

# **MAGARENG LOCAL MUNICIPALITY**

**MAGARENG**



**MUNICIPALITY**

## **MONTHLY BUDGET STATEMENT REPORT**

**JULY 2022**

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## PART 1: IN - YEAR REPORT

### PURPOSE

To report to the Council and submit to National and Provincial Treasury on the monthly financial performance of the Municipality as required by Section 71 of the Municipal Finance Management Act.

### Mayors Report

The municipality's budget is being implemented in line with service delivery budget implementation plan. The municipality however still faces key financial risks that threaten the sustainability of the institution. The following are some of the key risks identified:

- Low Collection rate is affecting the cash flow of the municipality
- Long outstanding creditors with Eskom and Vaalharts water

Slow spending on the capital expenditure

### EXECUTIVE SUMMARY

Section 71 of the Municipal Finance Management Act deals with requirements for in-year reporting and further state that the Accounting Officer of the Municipality must by no later than 10 working days after end of each month submit to the Council or and relevant Provincial Treasury, the monthly budget statement in the prescribed format on the state of the municipality's financial results. It must be noted that 2021-22 financial year amounts are not yet audited.

### IN YEAR BUDGET STATEMENT TABLES

		2022/2023		
DESCRIPTION	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE BUDGET	PERCENTAGE
OPERATING REVENUE	R 130 915 663.00	R -	R 28 264 366.50	22%
OPERATING EXPENDITURE	R 182 313 394.00	R -	R 6 825 428.55	4%
TRANSFER CAPITAL	R 23 612 000.00	R -	R 6 500 000.00	28%
SURPLUS/(DEFICIT)	R -27 785 731.00	R -	R 27 938 937.95	-101%
CAPITAL EXPENDITURE	R 23 612 000.00	R -	R 5 035 324.17	21%

## Table C1 – Budget Statement Summary

NC093 Magareng - Table C1 Monthly Budget Statement Summary - M01 July

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	11 733	12 319	12 319	1 058	1 058	1 027	32	3%	12 319
Service charges	36 845	43 325	43 325	3 313	3 313	3 610	(298)	-8%	43 325
Investment revenue	6 296	3 122	3 122	843	843	260	583	224%	3 122
Transfers and subsidies	62 864	64 964	64 964	22 616	22 616	5 414	17 202	318%	64 964
Other own revenue	8 204	7 186	7 186	434	434	599	(165)	-28%	7 186
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>125 943</b>	<b>130 916</b>	<b>130 916</b>	<b>28 264</b>	<b>28 264</b>	<b>10 910</b>	<b>17 355</b>	<b>159%</b>	<b>130 916</b>
Employee costs	49 810	53 078	53 078	3 821	3 821	4 423	(602)	-14%	53 078
Remuneration of Councillors	4 263	4 675	4 675	388	388	390	(2)	-0%	4 675
Depreciation & asset impairment	27 108	30 431	30 431	–	–	2 536	(2 536)	-100%	30 431
Finance charges	5 447	–	–	–	–	–	–	–	–
Inventory consumed and bulk purchases	47 727	38 600	38 570	2 226	2 226	3 217	(991)	-31%	38 570
Transfers and subsidies	–	20	20	–	–	2	(2)	-100%	20
Other expenditure	50 844	55 509	55 539	390	390	4 626	(4 235)	-92%	55 539
<b>Total Expenditure</b>	<b>185 199</b>	<b>182 313</b>	<b>182 313</b>	<b>6 825</b>	<b>6 825</b>	<b>15 193</b>	<b>(8 367)</b>	<b>-55%</b>	<b>182 313</b>
<b>Surplus/(Deficit)</b>	<b>(59 256)</b>	<b>(51 398)</b>	<b>(51 398)</b>	<b>21 439</b>	<b>21 439</b>	<b>(4 283)</b>	<b>25 722</b>	<b>-601%</b>	<b>(51 398)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	30 851	23 612	23 612	6 500	6 500	1 968	4 532	230%	23 612
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)	3 696	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(24 709)</b>	<b>(27 786)</b>	<b>(27 786)</b>	<b>27 939</b>	<b>27 939</b>	<b>(2 315)</b>	<b>30 254</b>	<b>-1307%</b>	<b>(27 786)</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>(24 709)</b>	<b>(27 786)</b>	<b>(27 786)</b>	<b>27 939</b>	<b>27 939</b>	<b>(2 315)</b>	<b>30 254</b>	<b>-1307%</b>	<b>(27 786)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>24 630</b>	<b>23 612</b>	<b>23 612</b>	<b>5 035</b>	<b>5 035</b>	<b>1 968</b>	<b>3 068</b>	<b>156%</b>	<b>23 612</b>
Capital transfers recognised	22 097	23 612	23 612	5 035	5 035	1 968	3 068	156%	23 612
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	2 533	–	–	–	–	–	–	–	–
<b>Total sources of capital funds</b>	<b>24 630</b>	<b>23 612</b>	<b>23 612</b>	<b>5 035</b>	<b>5 035</b>	<b>1 968</b>	<b>3 068</b>	<b>156%</b>	<b>23 612</b>
<b>Financial position</b>									
Total current assets	(32 032)	(111 496)	(111 496)		76 224				(111 496)
Total non current assets	310 859	324 339	324 339		391 272				324 339
Total current liabilities	366 150	238 246	238 246		296 068				238 246
Total non current liabilities	12 754	3 105	3 105		8 573				3 105
Community wealth/Equity	133 045	(27 786)	(27 786)		140 812				(27 786)
<b>Cash flows</b>									
Net cash from (used) operating	–	275 601	275 601	3 116	3 303	22 967	19 664	86%	275 601
Net cash from (used) investing	–	(23 611)	(23 612)	(5 008)	(5 035)	(1 968)	3 068	-156%	(23 611)
Net cash from (used) financing	–	331	–	25	3	28	25	90%	331
<b>Cash/cash equivalents at the month/year end</b>	<b>6 674</b>	<b>252 898</b>	<b>252 566</b>	<b>–</b>	<b>(2 941)</b>	<b>21 604</b>	<b>24 545</b>	<b>114%</b>	<b>251 109</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	5 451	3 883	4 674	3 782	4 711	4 731	28 075	291 496	346 803
<b>Creditors Age Analysis</b>									
Total Creditors	3 223	4 207	5 956	7 428	9 728	61 818	29 475	95 917	217 752

**The above C1 Sum table summarizes the following activities: -**

**Revenue:**

The actual year to date operational revenue as at end of July is R28,3 million and the year to date budget of R10,9 million and this reflects a positive variance of R17,4 million which is mostly attributable to equitable shares received amounting to R22,6 million. The following are the secondary revenue item categories reflecting a positive and negative material variance:

- Property Rates : 3% favorable variance
- Service Charges : 8% unfavorable variance
- Investment Revenue: 224% favorable variance
- Transfers and Subsidies : 318% favorable variance
- Other Own Revenue : 28% unfavorable variance

**Operating Expenditure**

The year to date operational expenditure as at end of July amounts to R6, 8 million and the year to date budget is R15, 2 million. This reflects under spending variance of R8, 4 million that translates to 55% variance. The variance is attributing to under spending variance on depreciation and asset impairment and debt impairment, the municipality is still facing a challenge regarding monthly movement of the two accounts.

All other expenditure line items are performing almost in line with the year to date budget since the variance thereof is less than 10% except for the following:

- Employee related costs: 14% under performance
- Debt impairment: 100% under performance
- Depreciation and asset impairment: 100% under performance
- Inventory consumed and Bulk Purchase: 31% under performance
- Transfer and subsidies: 100% under performance
- Other expenditure: 92% under performance

The above material variances are explained more in detail on Supporting Tables SC 1

## **Capital Expenditure**

The year to date actual capital expenditure as at end of July 2022 amounts to R5 035 million and the year to date budget amounts to R1 968 million and this gives rise to R3 068 million over performance.

## **Surplus/Deficit**

Taking the above into consideration, the net operating surplus for the month of July is R27 939 million.

## **Debtors**

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of July amounts to R346 803 million and this show an increase of R3 852 million as compared to R342 951 million as at end of 2021/22 financial year.

Consumer debtors is made up of service charges and property rates that amount to R233 459 million and other debtors amounting to R113 344 million.

## **Creditors**

As at 31 July 2022 the municipality had an outstanding creditors amounting to R217 752 million and the bulk of this amount is made up by Bulk water :R118 364 million and bulk electricity :R84 360 million.

