community and social services		18 915	21 406	21 406	167	1 145	5 351	(4 207)	-79%	21 406
Sport and recreation		2 153	19 656	19 656	28	82	4 914	(4 832)	-98%	19 656
Public safety		935	1 982	1 982	28	117	496	(378)	-76%	1 982
Housing		316	2 226	2 226	74	106	557	(450)	-81%	2 226
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		25 846	25 127	25 127	967	1 901	6 282	(4 380)	-70%	25 127
Planning and development		235	574	574	151	270	143	127	88%	574
Road transport		25 611	24 554	24 554	816	1 631	6 138	(4 507)	-73%	24 554
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		729 659	931 416	931 416	110 755	171 915	232 854	(60 939)	-26%	931 416
Energy sources		354 350	516 193	516 193	90 853	103 770	129 048	(25 278)	-20%	516 193
Water management		178 236	214 078	214 078	11 050	27 366	53 519	(26 154)	-49%	214 078
Waste water management		149 172	139 542	139 542	4 646	28 714	34 885	(6 171)	-18%	139 542
Waste management		47 902	61 604	61 604	4 206	12 064	15 401	(3 337)	-22%	61 604
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1 648 796	1 939 962	1 939 962	122 183	533 640	484 991	48 650	10%	1 939 962
Expenditure - Functional										
<i>Governance and administration</i>		874 519	760 394	760 394	46 213	125 418	190 099	(64 681)	-34%	760 394
Executive and council		137 399	135 720	135 720	6 839	17 284	33 930	(16 646)	-49%	135 720
Finance and administration		729 744	616 271	616 271	38 720	106 249	154 068	(47 818)	-31%	616 271
Internal audit		7 375	8 403	8 403	654	1 885	2 101	(216)	-10%	8 403
<i>Community and public safety</i>		142 976	183 961	183 961	10 371	33 782	45 990	(12 208)	-27%	183 961
Community and social services		19 260	26 446	26 446	1 598	4 912	6 612	(1 700)	-26%	26 446
Sport and recreation		45 930	65 440	65 440	3 653	11 848	16 360	(4 512)	-28%	65 440
Public safety		72 697	85 102	85 102	4 810	16 041	21 276	(5 235)	-25%	85 102
Housing		5 088	6 972	6 972	312	982	1 743	(761)	-44%	6 972
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		58 812	125 743	125 743	5 237	15 681	31 436	(15 755)	-50%	125 743
Planning and development		21 240	33 979	33 979	2 130	6 145	8 495	(2 350)	-28%	33 979
Road transport		37 572	91 764	91 764	3 108	9 536	22 941	(13 405)	-58%	91 764
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1 456 130	1 115 221	1 115 221	107 744	379 318	278 805	100 513	36%	1 115 221
Energy sources		1 252 201	736 056	736 056	82 835	316 555	184 014	132 541	72%	736 056
Water management		68 048	118 946	118 946	9 056	20 058	29 736	(9 678)	-33%	118 946
Waste water management		64 081	98 390	98 390	8 199	18 826	24 597	(5 771)	-23%	98 390
Waste management		71 801	161 830	161 830	7 654	23 879	40 457	(16 579)	-41%	161 830
<i>Other</i>		1 806	4 404	4 404	257	770	1 101	(331)	-30%	4 404
Total Expenditure - Functional	3	2 534 242	2 189 723	2 189 723	169 822	554 969	547 431	7 538	1%	2 189 723
Surplus/ (Deficit) for the year		(885 446)	(249 761)	(249 761)	(47 638)	(21 328)	(62 440)	41 112	-66%	(249 761)



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Budget statement report for the 1st quarter (July – September) 2023- MFMA s52 (d)

1.2.2. Table C3 Consolidated financial performance by municipal vote

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

Vote Description	Original Budget	Jul-23	Aug-23	Sep-23	1st quarter	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands									
Revenue by Vote									
Vote 01 - Legislative Authority	-	-	-	-	-	-	-	-	0%
Vote 02 - Office Of The Municipal Manager	-	-	-	-	-	-	-	-	0%
Vote 03 - Corporate Services	681	-	-	-	-	-	170	(170)	-100%
Vote 04 - Financial Services	1 200 586	353 671	27 359	26 241	407 270	407 270	300 146	107 124	36%
Vote 05 - Municipal Infrastructure	439 614	15 836	33 222	20 718	69 776	69 776	109 904	(40 128)	-37%
Vote 06 - Community Services	20 569	101	783	105	989	989	5 142	(4 153)	-81%
Vote 07 - Public Safety & Transport	1 982	(1 067)	1 156	28	117	117	496	(378)	-76%
Vote 08 - Sports, Arts, Parks, Culture	19 656	25	29	28	82	82	4 914	(4 832)	-98%
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture	-	-	-	-	-	-	-	-	-
Vote 10 - Human Settlements	3 226	67	59	136	262	262	807	(544)	-67%
Vote 11 - IDP & PMS	-	-	-	-	-	-	-	-	0%
Vote 12 - Spatial Development, Planning & Traditional Affairs	574	23	96	151	270	270	143	127	88%
Vote 13 - Electricity	516 193	7 599	5 318	90 853	103 770	103 770	129 048	(25 278)	-20%
Vote 14 - Maluti Water	-	-	-	-	-	-	-	-	0%
Total Revenue by Vote	2 203 080	376 255	68 021	138 261	582 537	582 537	550 770	31 767	5,8%
Expenditure by Vote									
Vote 01 - Legislative Authority	66 974	4 169	4 098	5 389	13 656	13 656	16 744	(3 088)	-18%
Vote 02 - Office Of The Municipal Manager	32 333	1 702	1 656	1 654	5 012	5 012	8 083	(3 071)	-38%
Vote 03 - Corporate Services	154 816	6 630	6 288	8 457	21 376	21 376	38 704	(17 328)	-45%
Vote 04 - Financial Services	392 918	21 169	23 455	24 686	69 309	69 309	98 230	(28 920)	-29%
Vote 05 - Municipal Infrastructure	348 134	12 027	12 184	13 914	38 124	38 124	87 033	(48 909)	-56%
Vote 06 - Community Services	25 146	1 811	1 768	1 719	5 298	5 298	6 287	(989)	-16%
Vote 07 - Public Safety & Transport	156 991	9 437	11 060	10 315	30 812	30 812	39 248	(8 436)	-21%
Vote 08 - Sports, Arts, Parks, Culture	65 440	4 261	3 934	3 653	11 848	11 848	16 360	(4 512)	-28%
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture	19 722	873	949	879	2 702	2 702	4 930	(2 229)	-45%
Vote 10 - Human Settlements	14 658	542	565	535	1 642	1 642	3 664	(2 022)	-55%
Vote 11 - IDP & PMS	3 341	329	443	336	1 107	1 107	835	272	33%
Vote 12 - Spatial Development, Planning & Traditional Affairs	15 319	942	993	1 171	3 106	3 106	3 830	(724)	-19%
Vote 13 - Electricity	734 986	116 222	117 101	82 638	315 962	315 962	183 747	132 215	72%
Vote 14 - Maluti Water	158 944	8 698	11 841	14 477	35 015	35 015	39 736	(4 721)	-12%
Total Expenditure by Vote	2 189 723	188 812	196 335	169 822	554 969	554 969	547 431	7 538	1%
Surplus/ (Deficit) for the year	13 357	187 443	(128 314)	(31 561)	27 568	27 568	3 339	24 228	726%