**Table C2 – Financial Performance (Standard Classification)**

NC093 Magareng - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M01 July

Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		81 333	80 404	80 404	24 659	24 659	6 700	17 958	268%	80 404
Executive and council		54 507	59 064	59 064	22 616	22 616	4 922	17 694	359%	59 064
Finance and administration		26 826	21 340	21 340	2 043	2 043	1 778	264	15%	21 340
Internal audit		-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		1 533	1 329	1 329	15	15	111	(96)	-87%	1 329
Community and social services		1 216	1 189	1 189	11	11	99	(88)	-89%	1 189
Sport and recreation		58	-	-	-	-	-	-	-	-
Public safety		258	140	140	4	4	12	(8)	-65%	140
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		(3 731)	450	450	-	-	38	(38)	-100%	450
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		(3 731)	450	450	-	-	38	(38)	-100%	450
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		81 355	72 344	72 344	10 091	10 091	6 029	4 062	67%	72 344
Energy sources		15 546	21 361	21 361	1 538	1 538	1 780	(243)	-14%	21 361
Water management		49 876	33 037	33 037	7 109	7 109	2 753	4 356	158%	33 037
Waste water management		8 985	9 101	9 101	702	702	758	(57)	-7%	9 101
Waste management		6 948	8 845	8 845	742	742	737	5	1%	8 845
<i><b>Other</b></i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	160 490	154 528	154 528	34 764	34 764	12 877	21 887	170%	154 528
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		103 010	48 038	48 038	2 438	2 438	4 003	(1 565)	-39%	48 038
Executive and council		14 133	13 024	13 024	558	558	1 085	(527)	-49%	13 024
Finance and administration		88 877	35 015	35 015	1 880	1 880	2 918	(1 038)	-36%	35 015
Internal audit		-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		12 773	12 438	12 438	945	945	1 036	(92)	-9%	12 438
Community and social services		2 526	2 850	2 850	187	187	237	(50)	-21%	2 850
Sport and recreation		3 390	4 212	4 212	321	321	351	(30)	-8%	4 212
Public safety		4 001	4 230	4 230	355	355	353	3	1%	4 230
Housing		2 856	1 146	1 146	81	81	95	(15)	-15%	1 146
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		6 198	7 222	7 222	329	329	602	(273)	-45%	7 222
Planning and development		3 787	5 832	5 832	241	241	486	(245)	-50%	5 832
Road transport		2 411	1 390	1 390	88	88	116	(28)	-24%	1 390
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		63 219	114 616	114 616	3 113	3 113	9 551	(6 438)	-67%	114 616
Energy sources		28 825	44 824	44 824	2 396	2 396	3 735	(1 340)	-36%	44 824
Water management		24 595	28 868	28 968	472	472	2 414	(1 942)	-80%	28 968
Waste water management		8 649	21 149	21 049	183	183	1 754	(1 571)	-90%	21 049
Waste management		1 150	19 774	19 774	63	63	1 648	(1 585)	-96%	19 774
<i><b>Other</b></i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	185 199	182 313	182 313	6 825	6 825	15 193	(8 367)	-55%	182 313
<b>Surplus/ (Deficit) for the year</b>		(24 709)	(27 786)	(27 786)	27 939	27 939	(2 315)	30 254	-1307%	(27 786)

**Table C3 – Financial Performance (Revenue and Expenditure by vote)**

NC093 Magareng - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M01 July

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
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 01 - Executive & Council	1	54 507	59 064	59 064	22 616	22 616	4 922	17 694	359.5%	59 064
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 04 - Financial Services		26 826	21 340	21 340	2 043	2 043	1 778	264	14.9%	21 340
Vote 05 - Municipal Infrastructure		77 624	72 794	72 794	10 091	10 091	6 066	4 025	66.3%	72 794
Vote 06 - Community Services		-	-	-	-	-	-	-	-	-
Vote 07 - Public Safety & Transport		1 533	1 329	1 329	15	15	111	(96)	-86.5%	1 329
Vote 08 - Sports, Arts, Parks, Culture		-	-	-	-	-	-	-	-	-
Vote 09 - Planning & Development		-	-	-	-	-	-	-	-	-
Vote 10 - Hunan Settlements		-	-	-	-	-	-	-	-	-
Vote 11 - Idp, Pms Department		-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-	-	-
Vote 13 - Electricity Department		-	-	-	-	-	-	-	-	-
Vote 14 - Maluti Water		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>2</b>	<b>160 490</b>	<b>154 528</b>	<b>154 528</b>	<b>34 764</b>	<b>34 764</b>	<b>12 877</b>	<b>21 887</b>	<b>170.0%</b>	<b>154 528</b>
<b>Expenditure by Vote</b>										
Vote 01 - Executive & Council	1	11 268	10 987	10 987	417	417	916	(498)	-54.4%	10 987
Vote 02 - Office Of The Municipal Manager		1 839	2 037	2 037	55	55	170	(115)	-67.8%	2 037
Vote 03 - Corporate Services		12 235	14 279	14 279	1 096	1 096	1 190	(94)	-7.9%	14 279
Vote 04 - Financial Services		76 706	20 736	20 736	790	790	1 728	(938)	-54.3%	20 736
Vote 05 - Municipal Infrastructure		68 120	119 589	119 589	3 354	3 354	9 966	(6 612)	-66.3%	119 589
Vote 06 - Community Services		-	-	-	-	-	-	-	-	-
Vote 07 - Public Safety & Transport		9 717	11 292	11 292	847	847	941	(94)	-10.0%	11 292
Vote 08 - Sports, Arts, Parks, Culture		-	-	-	-	-	-	-	-	-
Vote 09 - Planning & Development		5 315	3 394	3 394	267	267	283	(16)	-5.5%	3 394
Vote 10 - Hunan Settlements		-	-	-	-	-	-	-	-	-
Vote 11 - Idp, Pms Department		-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-	-	-
Vote 13 - Electricity Department		-	-	-	-	-	-	-	-	-
Vote 14 - Maluti Water		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>185 199</b>	<b>182 313</b>	<b>182 313</b>	<b>6 825</b>	<b>6 825</b>	<b>15 193</b>	<b>(8 367)</b>	<b>-55.1%</b>	<b>182 313</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>(24 709)</b>	<b>(27 786)</b>	<b>(27 786)</b>	<b>27 939</b>	<b>27 939</b>	<b>(2 315)</b>	<b>30 254</b>	<b>-1306.6%</b>	<b>(27 786)</b>

Table C2 and C3 measure the monthly actuals and year to date actuals against the year to date budget. The aforementioned budget tables are presented by standard classification and vote respectively for both revenue and expenditure. The variances are all reflected in the year-to-date variance column.

The financial results portrayed in the two tables are the same as those in other tables (i.e. it is only the description or basis of reporting that is based on financial or budget performance by vote or department, and National Treasury's standard classification).



**Table C4: Financial Performance by Revenue Source and Expenditure Type**

**NC093 Magareng - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July**

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		11 733	12 319	12 319	1 058	1 058	1 027	32	3%	12 319
Service charges - electricity revenue		15 185	20 897	20 897	1 538	1 538	1 741	(204)	-12%	20 897
Service charges - water revenue		8 426	8 975	8 975	609	609	748	(138)	-19%	8 975
Service charges - sanitation revenue		7 569	7 016	7 016	661	661	585	77	13%	7 016
Service charges - refuse revenue		5 666	6 437	6 437	505	505	536	(32)	-6%	6 437
Rental of facilities and equipment		4	3	3	-	-	0	(0)	-100%	3
Interest earned - external investments		6 296	3 122	3 122	843	843	260	583	224%	3 122
Interest earned - outstanding debtors		2 749	5 223	5 223	372	372	435	(63)	-14%	5 223
Dividends received										
Fines, penalties and forfeits		127	46	46	5	5	4	1	20%	46
Licences and permits		(2 187)	-	-	-	-	-	-		-
Agency services		76	-	-	-	-	-	-		-
Transfers and subsidies		62 864	64 964	64 964	22 616	22 616	5 414	17 202	318%	64 964
Other revenue		7 240	1 914	1 914	57	57	160	(103)	-64%	1 914
Gains		196	-	-	-	-	-	-		-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>125 943</b>	<b>130 916</b>	<b>130 916</b>	<b>28 264</b>	<b>28 264</b>	<b>10 910</b>	<b>17 355</b>	<b>159%</b>	<b>130 916</b>
<b>Expenditure By Type</b>										
Employee related costs		49 810	53 078	53 078	3 821	3 821	4 423	(602)	-14%	53 078
Remuneration of councillors		4 263	4 675	4 675	388	388	390	(2)	0%	4 675
Debt impairment		35 611	37 815	37 815	-	-	3 151	(3 151)	-100%	37 815
Depreciation & asset impairment		27 108	30 431	30 431	-	-	2 536	(2 536)	-100%	30 431
Finance charges		5 447	-	-	-	-	-	-		-
Bulk purchases - electricity		24 641	24 750	24 750	1 960	1 960	2 063	(103)	-5%	24 750
Inventory consumed		23 086	13 850	13 820	266	266	1 154	(888)	-77%	13 820
Contracted services		6 187	6 720	6 720	183	183	560	(377)	-67%	6 720
Transfers and subsidies		-	20	20	-	-	2	(2)	-100%	20
Other expenditure		9 046	10 974	11 004	207	207	914	(707)	-77%	11 004
Losses		-	-	-	-	-	-	-		-
<b>Total Expenditure</b>		<b>185 199</b>	<b>182 313</b>	<b>182 313</b>	<b>6 825</b>	<b>6 825</b>	<b>15 193</b>	<b>(8 367)</b>	<b>-55%</b>	<b>182 313</b>
<b>Surplus/(Deficit)</b>		<b>(59 256)</b>	<b>(51 398)</b>	<b>(51 398)</b>	<b>21 439</b>	<b>21 439</b>	<b>(4 283)</b>	<b>25 722</b>	<b>(0)</b>	<b>(51 398)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		30 851	23 612	23 612	6 500	6 500	1 968	4 532	0	23 612
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		3 696	-	-	-	-	-	-		-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-		-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(24 709)</b>	<b>(27 786)</b>	<b>(27 786)</b>	<b>27 939</b>	<b>27 939</b>	<b>(2 315)</b>			<b>(27 786)</b>
Taxation										
<b>Surplus/(Deficit) after taxation</b>		<b>(24 709)</b>	<b>(27 786)</b>	<b>(27 786)</b>	<b>27 939</b>	<b>27 939</b>	<b>(2 315)</b>			<b>(27 786)</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(24 709)</b>	<b>(27 786)</b>	<b>(27 786)</b>	<b>27 939</b>	<b>27 939</b>	<b>(2 315)</b>			<b>(27 786)</b>
Share of surplus/ (deficit) of associate										
<b>Surplus/ (Deficit) for the year</b>		<b>(24 709)</b>	<b>(27 786)</b>	<b>(27 786)</b>	<b>27 939</b>	<b>27 939</b>	<b>(2 315)</b>			<b>(27 786)</b>

Table C4 provides budget performance details for revenue by source and expenditure by type. For revenue, the main deviations from budget projections are on property rates, service charges – electricity, refuse, rental of facilities and equipment, interest earned – external investments, interest on outstanding debtors, fines, penalties and forfeits, licenses and permits and other revenue.

In the case of expenditure, the following line items reflect material variance; Remuneration of councilors, Bulk purchases, other expenditure, debt impairment, depreciation and asset impairment, finance charges, employee related costs, other materials, and transfer and subsidies.

Reasons for deviations will only be provided for material variances and a variance is deemed to be material if it is 10% and more.

**Table C5 Capex: Monthly Capital Expenditure by Standard Classification and Funding**

**NC093 Magareng - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 July**

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
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
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 - Planning & Development		-	-	-	-	-	-	-	-	-
Vote 10 - Human Settlements		-	-	-	-	-	-	-	-	-
Vote 11 - Idp, Pms Department		-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-	-	-
Vote 13 - Electricity Department		-	-	-	-	-	-	-	-	-
Vote 14 - Maluti Water		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	-	-	-	-	-	-	-	-
<b>Single Year expenditure appropriation</b>	2									
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		261	-	-	-	-	-	-	-	-
Vote 04 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 05 - Municipal Infrastructure		24 369	23 612	23 612	5 035	5 035	1 968	3 068	156%	23 612
Vote 06 - Community Services		-	-	-	-	-	-	-	-	-
Vote 07 - Public Safety & Transport		-	-	-	-	-	-	-	-	-
Vote 08 - Sports, Arts, Parks, Culture		-	-	-	-	-	-	-	-	-
Vote 09 - Planning & Development		-	-	-	-	-	-	-	-	-
Vote 10 - Human Settlements		-	-	-	-	-	-	-	-	-
Vote 11 - Idp, Pms Department		-	-	-	-	-	-	-	-	-
Vote 12 - Spatial Development, Planning & Traditional Affairs		-	-	-	-	-	-	-	-	-
Vote 13 - Electricity Department		-	-	-	-	-	-	-	-	-
Vote 14 - Maluti Water		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	24 630	23 612	23 612	5 035	5 035	1 968	3 068	156%	23 612
<b>Total Capital Expenditure</b>		24 630	23 612	23 612	5 035	5 035	1 968	3 068	156%	23 612
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		261	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		261	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		24 369	23 612	23 612	5 035	5 035	1 968	3 068	156%	23 612
Energy sources		207	-	-	-	-	-	-	-	-
Water management		22 358	23 612	23 612	5 035	5 035	1 968	3 068	156%	23 612
Waste water management		1 805	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	24 630	23 612	23 612	5 035	5 035	1 968	3 068	156%	23 612
<b>Funded by:</b>										
National Government		14 358	23 612	23 612	5 035	5 035	1 968	3 068	156%	23 612
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		1 180	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Education, Public Companies, Public Education)		6 559	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		22 097	23 612	23 612	5 035	5 035	1 968	3 068	156%	23 612
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		2 533	-	-	-	-	-	-	-	-
<b>Total Capital Funding</b>		24 630	23 612	23 612	5 035	5 035	1 968	3 068	156%	23 612

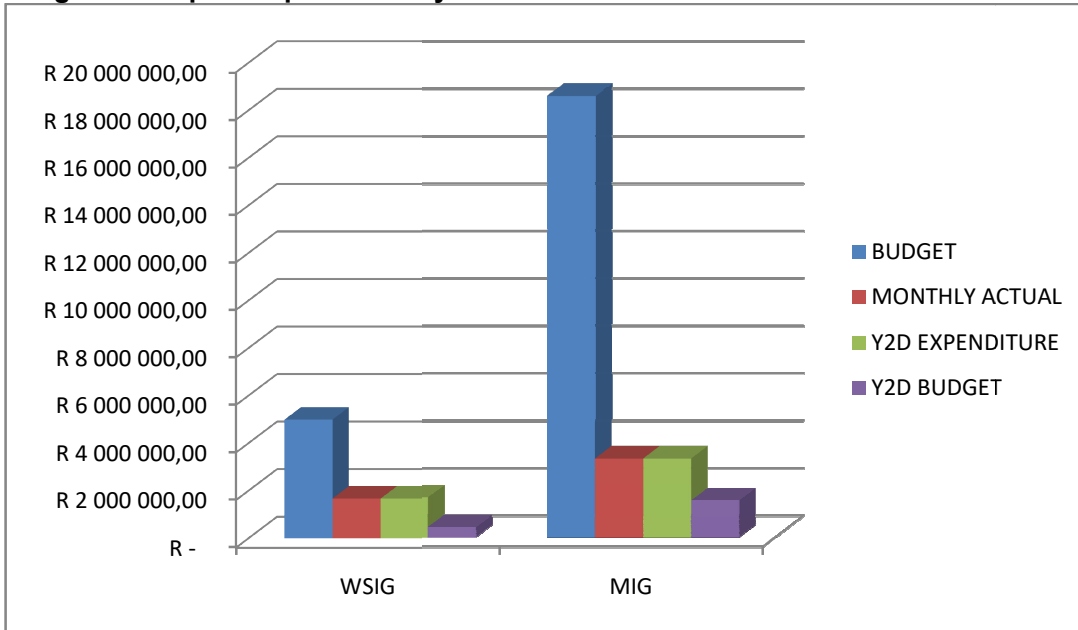
**Table C5C: Monthly Capital Expenditure by Vote**

NC093 Magareng - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - A - M01 July

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
<b>Capital expenditure - Municipal Vote</b>										
<b>Expenditure of multi-year capital appropriation</b>	1									
<b>Capital expenditure - Municipal Vote</b>										
<b>Expenditure of single-year capital appropriation</b>	1									
<b>Vote 01 - Executive &amp; Council</b>		-	-	-	-	-	-	-	-	-
01.1 - Council & Executive Administration		-	-	-	-	-	-	-	-	-
<b>Vote 02 - Office Of The Municipal Manager</b>		-	-	-	-	-	-	-	-	-
02.1 - Office Of The Municipal Manager		-	-	-	-	-	-	-	-	-
<b>Vote 03 - Corporate Services</b>		261	-	-	-	-	-	-	-	-
03.1 - Administration And Legal		-	-	-	-	-	-	-	-	-
03.2 - Corporate Admin		261	-	-	-	-	-	-	-	-
03.3 - Human Resources		-	-	-	-	-	-	-	-	-
<b>Vote 04 - Financial Services</b>		-	-	-	-	-	-	-	-	-
04.1 - Finance Admin		-	-	-	-	-	-	-	-	-
<b>Vote 05 - Municipal Infrastructure</b>		24 369	23 612	23 612	5 035	5 035	1 968	3 068	156%	23 612
05.1 - Technical Admin		-	-	-	-	-	-	-	-	-
05.2 - Roads And Stormwater		-	-	-	-	-	-	-	-	-
05.3 - Solid Waste Management		-	-	-	-	-	-	-	-	-
05.4 - Sanitation		1 805	-	-	-	-	-	-	-	-
05.5 - Water		22 358	23 612	23 612	5 035	5 035	1 968	3 068	156%	23 612
05.6 - Electricity		207	-	-	-	-	-	-	-	-
<b>Vote 06 - Community Services</b>		-	-	-	-	-	-	-	-	-
<b>Vote 07 - Public Safety &amp; Transport</b>		-	-	-	-	-	-	-	-	-
07.1 - Cemetary		-	-	-	-	-	-	-	-	-
07.2 - Library		-	-	-	-	-	-	-	-	-
07.3 - Traffic		-	-	-	-	-	-	-	-	-
07.4 - Traffic		-	-	-	-	-	-	-	-	-
07.5 - Parks And Recreation		-	-	-	-	-	-	-	-	-
07.6 - Safety		-	-	-	-	-	-	-	-	-
<b>Vote 08 - Sports, Arts, Parks, Culture</b>		-	-	-	-	-	-	-	-	-
<b>Vote 09 - Planning &amp; Development</b>		-	-	-	-	-	-	-	-	-
09.1 - Planning And Development		-	-	-	-	-	-	-	-	-
09.2 - Led		-	-	-	-	-	-	-	-	-
09.3 - Idp		-	-	-	-	-	-	-	-	-
09.4 - Land Use		-	-	-	-	-	-	-	-	-
<b>Vote 10 - Hunan Settlements</b>		-	-	-	-	-	-	-	-	-
<b>Vote 11 - Idp, Pms Department</b>		-	-	-	-	-	-	-	-	-
<b>Vote 12 - Spatial Development, Planning &amp; Traditio</b>		-	-	-	-	-	-	-	-	-
<b>Vote 13 - Electricity Department</b>		-	-	-	-	-	-	-	-	-
<b>Vote 14 - Maluti Water</b>		-	-	-	-	-	-	-	-	-
<b>Vote 15 - Other</b>		-	-	-	-	-	-	-	-	-
<b>Total single-year capital expenditure</b>		24 630	23 612	23 612	5 035	5 035	1 968	3 068	0	23 612
<b>Total Capital Expenditure</b>		24 630	23 612	23 612	5 035	5 035	1 968	3 068	0	23 612