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Budget statement report for the 1st quarter (July – September) 2023- MFMA s52 (d)

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) - Q1 First Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		321 785	508 227	508 227	90 216	103 132	127 057	(23 925)	-19%	508 227
Service charges - Water		89 226	118 471	118 471	9 324	25 794	29 618	(3 824)	-13%	118 471
Service charges - Waste Water Management		41 923	48 724	48 724	3 604	11 192	12 181	(989)	-8%	48 724
Service charges - Waste management		41 737	48 518	48 518	3 703	11 561	12 129	(569)	-5%	48 518
Sale of Goods and Rendering of Services		2 004	5 918	5 918	285	705	1 479	(774)	-52%	5 918
Agency services								-		
Interest								-		
Interest earned from Receivables	(0)	13 798	13 798	13 798	3 056	3 056	3 450	(394)	-11%	13 798
Interest from Current and Non Current Assets	4 405	4 620	4 620	4 620	271	835	1 155			4 620
Dividends								-		
Rent on Land	-	-	-	-	-	-	-	-		-
Rental from Fixed Assets	1 131	2 504	2 504	88	232	626	(394)	-63%	2 504	
Licence and permits								-		
Operational Revenue	8 389	2 889	2 889	93	147	722	(575)	-80%	2 889	
Non-Exchange Revenue										
Property rates	111 776	128 537	128 537	8 390	21 790	32 134	(10 345)	-32%	128 537	
Surcharges and Taxes								-		
Fines, penalties and forfeits	688	1 500	1 500	24	94	375	(281)			1 500
Licence and permits								-		
Transfers and subsidies - Operational	765 933	810 030	810 030	703	334 746	202 507	132 238			810 030
Interest	-	12 163	12 163	1 266	1 266	3 041	(1 775)			12 163
Fuel Levy										
Operational Revenue	-	-	-	-	-	-	-	-		-
Gains on disposal of Assets	-	-	-	-	-	-	-	-		-
Other Gains	3	4	4	-	-	1	(1)			4
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		1 389 000	1 705 903	1 705 903	121 023	514 548	426 476	88 072	21%	1 705 903
Expenditure By Type										
Employee related costs	727 726	743 437	743 437	55 295	173 181	185 859	(12 678)	-7%	743 437	
Remuneration of councillors	31 785	33 085	33 085	2 677	7 554	8 271	(718)	-9%	33 085	
Bulk purchases - electricity	758 138	565 900	565 900	70 778	290 225	141 475	148 750			565 900
Inventory consumed	34 181	58 144	58 144	1 626	4 699	14 536	(9 837)			58 144
Debt impairment	-	60 000	60 000	-	-	15 000	(15 000)	-100%	60 000	
Depreciation and amortisation	292 746	153 916	153 916	-	-	38 479	(38 479)	-100%	153 916	
Interest	382 456	15 144	15 144	-	1	3 786	(3 784)	-100%	15 144	
Contracted services	87 968	210 581	210 581	16 171	24 127	52 645	(28 518)	-54%	210 581	
Transfers and subsidies	111 153	187 200	187 200	14 267	38 894	46 800	(7 906)	-17%	187 200	
Irrecoverable debts written off	13 377	17 000	17 000	27	348	4 250	(3 902)			17 000
Operational costs	94 708	145 300	145 300	8 981	15 939	36 325	(20 386)	-56%	145 300	
Losses on Disposal of Assets	-	-	-	-	-	-	-			-
Other Losses	4	16	16	-	-	4	(4)			16
Total Expenditure		2 534 242	2 189 723	2 189 723	169 822	554 969	547 431	7 538	1%	2 189 723
Surplus/(Deficit)		(1 145 243)	(483 820)	(483 820)	(48 799)	(40 421)	(120 955)	80 534	(0)	(483 820)
Transfers and subsidies - capital (monetary allocations)										
	273 230	234 059	234 059	1 651	19 583	58 515	(38 932)		(0)	234 059
Transfers and subsidies - capital (in-kind)								-		
Surplus/(Deficit) after capital transfers & contributions		(872 013)	(249 761)	(249 761)	(47 148)	(20 838)	(62 440)			(249 761)
Income Tax										
Surplus/(Deficit) after income tax		(872 013)	(249 761)	(249 761)	(47 148)	(20 838)	(62 440)			(249 761)
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality		(872 013)	(249 761)	(249 761)	(47 148)	(20 838)	(62 440)			(249 761)
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions		179 321	263 118	263 118	15 587	48 406	65 779			263 118
Surplus/ (Deficit) for the year		(692 692)	13 357	13 357	(31 561)	27 568	3 339			13 357