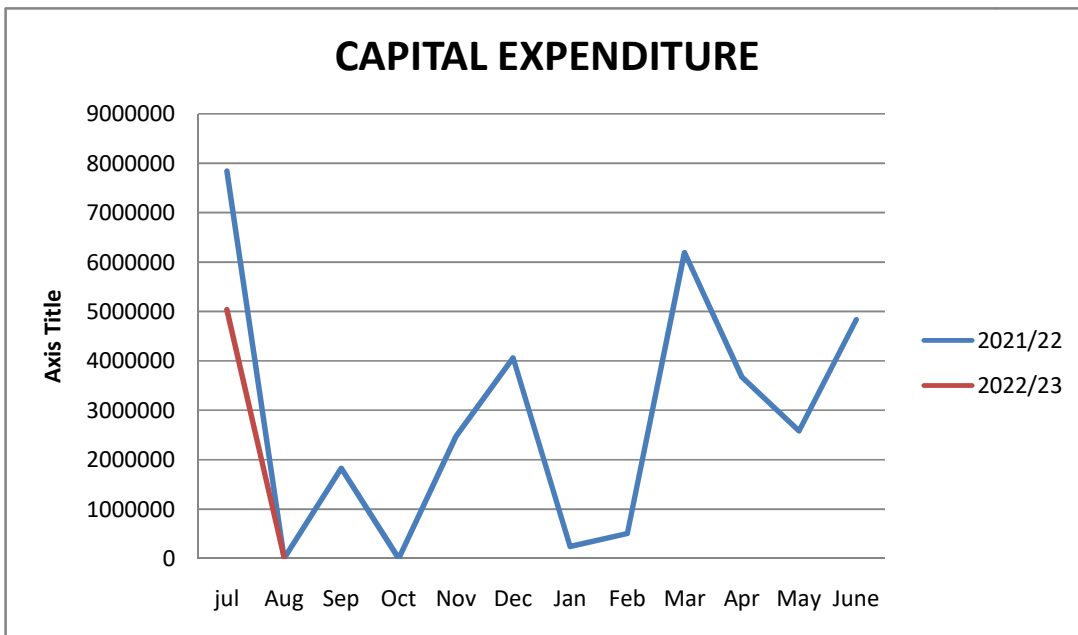
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of July 2022, R5 035 million spending is incurred.

**Figure 1: Capital expenditure by source**



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R23 612 million, R18 612 million is funded from Municipal Infrastructure grant and R5 000 million is from Water services infrastructure grant and the spending per source of finance is presented in the above graph.

**Figure 2: Monthly capital expenditure**



The above graph compares the 2021/22 and 2022/23 monthly capital expenditure performance.

**Table C6: Monthly Budget Statement Financial Position**

NC093 Magareng - Table C6 Monthly Budget Statement - Financial Position - M01 July

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		(101 324)	(253 960)	(253 960)	444	(253 960)
Call investment deposits		3 826	62 108	62 108	89	62 108
Consumer debtors		12 647	28 402	28 402	18 073	28 402
Other debtors		52 655	51 486	51 486	57 455	51 486
Current portion of long-term receivables						
Inventory		164	467	467	163	467
<b>Total current assets</b>		<b>(32 032)</b>	<b>(111 496)</b>	<b>(111 496)</b>	<b>76 224</b>	<b>(111 496)</b>
<b>Non current assets</b>						
Long-term receivables		0	1	1	0	1
Investments						
Investment property		23 831	23 831	23 831	23 831	23 831
Investments in Associate						
Property, plant and equipment		286 637	300 056	300 056	367 030	300 056
Biological						
Intangible		20	79	79	40	79
Other non-current assets		371	371	371	371	371
<b>Total non current assets</b>		<b>310 859</b>	<b>324 339</b>	<b>324 339</b>	<b>391 272</b>	<b>324 339</b>
<b>TOTAL ASSETS</b>		<b>278 827</b>	<b>212 842</b>	<b>212 842</b>	<b>467 496</b>	<b>212 842</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Borrowing		191	-	-	484	-
Consumer deposits		1 303	1 254	1 254	1 306	1 254
Trade and other payables		356 914	230 550	230 550	286 695	230 550
Provisions		7 741	6 442	6 442	7 583	6 442
<b>Total current liabilities</b>		<b>366 150</b>	<b>238 246</b>	<b>238 246</b>	<b>296 068</b>	<b>238 246</b>
<b>Non current liabilities</b>						
Borrowing		-	-	-	-	-
Provisions		12 754	3 105	3 105	8 573	3 105
<b>Total non current liabilities</b>		<b>12 754</b>	<b>3 105</b>	<b>3 105</b>	<b>8 573</b>	<b>3 105</b>
<b>TOTAL LIABILITIES</b>		<b>378 905</b>	<b>241 351</b>	<b>241 351</b>	<b>304 642</b>	<b>241 351</b>
<b>NET ASSETS</b>	2	<b>(100 077)</b>	<b>(28 509)</b>	<b>(28 509)</b>	<b>162 854</b>	<b>(28 509)</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		133 045	(27 786)	(27 786)	140 812	(27 786)
Reserves		-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>133 045</b>	<b>(27 786)</b>	<b>(27 786)</b>	<b>140 812</b>	<b>(27 786)</b>

Taking the current liabilities and current assets together, the municipality has current ratio of 0.26 that is below the acceptable norm of 1.5. The municipality still needs to keep the current liabilities low and increase the current assets to strengthen the liquidity ratio; the current situation suggests that the municipality would struggle to meet its short term obligations.

**Table C7: Monthly Budget Statement Cash Flow**

NC093 Magareng - Table C7 Monthly Budget Statement - Cash Flow - M01 July

Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		–	4 312	4 312	396	396	359	37	10%	4 312
Service charges		–	15 509	15 509	2 225	2 225	1 292	933	72%	15 509
Other revenue		–	238 520	238 520	(318)	(318)	19 877	(20 195)	-102%	238 520
Transfers and Subsidies - Operational		–	64 964	64 964	22 616	22 616	5 414	17 202	318%	64 964
Transfers and Subsidies - Capital		–	23 612	23 612	6 500	6 500	1 968	4 532	230%	23 612
Interest		–	3 122	3 122	–	–	260	(260)	-100%	3 122
Dividends								–		
<b>Payments</b>										
Suppliers and employees		–	(74 437)	(74 437)	(28 303)	(28 303)	(6 203)	22 100	-356%	(74 437)
Finance charges								–		
Transfers and Grants								–		
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		–	<b>275 601</b>	<b>275 601</b>	<b>3 116</b>	<b>3 116</b>	<b>22 967</b>	<b>19 850</b>	<b>86%</b>	<b>275 601</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE								–		
Decrease (increase) in non-current receivables		–	1	–	–	0	0	(0)	-100%	1
Decrease (increase) in non-current investments								–		
<b>Payments</b>										
Capital assets		–	(23 612)	(23 612)	(5 035)	(5 035)	(1 968)	3 068	-156%	(23 612)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		–	<b>(23 611)</b>	<b>(23 612)</b>	<b>(5 035)</b>	<b>(5 035)</b>	<b>(1 968)</b>	<b>3 068</b>	<b>-156%</b>	<b>(23 611)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans								–		
Borrowing long term/refinancing								–		
Increase (decrease) in consumer deposits		–	331	–	25	25	28	(3)	-10%	331
<b>Payments</b>										
Repayment of borrowing								–		
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		–	<b>331</b>	<b>–</b>	<b>–</b>	<b>25</b>	<b>28</b>	<b>3</b>	<b>10%</b>	<b>331</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>										
		–	<b>252 321</b>	<b>251 989</b>	<b>(1 919)</b>	<b>(1 894)</b>	<b>21 027</b>			<b>252 321</b>
Cash/cash equivalents at beginning:		6 674	577	577	1 744	(1 211)	577			(1 211)
Cash/cash equivalents at month/year end:		6 674	252 898	252 566		(3 105)	21 604			251 109

Table C7 presents details pertaining to cash flow performance. As at end of July 2022, the net cash inflow from operating activities is R3 116 million whilst net cash outflow from investing activities is R5 035 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R25 thousand. The cash and cash equivalent held at end of July 2022 amounted to R-3 105 million and the net effect of the above cash flows is cash outflow movement of R-1 894 million.

## PART 2: SUPPORTING TABLES

**Supporting Table: SC 1 Material Variance Explanations**

DESCRIPTION	VARIANCE	REASON FOR MATERIAL VARIANCE	REMEDIAL OR CORRECTIVE STEPS/REMARKS
REVENUE BY SOURCE			
Property rates	3%	The projected monthly revenue appear to be slightly high in light of the actual revenue performance	the variance is immaterial and no remedial action is needed
Service charges - electricity revenue	-12%	The actual revenue is less than the projected monthly revenue	the municipality needs to look at the revenue generated at the electricity services or this might be due to over budgeting
Service charges - water revenue	-19%	The actual revenue is less than the projected monthly revenue	This negative variance is as a result of not being able to bill the ikhutseng community as there are no metering systems put in place whilst some part of the community is unhappy with the service being rendered as there is shortage of water, and the municipality does not supply all residents. Currently the municipality is increasing the capacity of reservoirs as a way of ensuring the whole community has access to water.
Service charges - sanitation revenue	13%	The projected monthly revenue appear to be high in light of the actual revenue performance	the variance is immaterial and no remedial action is needed
Service charges - refuse revenue	-6%	The actual revenue is less than the projected monthly revenue	No remedial action is needed as the variance is below 10%
Rental of facilities and equipment	-100%	The actual revenue is less than the projected monthly revenue	the municipality needs to look at the revenue generated on their rental facilities to see if they generate cash as they are rented out.
Interest earned - outstanding debtors	-14%	The actual revenue is less than the projected monthly revenue	Illegal connections/meter tampering and illegal reconnection by the customer's where the supply is self reconnected without any payment. Mechanisms to be put in place on how to resolve such challenges.
Fines, penalties and forfeits	20%	The projected monthly revenue appear to be high in light of the actual revenue performance	the variance is immaterial and no remedial action is needed
Transfers and subsidies	318%	The projected monthly revenue appear to be high in light of the actual revenue performance	The municipality receives grants as per DoRA schedule
Other revenue	-64%	The actual revenue is less than the projected monthly revenue	The municipality needs to cut down the budgeted revenue during the main adjustment with a hope that the actual generated revenue with to date will agree with the monthly projection revenue
<b>Expenditure By Type</b>			
Employee related costs	-14%	the actual expenditure incurred is less than the projected monthly actual	There are still vacant posts that needs to be filled and are being budgeted for.
Remuneration of councillors	0%	the actual expenditure is on par with the monthly actual projection	No remedial action is needed.
Debt impairment	-100%	Debt impairment is calculated at bia-annual	the municipality should should do away with this approach if its not viable
Depreciation & asset impairment	-100%	depreciation is calculated annually	The Asset Management System currently do not interface with the Financial System and this make it difficult, to post the transactions for depreciation monthly or quarterly. We currently have to pass journals in the financial system to recognise depreciation in the general ledger. This is due to the fact that the systems do not interface. Once journals are passed for depreciation and changes needs to be done for depreciation due to asset processes like disposals or impairment recognition, we will have to pass new journals for the correction of depreciation.
Bulk purchases - electricity	-5%	the actual expenditure is on par with the monthly actual projection	No remedial action is needed.
Inventory consumed	-77%	the actual expenditure incurred is less than the projected monthly actual	the municipality has an agreement with vaalharts water board
Contracted services	-67%	the actual expenditure incurred is less than the projected monthly actual	the expenditure is lower than expected
Transfers and subsidies	-100%	the actual expenditure incurred is less than the projected monthly actual	the municipality can not spent on this grant because nothing is being received
Other expenditure	-77%	the actual expenditure incurred is less than the projected monthly actual	No remedial action is needed.



**Supporting Table: SC 1 Material Variance Explanations (Continuation)**

<b>Capital expenditure</b>			
National government	156%	the actual expenditure incurred is more than the projected monthly actual	No remedial action is needed.
<b>CASH FLOW</b>			
<b>Receipts</b>			
Property rates	10%	The projected monthly revenue appear to be high in light of the actual revenue performance	the variance is immaterial and no remedial action is needed
Service charges	72%	The projected monthly revenue appear to be high in light of the actual revenue performance	the variance is immaterial and no remedial action is needed
Other revenue	-102%	The actual revenue is less than the projected monthly revenue	the municipality should come up with strategies to ensure all leased municipal assets are rented out as projected
Transfers and Subsidies - Operational	318%	The actual revenue is less than the projected monthly revenue	The municipality receives grants as per DoRA schedule
Transfers and Subsidies - Capital	230%	The actual revenue is less than the projected monthly revenue	The municipality receives grants as per DoRA schedule
Interest	-100%	interest on other revenue is projected to under collection from other debtors	The revenue section will have to do a thorough investigation into the lower interest generated and ascertain that interest is being duly charged to all outstanding balances that should attract interest and also confirm if interest write-offs are not erroneously done against the income vote.

### Supporting Table: SC 3 - Debtors Age Analysis

NC093 Magareng - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July

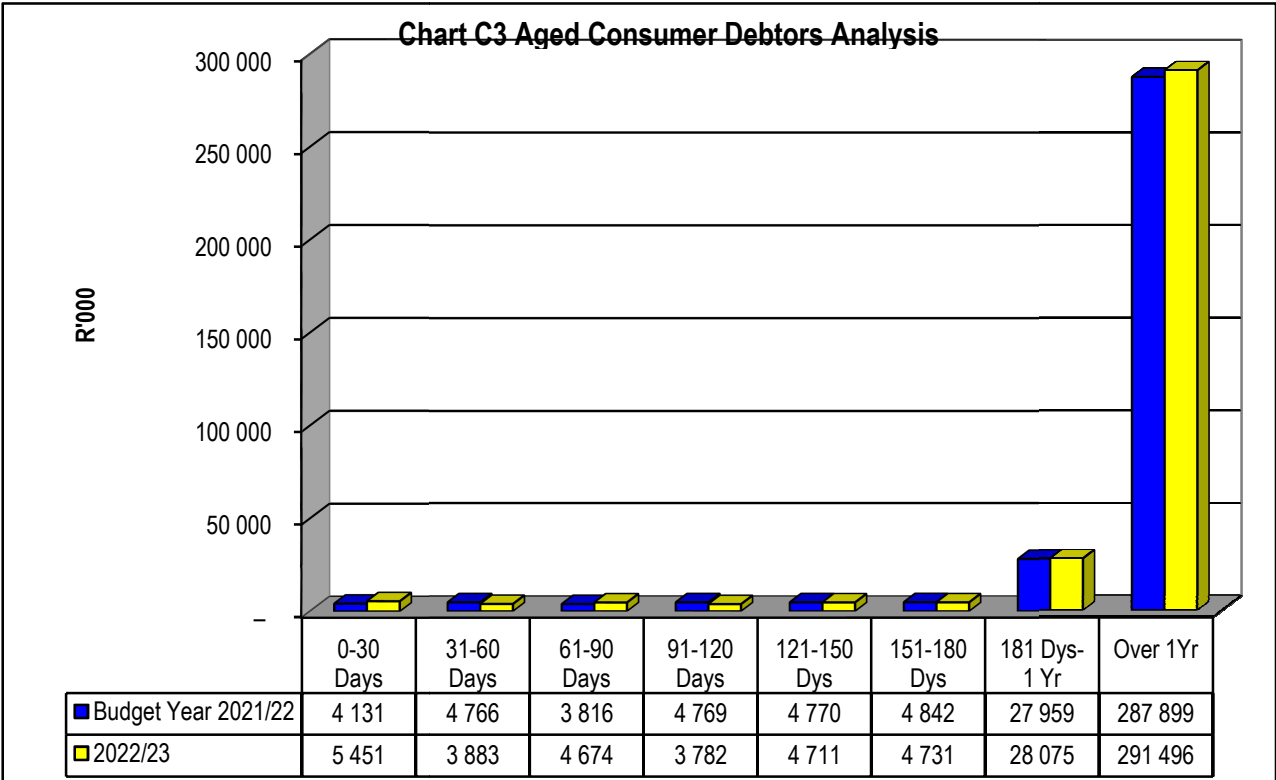
Description	NT Code	Budget Year 2022/23									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	772	680	1 462	776	755	753	4 386	54 418	64 003	61 089		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	737	346	362	223	312	308	2 105	29 698	34 092	32 646		
Receivables from Non-exchange Transactions - Property Rates	1400	1 037	810	803	756	753	721	4 203	38 721	47 805	45 155		
Receivables from Exchange Transactions - Waste Water Management	1500	780	704	698	701	700	711	4 315	41 819	50 427	48 245		
Receivables from Exchange Transactions - Waste Management	1600	576	508	506	505	507	510	3 094	30 927	37 132	35 543		
Receivables from Exchange Transactions - Property Rental Debtors	1700												
Interest on Arrear Debtor Accounts	1810	1 432	793	789	784	1 631	1 689	9 646	92 959	109 724	106 709		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820												
Other	1900	116	42	54	37	53	39	326	2 953	3 620	3 408		
<b>Total By Income Source</b>	<b>2000</b>	<b>5 451</b>	<b>3 883</b>	<b>4 674</b>	<b>3 782</b>	<b>4 711</b>	<b>4 731</b>	<b>28 075</b>	<b>291 496</b>	<b>346 803</b>	<b>332 795</b>	<b>-</b>	<b>-</b>
<b>2021/22 - totals only</b>													
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	329	234	219	156	191	159	921	7 335	9 543	8 761		
Commercial	2300	705	287	298	230	369	310	2 043	16 361	20 604	19 315		
Households	2400	4 389	3 343	4 138	3 376	4 128	4 239	24 973	266 453	315 040	303 169		
Other	2500	28	19	19	19	23	24	138	1 347	1 617	1 550		
<b>Total By Customer Group</b>	<b>2600</b>	<b>5 451</b>	<b>3 883</b>	<b>4 674</b>	<b>3 782</b>	<b>4 711</b>	<b>4 731</b>	<b>28 075</b>	<b>291 496</b>	<b>346 803</b>	<b>332 795</b>	<b>-</b>	<b>-</b>