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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 - Q1 First Quarter)

Vote Description	Ref	2022/23	Budget Year 2023/24							
		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 - Human Settlements		-	-	-	-	-	-	-	-	-
Vote 11 - ldp, Pms Department		-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-	-	-
Vote 13 - Electricity Department		-	-	-	-	-	-	-	-	-
Vote 14 - Malut Water		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 01 - Legislative Authority		-	3 500	3 500	-	-	875	(875)	-100%	3 500
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		3 288	5 397	5 397	1 641	2 500	1 349	1 150	85%	5 397
Vote 04 - Financial Services		255	16 000	16 000	(1 918)	105	4 000	(3 895)	-97%	16 000
Vote 05 - Municipal Infrastructure		52 683	185 832	185 832	14 378	29 436	46 456	(17 022)	-37%	185 832
Vote 06 - Community Services		304 588	18 907	18 907	1 905	2 457	4 727	(2 269)	-48%	18 907
Vote 07 - Public Safety & Transport		1 466	5 000	5 000	-	-	1 250	(1 250)	-100%	5 000
Vote 08 - Sports, Arts, Parks, Culture		1 351	17 855	17 855	-	-	4 464	(4 464)	-100%	17 855
Vote 09 - Led, Tourism, Smmes, Rural & Agriculture		-	-	-	-	-	-	-	-	-
Vote 10 - Human Settlements		-	-	-	-	-	-	-	-	-
Vote 11 - ldp, Pms Department		-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-	-	-
Vote 13 - Electricity Department		(474 722)	16 678	16 678	1 695	1 959	4 169	(2 211)	-53%	16 678
Vote 14 - Malut Water		421	11 445	11 445	-	-	2 861	(2 861)	-100%	11 445
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	(110 658)	280 614	280 614	17 702	36 457	70 154	(33 697)	-48%	280 614
Total Capital Expenditure		(110 658)	280 614	280 614	17 702	36 457	70 154	(33 697)	-48%	280 614
Capital Expenditure - Functional Classification										
Governance and administration		3 975	37 842	37 842	(276)	2 605	9 461	(6 856)	-72%	37 842
Executive and council		421	14 945	14 945	-	-	3 736	(3 736)	-100%	14 945
Finance and administration		3 553	22 897	22 897	(276)	2 605	5 724	(3 119)	-54%	22 897
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		307 406	40 262	40 262	1 905	2 457	10 066	(7 608)	-76%	40 262
Community and social services		304 606	19 407	19 407	1 905	2 457	4 852	(2 394)	-49%	19 407
Sport and recreation		1 351	17 855	17 855	-	-	4 464	(4 464)	-100%	17 855
Public safety		1 449	3 000	3 000	-	-	750	(750)	-100%	3 000
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		(115 711)	14 766	14 766	1 597	1 597	3 692	(2 094)	-57%	14 766
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		(115 711)	14 766	14 766	1 597	1 597	3 692	(2 094)	-57%	14 766
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		(306 328)	187 743	187 743	14 476	29 797	46 936	(17 139)	-37%	187 743
Energy sources		(474 722)	16 678	16 678	1 695	1 959	4 169	(2 211)	-53%	16 678
Water management		60 765	87 462	87 462	3 136	3 399	21 865	(18 466)	-84%	87 462
Waste water management		107 629	83 604	83 604	9 645	24 439	20 901	3 538	17%	83 604
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	(110 658)	280 614	280 614	17 702	36 457	70 154	(33 697)	-48%	280 614
Funded by:										
National Government		513 406	224 272	224 272	16 283	31 893	56 068	(24 175)	-43%	224 272
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov		-	-	-	-	-	-	-	-	-
Departm Agencies, Households, Non-profit Institutions, Private Enterprises,		-	-	-	-	-	-	-	-	-
Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		513 406	224 272	224 272	16 283	31 893	56 068	(24 175)	-43%	224 272
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		(624 064)	56 342	56 342	1 419	4 564	14 086	(9 522)	-68%	56 342
Total Capital Funding		(110 658)	280 614	280 614	17 702	36 457	70 154	(33 697)	-48%	280 614



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1.2.4.1. List of capital projects and performance

Capital assets from own funds

The total capital expenditure from own source for the 1st quarter amounted **R4.5 million**.

Description R'000	Original Budget	Jul-23	Aug-23	Sep-23	1st Quarter Actuals	Year to date Actuals	%
PARENT MUNICIPALITY	44 500 000	41 050	3 104 104	1 418 608	4 563 762	4 563 762	10%
Vehicle(Legislative)	1 500 000	-	-	-	-	-	0%
Computer & equipment(Legislative)	2 000 000	-	-	-	-	-	0%
Machinery & equipment (corporate)	1 000 000	-	-	-	-	-	0%
Computer & equipment	4 000 000	-	858 505	1 641 108	2 499 613	2 499 613	62%
Furniture & fittings	1 000 000	41 050	71 849	-7 500	105 399	105 399	11%
Electricity prepaid meters	15 000 000	-	1 910 000	-1 910 000	-	-	0%
Machinery & equipment (public safety)	500 000	-	-	-	-	-	0%
Vehicle(Public Safety)	3 000 000	-	-	-	-	-	0%
Vehicle(Security)	1 000 000	-	-	-	-	-	0%
Machinery & equipment (Security)	500 000	-	-	-	-	-	0%
Transformers	15 000 000	-	263 750	1 695 000	1 958 750	1 958 750	13%
MAP WATER	11 842 281	-	-	-	-	-	0%
Infrastructure Upgrade - Hardware	397 203	-	-	-	-	-	0%
Motor Vehicles	5 023 056	-	-	-	-	-	0%
Equipment Other	198 784	-	-	-	-	-	0%
Plant and Machinery	1 256 975	-	-	-	-	-	0%
Refurbishment Projects	4 511 324	-	-	-	-	-	0%
Furniture & Fitting	235 278	-	-	-	-	-	0%
Office Equipment	49 685	-	-	-	-	-	0%
Computers	169 976	-	-	-	-	-	0%
TOTAL CAPITAL BUDGET FUNDED FROM OWN SOURCE	56 342 281	41 050	3 104 104	1 418 608	4 563 762	4 563 762	8%



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The capital expenditure from conditional grants (Vat exclusive)

The total that grant funded capital expenditure for the 1st quarter amounted to **R31.8 million** or **14%** of the budget. The grants are excluding VAT.

Description (Functional classification)	Funding	Original Budget	Jul-23	Aug-23	Sep-23	1st quarter Actuals	Year to Date Actuals	%
ROADS PROJECTS		14 766 413	-	-	1 597 278	1 597 278	1 597 278	40%
Monontsha: Construction Of Footbridge	MIG	6 135 990	-	-	-	-	-	0%
Phutha: Upgr 1km Paved Road Motebang Phl	MIG	2 514 000	-	-	-	-	-	0%
Intabazwe Ext3 Paved Roads Phase 3	MIG	2 106 586	-	-	-	-	-	0%
Namahadi Const 5km Roads P4	MIG	4 009 837	-	-	1 597 278	1 597 278	1 597 278	40%
WATER PROJECTS		87 461 969	-	263 360	3 136 082	3 399 442	3 399 442	4%
Improving Water Revenue	WSIG	16 000 000	-	-	-	-	-	0%
Thaba Bosiu Water Pipeline	MIG	35 726 309	-	-	-	-	-	0%
Ha - Sethunya: Water Retic 500 Stands	MIG	17 758 815	-	-	849 911	849 911	849 911	5%
Upgrading Of Water Pump Stations	MIG	15 439 208	-	-	2 286 171	2 286 171	2 286 171	15%
Matebeleng 3ml Reservoir	MIG	2 537 637	-	263 360	-	263 360	263 360	10%
WASTE WATER MANAGEMENT/ SEWERAGE PROJECTS		83 603 501	14 330 803	463 082	9 645 065	24 438 950	24 438 950	224%
Makhokkweng Bulk And Sewer Network	WSIG	22 317 000	-	-	2 100 000	2 100 000	2 100 000	9%
Intabazwe Ext3: Cons Waterborne Sew N/Wrk	MIG	543 685	-	463 082	-	463 082	463 082	85%
Namahadi: Construction Sewer Network	MIG	26 881 599	-	-	-	-	-	0%
Refurbishment Of Sewer Pump Stations	MIG	17 202 261	1 773 846	-	7 545 065	9 318 911	9 318 911	54%
Qwa Qwa: Constr 24000 Vip Toilets Ph 13 A	MIG	16 658 956	12 556 957	-	-	12 556 957	12 556 957	75%
COMMUNITY FACILITY PROJECTS		18 906 942	552 576	-	1 904 692	2 457 269	2 457 269	13%
Phuthaditjhaba: Upgrading Of Town Hall	MIG	18 906 942	552 576	-	1 904 692	2 457 269	2 457 269	13%
SPORTS AND RECREATIONAL FACILITIES		17 855 375	-	-	-	-	-	0%
Upgrade Of Platberg Stadium Phase 1	MIG	15 043 437	-	-	-	-	-	0%
Refurbishment Of Charles Mopeli Stadium	MIG	2 811 938	-	-	-	-	-	0%
ELECTRICITY PROJECTS		1 677 693	-	-	-	-	-	0%
MAP: Hing mast light in town Phase 2	MIG	1 677 693	-	-	-	-	-	0%
TOTAL ASSETS FUNDED BY NATIONAL GRANTS (Vat Excl.)		224 271 893	14 883 379	726 442	16 283 117	31 892 938	31 892 938	14%



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1.2.5. Table C6 Consolidated Financial Position

The table indicates that the year to date total assets amounted to **R10 billion** and the total liabilities amounted to **R10.7 billion** by the end of 1st quarter. This information is not a true reflection of the financial position figures; this will be corrected when the Municipality has fully converted to being mSCOA compliant.

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

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		203 064	(1 695 254)	(1 695 254)	642 923	(1 695 254)
Trade and other receivables from exchange transactions		1 167 563	1 499 043	1 499 043	1 216 923	1 499 043
Receivables from non-exchange transactions		646 771	75 837	75 837	651 500	75 837
Current portion of non-current receivables		144	—	—	144	—
Inventory		4 791	559	559	4 500	559
VAT		1 371 852	362 750	362 750	1 426 559	362 750
Other current assets		(1 120)	—	—	(1 120)	—
Total current assets		3 393 064	242 936	242 936	3 941 430	242 936
Non current assets						
Investments		803 255	—	—	803 255	—
Investment property		5 308 418	4 496 827	4 496 827	5 344 875	4 496 827
Property, plant and equipment						
Biological assets						
Living and non-living resources						
Heritage assets						
Intangible assets		—	—	—	—	—
Trade and other receivables from exchange transactions		(144)	—	—	(144)	—
Non-current receivables from non-exchange transactions		—	—	—	—	—
Other non-current assets						
Total non current assets		6 111 529	4 496 827	4 496 827	6 147 986	4 496 827
TOTAL ASSETS		9 504 593	4 739 763	4 739 763	10 089 415	4 739 763
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Financial liabilities		(15 019)	—	—	(15 019)	—
Consumer deposits		25 772	313	313	25 863	313
Trade and other payables from exchange transactions		9 718 363	6 322 450	6 322 450	9 785 719	6 322 450
Trade and other payables from non-exchange transactions		18 400	—	—	62 338	—
Provision		161 371	—	—	161 371	—
VAT		688 629	85 381	85 381	703 210	85 381
Other current liabilities		—	—	—	—	—
Total current liabilities		10 597 515	6 408 144	6 408 144	10 723 481	6 408 144
Non current liabilities						
Financial liabilities		320	—	—	320	—
Provision		—	—	—	—	—
Long term portion of trade payables		—	—	—	—	—
Other non-current liabilities		—	—	—	—	—
Total non current liabilities		320	—	—	320	—
TOTAL LIABILITIES		10 597 834	6 408 144	6 408 144	10 723 801	6 408 144
NET ASSETS	2	(1 093 242)	(1 668 381)	(1 668 381)	(634 385)	(1 668 381)
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		(907 619)	(1 681 738)	(1 681 738)	(721 415)	(1 681 738)
Reserves and funds		(212 934)	—	—	(212 934)	—
Other		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	(1 120 553)	(1 681 738)	(1 681 738)	(934 349)	(1 681 738)