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of July amount to R346 803 million. The debtors' book is made up as follows:

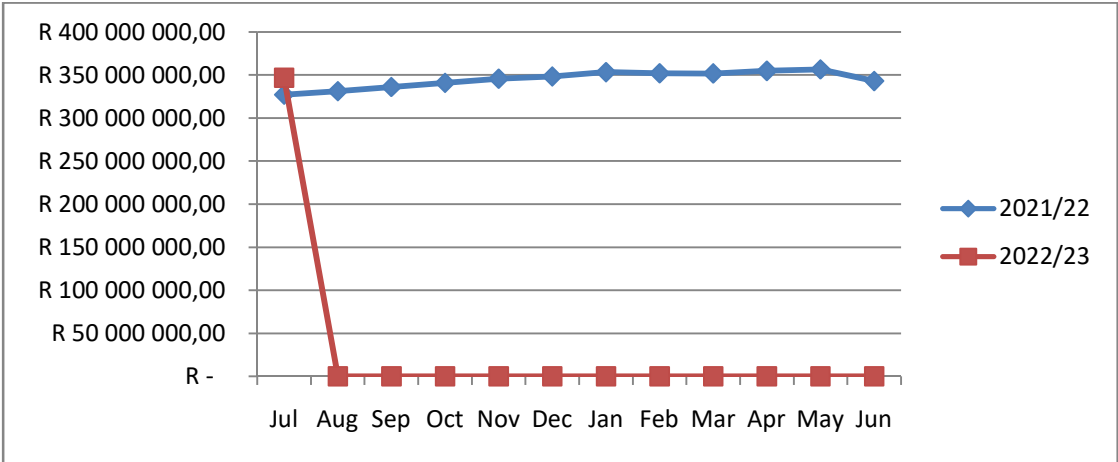
- Rates 14%
- Electricity 10%
- Water 19%
- Waste water management 14%
- Waste management 10%
- Interest on Debtors 32%
- Other 1%

The debtors' age analysis is graphically presented below.

**Figure 3: Debtors age analysis**



**Figure 4: Monthly debtors book**



The initial graph compares debtors' age analysis for 2021/22 financial year and 2022/23 (as at end of July 2022) whilst the latter shows monthly movement of debtors for both the current financial year and the 2021/22 financial year. The debtors book is materially less than the 2022/23 monthly figures and this is an indication that the municipality is not performing well in terms of collection.

Below is list of top twenty debtors that contribute significantly to the ever-growing debt book.

**TOP TWENTY DEBTORS**

Clipboard		Font		Alignment		Number	
D1		fx Account No					
	D	E	F	G	H		
1	Account No	Debtor Name	Previous	30 Days	60 Days		
2	1200263	WARRENTON SUPER CHICKEN PTY LT	R -	R -	R 5 214.		
3	1006107	WARRENTON HOSPITAAL	R 41 242.53	R 42 900.26	R 24 518.		
4	1013046	DWT DAILY WHEEL AND TYRES (PTY	R 15 492.61	R 82 613.91	R 8 618.		
5	1015015	SANRAL S	R 88 914.51	R 11 943.06	R 16 984.		
6	1014691	NATIONAL GOVERNMENT OF RSA	R 66 575.94	R 68 587.87	R 57 580.		
7	1006046	CONTINENTAL PANEL BEATERS	R 33 043.10	R 32 869.16	R 27 133.		
8	1200112	MAGELEVENDZE INV CC	R -	R -	R -		
9	1002224	IMPERIAL SUPERMARKET	R 5 770.85	R 5 809.86	R 3 616.		
10	1008542	MTHEMBU J	R 3 701.38	R 3 700.24	R 2 063.		

## Supporting Table: SC 4 - Creditors Age Analysis

NC093 Magareng - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July

Description R thousands	NT Code	Budget Year 2022/23								Total	Prior year totals for chart (same period)
		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		
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0100	2 042	2 866	2 700	2 574	4 333	48 003	21 842	-	84 360	
Bulk Water	0200	802	851	885	1 484	2 604	11 809	5 725	94 203	118 364	
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	
Loan repayments	0600	-	-	-	-	-	-	-	-	-	
Trade Creditors	0700	-	474	2 351	3 235	2 597	1 692	1 616	1 714	13 679	
Auditor General	0800	378	17	20	136	194	313	292	-	1 350	
Other	0900	-	-	-	-	-	-	-	-	-	
<b>Total By Customer Type</b>	<b>1000</b>	<b>3 223</b>	<b>4 207</b>	<b>5 956</b>	<b>7 428</b>	<b>9 728</b>	<b>61 818</b>	<b>29 475</b>	<b>95 917</b>	<b>217 752</b>	<b>-</b>

Supporting table SC4 provides creditors age analysis. In terms of section 65 of the MFMA all creditors must be paid within 30 days of receiving an invoice. The municipalities' creditors as at the 31 July 2022 amounted to R217 752 million. This amount is made up of various creditors which include amongst others the Eskom of R84 360million, and Vaalharts water of R118 364 million. The municipality cannot pay its creditors within 30 days due to low revenue collection.

NC093 Magareng - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M01 July

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
<b>R thousands</b>														
<b>Municipality</b>														-
Municipality sub-total										-		-	-	-
<b>Entities</b>														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>	2									-		-	-	-

The Municipality's current investment portfolio during the month of July is left blank intentionally because the municipality updates its investment register quarterly.

## Supporting Table: SC 6 - Transfers and Grant Receipts

NC093 Magareng - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M01 July

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>RECEIPTS:</b>										
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		57 161	62 064	62 064	22 616	22 616	5 172	17 444	337.3%	62 064
Equitable Share		51 086	57 991	57 991	22 616	22 616	4 833	17 783	368.0%	57 991
Expanded Public Works Programme Integrated Grant		1 121	1 073	1 073	-	-	89	(89)	-100.0%	1 073
Local Government Financial Management Grant		2 850	3 000	3 000	-	-	250	(250)	-100.0%	3 000
Municipal Disaster Relief Grant		2 104	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		4 603	1 800	1 800	-	-	150	(150)	-100.0%	1 800
Specify (Add grant description)		4 603	1 800	1 800	-	-	150	(150)	-100.0%	1 800
<b>Other grant providers:</b>		1 100	1 100	1 100	-	-	92	(92)	-100.0%	1 100
Education Training and Development Practices SETA		-	-	-	-	-	-	-	-	-
National Library South Africa		1 100	1 100	1 100	-	-	92	(92)	-100.0%	1 100
Post Retirement Benefit		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	62 864	64 964	64 964	22 616	22 616	5 414	17 202	317.8%	64 964
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		30 851	23 612	23 612	6 500	6 500	1 968	4 532	230.3%	23 612
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		8 175	18 612	18 612	4 000	4 000	1 551	2 449	157.9%	18 612
Regional Bulk Infrastructure Grant		18 677	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant		4 000	5 000	5 000	2 500	2 500	417	2 083	500.0%	5 000
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		3 696	-	-	-	-	-	-	-	-
Specify (Add grant description)		3 696	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	34 547	23 612	23 612	6 500	6 500	1 968	4 532	230.3%	23 612
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	97 411	88 576	88 576	29 116	29 116	7 381	21 735	294.5%	88 576

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R29 116 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R22 616 million; Financial Management Grant amounting to R0 million; Municipal Infrastructure Grant amounting to R4 000 million; Water Service Infrastructure Grant R2 500 million, Expanded Public Works Programme R0 million, Library Grant R0 million and Frances Baard District Grant R0 were received. Most of the first trench of the grants allocated for the current financial year, so far have been received in line with National Treasury payment schedule.