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Budget statement report for the 1st quarter (July – September) 2023- MFMA s52 (d)

1.2.6. Table C7 Consolidated Cash flow statement

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

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

Description	Ref	2022/23	Budget Year 2023/24							
		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		-	74 197	74 197	3 765	25 400	18 549	6 850	37%	74 197
Service charges		-	325 692	325 692	38 593	61 960	81 423	(19 463)	-24%	325 692
Other revenue		-	78 801	78 801	(25 317)	(51 278)	19 700	(70 978)	-360%	78 801
Transfers and Subsidies - Operational		-	810 030	810 030	3 100	337 112	202 507	134 605	66%	810 030
Transfers and Subsidies - Capital		-	234 059	234 059	-	60 664	58 515	2 149	4%	234 059
Interest		-	9 654	9 654	94	94	2 413	(2 319)	-96%	9 654
Dividends								-		
Payments										
Suppliers and employees		-	(1 809 919)	(1 809 919)	(311 183)	(300 949)	(452 480)	(151 530)	33%	(1 809 919)
Interest								-		
Transfers and Subsidies								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	(277 486)	(277 486)	(290 948)	133 003	(69 372)	(202 374)	292%	(277 486)
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		-	(280 614)	(280 614)	(17 702)	(36 457)	(70 154)	(33 697)	48%	(280 614)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(144)	(280 614)	(280 614)	(17 702)	(36 601)	(70 154)	(33 553)	48%	(280 614)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits		-	313	313	18	91	78	13	16%	313
Payments										
Repayment of borrowing								-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	313	313	18	91	78	(13)	-16%	313
NET INCREASE/ (DECREASE) IN CASH HELD		(144)	(557 787)	(557 787)	(308 631)	96 493	(139 447)			(557 787)
Cash/cash equivalents at beginning:		64 626	-	-	(329 065)	673 676	-			673 676
Cash/cash equivalents at month/year end:		64 482	(557 787)	(557 787)		770 169	(139 447)			115 889



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PART 2 - SUPPORTING DOCUMENTATION

2.1. SUPPORTING TABLES

2.1.1. Debtor's Analysis

- The total debt book amounted to **R2.434 billion** by the end of **1st quarter 2023**.
- This total does not include the credited amounts or journals done.
- The table indicates that the largest debt is from the Water source with a total of **R720.5 million** including bills from rural wards that can't be collected due to water network infrastructure that was wrongly installed and led to incorrect bills.
- The largest debt by customer group is from Households with a total of **1.438 billion**.

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

Description	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis By Income Source										
Water	1200	11 092	12 294	13 296	9 430	15 536	9 581	51 937	597 401	720 567
Electricity	1300	5 376	5 660	5 515	4 016	3 473	2 797	17 824	276 993	321 652
Property Rates	1400	8 220	7 765	7 390	7 525	7 015	6 702	37 450	509 990	592 058
Waste Water Management	1500	4 011	3 949	4 340	3 658	3 789	3 571	19 862	232 112	275 293
Waste Management	1600	4 047	3 964	4 379	3 635	3 611	3 581	20 339	233 291	276 847
Interest on Arrear Debtor Accounts	1810	4 285	–	0	21	46	6	29	210 853	215 239
Other	1900	181	161	159	155	142	114	895	31 173	32 980
Total By Income Source	2000	37 213	33 794	35 078	28 440	33 613	26 351	148 335	2 091 813	2 434 637
Debtors Age Analysis By Customer Group										
Organs of State	2200	9 230	8 038	7 421	6 368	6 953	5 988	30 575	386 995	461 567
Commercial	2300	8 938	7 204	6 511	6 019	5 873	4 381	27 253	468 453	534 632
Households	2400	19 046	18 551	21 147	16 053	20 787	15 982	90 506	1 236 365	1 438 437
Total By Customer Group	2600	37 213	33 794	35 078	28 440	33 613	26 351	148 335	2 091 813	2 434 637



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2.1.2. Creditors Analysis

The Bulk Electricity amount reflected on the below table is as per Eskom invoice. The total amount currently on the financial system creditors analysis report is **R8.161 billion**.

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

FS194 Maluti-a-Phofung - Supporting Table SC4 Monthly Budget Statement - aged creditors - 1st quarter										
Description	NT Code	Budget Year 2023/24								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180	181 Days -	Over 1 Year	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	112 636	181 767	-	298 752	-	-	-	7 499 390	8 092 545
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	453	4 337	299	64 097	-	-	-	-	69 187
Auditor General	0800	-	-	-	42 982	-	-	-	-	43
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	113 089	186 104	299	362 893	-	-	-	7 499 390	8 161 775

2.1.3. Investments Portfolio Analysis

- The closing balances of the investments by the end of the **1st quarter 2023** amounted to **R141.4 million**.

FS194 Matluli-a-Phofung - Supporting Table SC5 Monthly Budget Statement - investment portfolio - 1st quarter 2023

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	556 954	-	-	-	556 954
Sanlam - Money Market-50189057	Yrs	Money market	2 299 584	-	-	-	2 299 584
Sanlam- 11690236x2	Yrs	Money market	346 197	-	-	-	346 197
FNB 62212896346	Months	Call account	3 144	138	203	8 729	11 808
ABSA 9358605812	Months	Investment	141	-	-	-	141
SBSA 34 852 640 7	Months	Investment	1 000	96 254	80 000 000	203 031 886	123 129 140
FNB 62756806661	Months	Investment	1 379	172 914	60 000 000	74 001 170	14 175 463
NEDBANK 03/7881162791	Months	Investment	2 624	356 323	48 000 000	48 588 430	947 377
SBSA 04 082 393 8	Months	Months	-	-	40 294 786	40 294 786	-
TOTAL INVESTMENTS AND INTEREST			3 211 023	625 629	228 294 989	365 925 000	141 466 663



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2.1.4. Allocations and grants received

The total grants received by the end of 1st quarter amounted to R399.1 million.

Description R thousands	Original Budget	Jul-23	Aug-23	Sep-23	1st Quarter Actuals	YearTD Actuals	Balance
RECEIPTS:							
Operating Transfers and Grants							
National Government:							
Equitable Share	801 631	334 012	–	–	334 012	334 012	(467 619)
Expanded Public Works Programme Integrated Grant	5 299	–	–	1 324	1 324	1 324	(3 975)
Local Government Financial Management Grant	3 100	–	3 100	–	3 100	3 100	–
Total Operating Transfers and Grants	810 030	334 012	3 100	1 324	338 436	338 436	(471 594)
Capital Transfers and Grants							
Municipal Infrastructure Grant	195 742	48 347	–	–	48 347	48 347	(147 395)
Water Services Infrastructure Grant	38 317	12 317	–	–	12 317	12 317	(26 000)
Total Capital Transfers and Grants	234 059	60 664	–	–	60 664	60 664	(173 395)
TOTAL RECEIPTS OF TRANSFERS & GRANTS	1 044 089	394 676	3 100	1 324	399 100	399 100	(644 989)



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2.1.5. Councillors and Board Member Allowances and Employee Benefits

The total employee costs by the end of the 1st Quarter for Parent municipality including councillors amounted to **R145.2 million**.

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

S194 Maluti-a-Phorung - Supporting Table SC8 Monthly Budget Statement - Councillor and Staff Benefits - Q1 Not Quarter										
Summary of Employee and Councillor remuneration	Ref	2022/23		Budget Year 2023/24						
		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		27 018	27 846	27 846	2 044	6 077	6 961	(885)	-13%	27 846
Pension and UIF Contributions		146	140	140	9	42	35	7	19%	140
Medical Aid Contributions		52	55	55	4	13	14	(1)	-7%	55
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		2 809	3 101	3 101	242	697	775	(78)	-10%	3 101
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		1 760	1 944	1 944	379	726	486	240	49%	1 944
Sub Total - Councillors		31 785	33 085	33 085	2 677	7 554	8 271	(718)	-9%	33 085
% increase	4		4,1%	4,1%						4,1%
Senior Managers of the Municipality										
Basic Salaries and Wages		5 914	9 653	9 653	547	1 775	2 413	(638)	-26%	9 653
Pension and UIF Contributions		335	570	570	21	63	142	(80)	-56%	570
Medical Aid Contributions		85	163	163	5	16	41	(25)	-61%	163
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		813	1 546	1 546	85	240	387	(147)	-38%	1 546
Cellphone Allowance		91	176	176	8	26	44	(19)	-42%	176
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Security		-	-	-	-	-	-	-	-	-
Acting and post related allowance in kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		7 239	12 108	12 108	666	2 119	3 027	(908)	-30%	12 108
% increase	4		67,3%	67,3%						67,3%
Other Municipal Staff										
Basic Salaries and Wages		361 745	334 883	334 883	28 739	86 737	83 721	3 016	4%	334 883
Pension and UIF Contributions		54 596	58 635	58 635	4 783	14 636	14 659	(23)	0%	58 635
Medical Aid Contributions		24 259	24 850	24 850	2 231	6 702	6 212	490	8%	24 850
Overtime		71 016	70 445	70 445	2 979	14 071	17 611	(3 540)	-20%	70 445
Performance Bonus		24 025	29 856	29 856	1 472	5 131	7 464	(2 333)	-31%	29 856
Motor Vehicle Allowance		13 266	14 579	14 579	1 177	3 457	3 645	(188)	-5%	14 579
Cellphone Allowance		1 085	1 216	1 216	89	271	304	(33)	-11%	1 216
Housing Allowances		1 502	1 524	1 524	140	399	381	17	5%	1 524
Other benefits and allowances		3 371	4 032	4 032	73	629	1 008	(378)	-38%	4 032
Payments in lieu of leave		(9 525)	1 960	1 960	156	543	490	53	11%	1 960
Long service awards		4 931	6 747	6 747	432	1 664	1 687	(23)	-1%	6 747
Post-retirement benefit obligations		(470)	-	-	(26)	(145)	-	(145)	#DIV/0!	-
Entertainment		-	-	-	-	-	-	-	-	-
Security		-	100	100	-	-	25	(25)	-100%	100
Acting and post related allowance in kind benefits		4 689	6 280	6 280	775	1 442	1 570	(127)	-8%	6 280
Sub Total - Other Municipal Staff		554 489	555 107	555 107	43 018	135 539	138 777	(3 238)	-2%	555 107
% increase	4		0,1%	0,1%						0,1%
Total Parent Municipality		593 513	600 300	600 300	46 361	145 211	150 075	(4 864)	-3%	600 300



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- The total employee costs for the Entity amounted to **R35.5 million**.
- The consolidated total employee costs (including councillors) amounted to **R180.7 million**.