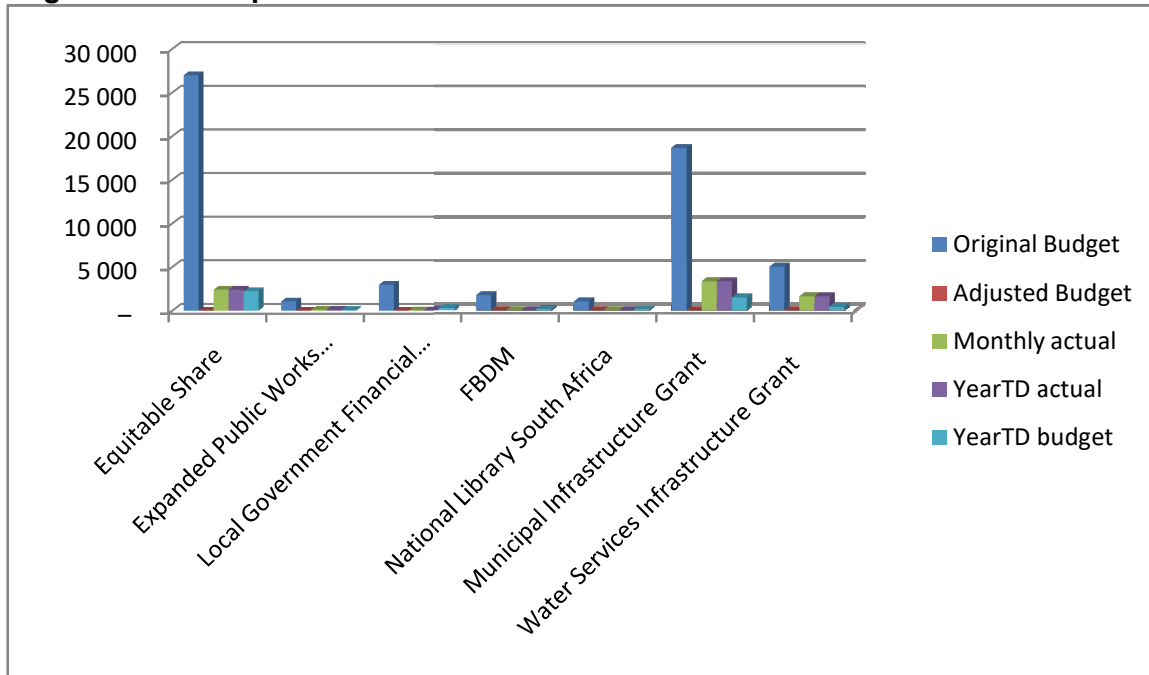
## Supporting Table: SC 7 Transfers and grants – Expenditure

NC093 Magareng - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M01 July

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		90 704	31 051	31 011	2 564	2 564	2 586	(22)	-0.9%	31 011
Equitable Share		84 427	26 991	26 951	2 419	2 419	2 248	171	7.6%	26 951
Expanded Public Works Programme Integrated Grant		1 102	1 073	1 073	105	105	89	15	17.1%	1 073
Local Government Financial Management Grant		3 763	2 987	2 987	40	40	249	(209)	-83.8%	2 987
Municipal Disaster Relief Grant		1 412	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		4 078	1 800	1 800	-	-	150	(150)	-100.0%	1 800
<b>Other grant providers:</b>		1 942	1 100	1 100	-	-	92	(92)	-100.0%	1 100
Education Training and Development Practices SETA		-	-	-	-	-	-	-	-	-
National Library South Africa		1 942	1 100	1 100	-	-	92	(92)	-100.0%	1 100
<b>Total operating expenditure of Transfers and Grants:</b>		<b>92 646</b>	<b>32 151</b>	<b>32 111</b>	<b>2 564</b>	<b>2 564</b>	<b>2 678</b>	<b>(114)</b>	<b>-4.3%</b>	<b>32 111</b>
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		14 358	23 612	23 612	5 035	5 035	1 968	3 068	155.9%	23 612
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		7 935	18 612	18 612	3 355	3 355	1 551	1 804	116.3%	18 612
Water Services Infrastructure Grant		6 423	5 000	5 000	1 681	1 681	417	1 264	303.3%	5 000
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		1 180	-	-	-	-	-	-	-	-
Specify (Add grant description)		1 180	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		6 559	-	-	-	-	-	-	-	-
Pocket Money Households (Cash)		6 559	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		<b>22 097</b>	<b>23 612</b>	<b>23 612</b>	<b>5 035</b>	<b>5 035</b>	<b>1 968</b>	<b>3 068</b>	<b>155.9%</b>	<b>23 612</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>114 743</b>	<b>55 763</b>	<b>55 723</b>	<b>7 599</b>	<b>7 599</b>	<b>4 645</b>	<b>2 954</b>	<b>63.6%</b>	<b>55 723</b>

An amount of R7 599 million has been spent on grants during the month of July 2022 and the year to date actuals is R7 599 million whilst the year to date budget amounts to R4 645 million and this results in an over spending variance of R2 954 million that translates to 63.6%. Of the total spending amounting to R7 599 million, R2 564 million is spent on operational grants whilst capital grants spent R5 035 million.

**Figure 5: Grants performance**



The above graph depicts the gazetted and budgeted amounts for all the grants and the expenditure thereof as at end of July 2022. The grants expenditure are shown below in percentages when compared to the original budget:

- Financial Management Grant 1.3%
- Expanded Public Work Programme 9.8%
- Equitable Share 8.9%
- Francis Baard District Municipality Grant 0%
- Library Grant 0%
- Municipal Infrastructure Grant 18%
- Water Services Infrastructure Grant 33.62%

## Supporting Table: SC8 - Councilor Allowances and Employee Related Costs

NC093 Magareng - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M01 July

Summary of Employee and Councilor remuneration R thousands	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		3 004	3 654	3 654	278	278	305	(27)	-9%	3 654
Pension and UIF Contributions		278	44	44	32	32	4	28	774%	44
Medical Aid Contributions		124	84	84	7	7	7	0	5%	84
Motor Vehicle Allowance								-		
Cellphone Allowance		410	526	526	40	40	44	(4)	-8%	526
Housing Allowances								-		
Other benefits and allowances		447	368	368	31	31	31	(0)	0%	368
<b>Sub Total - Councillors</b>		<b>4 263</b>	<b>4 675</b>	<b>4 675</b>	<b>388</b>	<b>388</b>	<b>390</b>	<b>(2)</b>	<b>0%</b>	<b>4 675</b>
<b>% increase</b>	4		<b>9.7%</b>	<b>9.7%</b>						<b>9.7%</b>
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages	3	1 401	2 212	2 212	102	102	184	(83)	-45%	2 212
Pension and UIF Contributions		202	202	202	8	8	17	(9)	-51%	202
Medical Aid Contributions		87	85	85	8	8	7	0	5%	85
Overtime								-		
Performance Bonus		85	184	184	-	-	15	(15)	-100%	184
Motor Vehicle Allowance		828	1 084	1 084	30	30	90	(61)	-67%	1 084
Cellphone Allowance		165	14	14	-	-	1	(1)	-100%	14
Housing Allowances		124	154	154	-	-	13	(13)	-100%	154
Other benefits and allowances		41	121	121	0	0	10	(10)	-100%	121
Payments in lieu of leave								-		
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations	2							-		
<b>Sub Total - Senior Managers of Municipality</b>		<b>2 933</b>	<b>4 058</b>	<b>4 058</b>	<b>147</b>	<b>147</b>	<b>338</b>	<b>(191)</b>	<b>-57%</b>	<b>4 058</b>
<b>% increase</b>	4		<b>38.4%</b>	<b>38.4%</b>						<b>38.4%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		32 481	33 553	33 553	2 673	2 673	2 796	(123)	-4%	33 553
Pension and UIF Contributions		5 631	5 708	5 708	434	434	476	(42)	-9%	5 708
Medical Aid Contributions		2 194	2 874	2 874	151	151	240	(89)	-37%	2 874
Overtime		2 585	3 773	3 773	373	373	314	59	19%	3 773
Performance Bonus		2 769	2 688	2 688	-	-	224	(224)	-100%	2 688
Motor Vehicle Allowance		65	88	88	7	7	7	(0)	-3%	88
Cellphone Allowance		130	72	72	4	4	6	(2)	-33%	72
Housing Allowances		389	257	257	6	6	21	(15)	-72%	257
Other benefits and allowances		732	7	7	27	27	1	26	4655%	7
Payments in lieu of leave								-		
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations	2	(100)	-	-	-	-	-	-		-
<b>Sub Total - Other Municipal Staff</b>		<b>46 877</b>	<b>49 020</b>	<b>49 020</b>	<b>3 674</b>	<b>3 674</b>	<b>4 085</b>	<b>(411)</b>	<b>-10%</b>	<b>49 020</b>
<b>% increase</b>	4		<b>4.6%</b>	<b>4.6%</b>						<b>4.6%</b>
<b>Total Parent Municipality</b>		<b>54 073</b>	<b>57 753</b>	<b>57 753</b>	<b>4 209</b>	<b>4 209</b>	<b>4 813</b>	<b>(603)</b>	<b>-13%</b>	<b>57 753</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>54 073</b>	<b>57 753</b>	<b>57 753</b>	<b>4 209</b>	<b>4 209</b>	<b>4 813</b>	<b>(603)</b>	<b>-13%</b>	<b>57 753</b>
<b>% increase</b>	4		<b>6.8%</b>	<b>6.8%</b>						<b>6.8%</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>49 810</b>	<b>53 078</b>	<b>53 078</b>	<b>3 821</b>	<b>3 821</b>	<b>4 423</b>	<b>(602)</b>	<b>-14%</b>	<b>53 078</b>