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

Summary of Employee and Councillor remuneration	Ref	2022/23	Budget Year 2023/24							
		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		–	15 544	15 544	86	86	3 886	(3 800)	-98%	15 544
Pension and UIF Contributions		429	3 649	3 649	34	110	912	(803)	-88%	3 649
Medical Aid Contributions		–	834	834	–	–	208	(208)	-100%	834
Overtime		–	1 004	1 004	–	–	251	(251)	-100%	1 004
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		–	3 474	3 474	–	–	869	(869)	-100%	3 474
Cellphone Allowance		–	–	–	–	–	–	–	–	–
Housing Allowances		–	704	704	–	–	176	(176)	-100%	704
Other benefits and allowances		2	1 610	1 610	0	1	402	(402)	-100%	1 610
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	119	119	–	–	30	(30)	-100%	119
Post-retirement benefit obligations		–	–	–	–	–	–	–	–	–
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance in kind benefits		–	220	220	–	–	55	–	–	220
Sub Total - Senior Managers of Entities		431	27 158	27 158	120	196	6 789	(6 593)	-97%	27 158
% increase	4		6199,3%	6199,3%						6199,3%
Other Staff of Entities										
Basic Salaries and Wages		74 996	75 524	75 524	5 588	16 858	18 881	(2 023)	-11%	75 524
Pension and UIF Contributions		12 035	16 171	16 171	913	2 731	4 043	(1 312)	-32%	16 171
Medical Aid Contributions		8 429	7 231	7 231	658	1 963	1 808	156	9%	7 231
Overtime		22 426	12 338	12 338	1 287	3 912	3 084	828	27%	12 338
Performance Bonus		5 536	12 446	12 446	307	1 581	3 111	(1 531)	-49%	12 446
Motor Vehicle Allowance		13 386	11 265	11 265	1 019	3 046	2 816	229	8%	11 265
Cellphone Allowance		–	–	–	–	–	–	–	–	–
Housing Allowances		2 156	3 218	3 218	162	488	805	(316)	-39%	3 218
Other benefits and allowances		11 542	7 924	7 924	890	2 613	1 981	632	32%	7 924
Payments in lieu of leave		1 276	–	–	24	28	–	28	#DIV/0!	–
Long service awards		461	1 095	1 095	–	33	274	(240)	-88%	1 095
Post-retirement benefit obligations		783	445	445	–	–	111	(111)	-100%	445
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance in kind benefits		12 539	1 408	1 408	643	2 073	352	–	–	1 408
Sub Total - Other Staff of Entities		165 567	149 064	149 064	11 491	35 327	37 266	(1 939)	-5%	149 064
% increase	4		-10,0%	-10,0%						-10,0%
Total Municipal Entities		165 998	176 222	176 222	11 611	35 523	44 055	(8 532)	-19%	176 222
TOTAL SALARY, ALLOWANCES & BENEFITS		759 510	776 522	776 522	57 972	180 735	194 131	(13 396)	-7%	776 522
% increase	4		2,2%	2,2%						2,2%
TOTAL MANAGERS AND STAFF		727 726	743 437	743 437	55 295	173 181	185 859	(12 678)	-7%	743 437



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2.2. PARENT MUNICIPALITY FINANCIAL PERFORMANCE

The total revenue for the parent municipality by the end of the 1st quarter amounted to **R514 million**. The total expenditure by the end of the 1st quarter amounted to **R508 million**.

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

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue										
Exchange Revenue										
Service charges - Electricity		321 785	508 227	508 227	90 216	103 132	127 057	(23 925)	-19%	508 227
Service charges - Water		89 226	118 471	118 471	9 324	25 794	29 618	(3 824)	-13%	118 471
Service charges - Waste Water Management		41 923	48 724	48 724	3 604	11 192	12 181	(989)	-8%	48 724
Service charges - Waste management		41 737	48 518	48 518	3 703	11 561	12 129	(569)	-5%	48 518
Sale of Goods and Rendering of Services		2 032	5 798	5 798	285	699	1 449	(750)	-52%	5 798
Agency services										
Interest										
Interest earned from Receivables		(0)	13 798	13 798	3 056	3 056	3 450	(394)	-11%	13 798
Interest earned from Current and Non Current Assets		4 405	4 500	4 500	251	810	1 125			4 500
Dividends										
Rent on Land										
Rental from Fixed Assets		1 131	2 504	2 504	88	232	626	(394)	-63%	2 504
Licence and permits										
Operational Revenue		8 389	2 889	2 889	93	147	722	(575)	-80%	2 889
Non-Exchange Revenue										
Property rates		111 776	128 537	128 537	8 390	21 790	32 134			128 537
Surcharges and Taxes										
Fines, penalties and forfeits		688	1 500	1 500	24	94	375	(281)	-75%	1 500
Licences or permits										
Transfer and subsidies - Operational		752 500	810 030	810 030	213	334 255	202 507			810 030
Interest			12 163	12 163	1 266	1 266	3 041			12 163
Fuel Levy										
Operational Revenue										
Gains on disposal of Assets										
Other Gains		3	4	4			1			4
Discontinued Operations										
Total Revenue (excluding capital transfers and contribution)		1 375 594	1 705 663	1 705 663	120 512	514 027	426 416	87 611	21%	1 705 663
Expenditure By Type										
Employee related costs		561 728	567 215	567 215	43 684	137 658	141 804	(4 146)	-3%	567 215
Remuneration of councillors		31 785	33 085	33 085	2 677	7 554	8 271	(718)	-9%	33 085
Bulk purchases - electricity		758 138	565 900	565 900	70 778	290 225	141 475	148 750	105%	565 900
Inventory consumed		28 676	39 455	39 455	207	2 742	9 864	(7 121)	-72%	39 455
Debt impairment			60 000	60 000			15 000	(15 000)	-100%	60 000
Depreciation and amortisation		292 746	151 101	151 101			37 775	(37 775)	-100%	151 101
Interest		382 455	15 000	15 000		1	3 750	(3 749)	-100%	15 000
Contracted services		84 555	181 541	181 541	15 275	22 868	45 385	(22 517)	-50%	181 541
Transfers and subsidies		111 153	187 200	187 200	14 267	38 894	46 800	(7 906)	-17%	187 200
Irrecoverable debts written off		13 377	17 000	17 000	27	348	4 250	(3 902)	-92%	17 000
Operational costs		81 860	120 692	120 692	4 590	8 669	30 173	(21 504)	-71%	120 692
Losses on disposal of Assets										
Other Losses		4	7	7			2			7
Total Expenditure		2 346 478	1 938 197	1 938 197	151 505	508 960	484 549	24 410	5%	1 938 197
Surplus/(Deficit)		(970 884)	(232 534)	(232 534)	(30 993)	5 067	(58 134)	63 200	-109%	(232 534)
Transfers and subsidies - capital (monetary allocations)		273 230	234 059	234 059	1 651	19 583	58 515	(38 932)	-67%	234 059
Transfers and subsidies - capital (in-kind)										
Surplus/(Deficit) after capital transfers & contributions		(697 654)	1 525	1 525	(29 342)	24 649	381	24 268	6367%	1 525
Income Tax										
Surplus/(Deficit) after income tax		(697 654)	1 525	1 525	(29 342)	24 649	381	24 268	6367%	1 525



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2.3. MUNICIPAL ENTITY FINANCIAL PERFORMANCE

The total revenue of the Entity by the end of the 1st Quarter amounted to **R521 thousands**. The total revenue to date amount of **R48.4 million** is not shown on the Entity report below. An enquiry has been made to Treasury regarding the line item be included on the Entity Schedule. This transaction is recorded as an intercompany transactions under the consolidated financial performance on page 15. The total expenditure by the end of the 1st quarter amounted to **R44 million**. The financial system provider has also been made aware of the incorrect financial years.

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

Description	Ref	2021/22	Current 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	1									
Exchange Revenue										
Sale of Goods and Rendering of Services		(28)	120	120	–	6	30	(24)	-79,7%	120
Interest earned from Current and Non Current Assets		–	120	120	20	25	30	(5)	-16,9%	120
Non-Exchange Revenue										
Transfer and subsidies - Operational		13 433	–	–	490	490	–	490	#DIV/0!	–
Total Revenue (excluding capital transfers and contributions)		13 406	240	240	511	521	60	461	768,9%	240
Expenditure By Type										
Employee related costs		165 998	176 222	176 222	11 611	35 523	44 055	(8 532)	-19,4%	176 222
Remuneration of board members		–	–	–	–	–	–	–	–	–
Bulk purchases - electricity		–	–	–	–	–	–	–	–	–
Inventory consumed		(708)	–	–	–	–	4 672	(4 672)	-100,0%	18 689
Debt impairment		–	–	–	–	–	–	–	–	–
Depreciation and asset impairment	2	–	2 815	2 815	–	–	704	(704)	-100,0%	2 815
Interest		–	144	144	–	–	36	(36)	-100,0%	144
Contracted services		3 414	29 040	29 040	896	1 259	7 260	(6 001)	-82,7%	29 040
Transfers and subsidies		–	–	–	–	–	–	–	–	–
Irrecoverable debts written off		–	–	–	–	–	–	–	–	–
Operational costs		12 848	24 608	24 608	4 390	7 270	6 152	1 118	18,2%	24 608
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–
Other Losses		–	9	9	–	–	2	(2)	-100,0%	9
Total Expenditure	3	181 551	232 837	232 837	16 897	44 052	62 881	(18 829)	-29,9%	251 526
Surplus/(Deficit)		(168 145)	(232 597)	(232 597)	(16 387)	(43 531)	(62 821)	19 290	-30,7%	(251 286)
Surplus/(Deficit) before taxation		(168 145)	(232 597)	(232 597)	(16 387)	(43 531)	(62 821)	19 290	-30,7%	(251 286)
Income Tax		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		(168 145)	(232 597)	(232 597)	(16 387)	(43 531)	(62 821)	19 290	–	(251 286)



Local Municipality • Mmasepala wa seLhahla • Plaatske Munisipaliteit

Budget statement report for the 1st quarter (July – September) 2023- MFMA s52 (d)

Equitable Share Verification Checklist

CRITERIA	QUARTERLY REQUIREMENTS	Quarter 1 (July – Sept) 2023/2024
Bulk Supplier Payments		
Were current account payments to bulk suppliers (Eskom and Water Boards) timeously made?	PT/NT to verify status according to MFMA S41 Report. No action required from municipality if account in good standing.	The municipality did not make any payments to bulk suppliers, however the electricity Large Power Users which are directly billed by Eskom have paid their Eskom accounts.
<u>If current account in arrears, are payment agreements in place?</u>	Copy of payment agreement or evidence of discussions are uploaded to on GoMuni Upload portal.	No payment arrangement on the Bulk- Eskom & DWA. The Eskom payments made by LPUs were uploaded on goMuni
Staff benefit Deductions		
Were a) SARS, b) pension and c) other staff benefits timeously paid over to the relevant funds/institutions?	Proof of payment for each category, for each month of the quarter uploaded to on GoMuni Upload portal.	Yes
Reconciliation of Valuation Roll		
Has the valuation role been reconciled to the financial system?	In line with MFMA Circulars No. 93, 98 and 107, proof of the verification for each quarter should be uploaded on GoMuni Upload portal.	Yes



Local Municipality • Motsepele wa seLehale • Flourens Municipality

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Budget statement report for the 1st quarter (July – September) 2023- MFMA s52 (d)

2.4. MUNICIPAL MANAGER'S QUALITY CERTIFICATION

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

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

for the 1st quarter (July - September) 2023 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print name: HA GoliATH

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

Signature: [Signature]

Date: 20/10/2023