Table SC8 provides details for Remuneration of Councilors and Employee related cost. The total salaries, allowances and benefits paid as at end of July 2022 amounts to R4 209 million and the year to date budget is R4 813 million and the expenditure for remuneration of councilors amounts to R388 thousand while the year to date budget is R390 thousand. The year to date actual expenditure for senior managers is R147 thousand and the year to date budget thereof is R338 thousand. The year to date actual for other municipal staff is R3 674 million and the year to date budget is R4 085 million.

## Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts

NC093 Magareng - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M01 July

Description	Ref	Budget Year 2022/23												2022/23 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
		Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	2022/23	+1 2023/24	+2 2024/25
<b>R thousands</b>																
<b>Cash Receipts By Source</b>																
Property rates		396	359	359	359	359	359	359	359	359	359	359	323	4 312	5 776	7 378
Service charges - electricity revenue		1 832	610	610	610	610	610	610	610	610	610	610	(612)	7 319	21 517	22 486
Service charges - water revenue		210	290	290	290	290	290	290	290	290	290	290	371	3 481	4 555	5 375
Service charges - sanitation revenue		80	205	205	205	205	205	205	205	205	205	205	329	2 456	3 290	4 202
Service charges - refuse		104	188	188	188	188	188	188	188	188	188	188	272	2 253	3 018	3 855
Rental of facilities and equipment		-	0	0	0	0	0	0	0	0	0	0	0	1	1	2
Interest earned - external investments		-	260	260	260	260	260	260	260	260	260	260	520	3 122	3 253	3 399
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	1	1	1	1	1	1	1	1	1	1	2	14	20	31
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational		22 616	5 414	5 414	5 414	5 414	5 414	5 414	5 414	5 414	5 414	5 414	(11 789)	64 964	67 423	71 244
Other revenue		(318)	19 875	19 875	19 875	19 875	19 875	19 875	19 875	19 875	19 875	19 875	40 069	238 506	226 899	738 251
<b>Cash Receipts by Source</b>		<b>24 919</b>	<b>27 202</b>	<b>27 202</b>	<b>27 202</b>	<b>27 202</b>	<b>27 202</b>	<b>27 202</b>	<b>27 202</b>	<b>27 202</b>	<b>27 202</b>	<b>27 202</b>	<b>29 485</b>	<b>326 426</b>	<b>335 752</b>	<b>856 221</b>
<b>Other Cash Flows by Source</b>																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		6 500	1 968	1 968	1 968	1 968	1 968	1 968	1 968	1 968	1 968	1 968	(2 565)	23 612	14 454	14 902
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-	-	(331)	(331)	37	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	(1)	(1)	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>		<b>31 419</b>	<b>29 170</b>	<b>29 170</b>	<b>29 170</b>	<b>29 170</b>	<b>29 170</b>	<b>29 170</b>	<b>29 170</b>	<b>29 170</b>	<b>29 170</b>	<b>29 170</b>	<b>26 589</b>	<b>349 707</b>	<b>350 243</b>	<b>871 123</b>
<b>Cash Payments by Type</b>																
Employee related costs		6 535	4 813	4 813	4 813	4 813	4 813	4 813	4 813	4 813	4 813	4 813	3 091	57 753	60 599	62 979
Remuneration of councillors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Electricity		8 065	2 063	2 063	2 063	2 063	2 063	2 063	2 063	2 063	2 063	2 063	(3 940)	24 750	25 790	27 053
Acquisitions - water & other inventory		1 000	225	225	225	225	225	225	225	225	225	225	(550)	2 700	2 700	2 700
Contracted services		-	(1 408)	(1 408)	(1 408)	(1 408)	(1 408)	(1 408)	(1 408)	(1 408)	(1 408)	(1 408)	(2 815)	(16 892)	(7 515)	(7 711)
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General expenses		12 703	510	510	510	510	510	510	510	510	510	510	(11 682)	6 126	6 566	7 168
<b>Cash Payments by Type</b>		<b>28 303</b>	<b>6 203</b>	<b>6 203</b>	<b>6 203</b>	<b>6 203</b>	<b>6 203</b>	<b>6 203</b>	<b>6 203</b>	<b>6 203</b>	<b>6 203</b>	<b>6 203</b>	<b>(15 896)</b>	<b>74 437</b>	<b>88 140</b>	<b>92 189</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets		5 035	1 968	1 968	1 968	1 968	1 968	1 968	1 968	1 968	1 968	1 968	(1 100)	23 612	14 454	14 902
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>		<b>33 338</b>	<b>8 171</b>	<b>8 171</b>	<b>8 171</b>	<b>8 171</b>	<b>8 171</b>	<b>8 171</b>	<b>8 171</b>	<b>8 171</b>	<b>8 171</b>	<b>8 171</b>	<b>(16 996)</b>	<b>98 049</b>	<b>102 594</b>	<b>107 091</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>																
Cash/cash equivalents at the monthly ear beginning:		(1 919)	20 999	20 999	20 999	20 999	20 999	20 999	20 999	20 999	20 999	20 999	43 586	251 658	247 649	764 032
Cash/cash equivalents at the monthly ear end:		(1 211)	(3 130)	17 869	38 868	59 867	80 866	101 865	122 864	143 864	164 863	185 862	206 861	(1 211)	250 447	498 096
Cash/cash equivalents at the monthly ear end:		(3 130)	17 869	38 868	59 867	80 866	101 865	122 864	143 864	164 863	185 862	206 861	250 447	250 447	498 096	1 262 128

Supporting table SC9 provides detailed monthly cash flow statement that spells out the receipts by source and payments by type. The monthly cash receipts reflect an amount of R24 919 million and the total cash payment for the month were R28 303 million and this resulted in net increase in cash held amounting to R1 919million. With cash and cash equivalent of R1 211million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting of R3 130 million. This is a supporting table for table C7 – Cash Flow Statement.

### Supporting Table: SC 12 Capital Expenditure Trend

NC093 Magareng - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M01 July

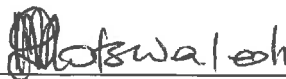
Month	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
<b>Monthly expenditure performance trend</b>									
July	2 053	1 968	1 968	5 035	5 035	1 968	(3 068)	-155.9%	21%
August	2 053	1 968	1 968	–		3 935	–		
September	2 053	1 968	1 968	–		5 903	–		
October	2 053	1 968	1 968	–		7 871	–		
November	2 053	1 968	1 968	–		9 838	–		
December	2 053	1 968	1 968	–		11 806	–		
January	2 053	1 968	1 968	–		13 774	–		
February	2 053	1 968	1 968	–		15 741	–		
March	2 053	1 968	1 968	–		17 709	–		
April	2 053	1 968	1 968	–		19 677	–		
May	2 053	1 968	1 968	–		21 644	–		
June	2 053	1 968	1 968	–		23 612	–		
<b>Total Capital expenditure</b>	<b>24 630</b>	<b>23 612</b>	<b>23 612</b>	<b>5 035</b>					

Supporting table SC12 provides information on the monthly trends for capital expenditure. In terms of this table the capital expenditure for the month of July amounts to R5 035 million. The year to date actual expenditure incurred is R5 035.

**Quality Certificate for Monthly Report – Section 71**

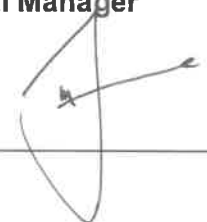
M.M. MOTSWALEDI The Chief Financial Officer Of Magareng Local Municipality (NC093), hereby certify that section 71 for July 2022/2023 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

**Mrs. M. Motswaledi.**  
**Chief Financial Officer**

Signature:  Date: 15 AUGUST 2022

T THAGE The Acting Municipal Manager Of Magareng Local Municipality (NC093), hereby certify that section 71 for July 2022/2023 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

**Mr. T. Thage**  
**Acting Municipal Manager**

Signature:  Date: 15 AUGUST 2022