

# **MAGARENG LOCAL MUNICIPALITY**

**MAGARENG**



**MUNICIPALITY**

## **MONTHLY BUDGET STATEMENT REPORT**

**NOVEMBER 2022**

## Table of Contents

<b>PART 1- IN YEAR REPORTING</b> .....	<b>3</b>
<b>1.1 PURPOSE</b> .....	<b>3</b>
<b>1.2 MAYOR’S REPORT</b> .....	<b>3</b>
<b>1.3 EXECUTIVE SUMMARY/DASH BOARD</b> .....	<b>3</b>
<b>1.4 IN YEAR BUDGET STATEMENT TABLES</b> .....	<b>3</b>
Table C1 – Budget Statement Summary.....	4
Table C2 – Financial Performance (Standard Classification).....	7
Table C3 – Financial Performance (Revenue and Expenditure by vote.....	8
Table C4 – Financial Performance by Revenue Source and Expenditure Type.....	9
Table C5 Capex – Monthly Capital Expenditure by Standard Classification and .....	11
Table C5C – Monthly Capital Expenditure by Vote.....	12
Figure 1: Monthly Capital Expenditure Performance.....	13
Figure 2: Capital Expenditure by Source of Funding.....	13
Table C6– Monthly Budget Statement Financial Position.....	14
Table C7– Monthly Budget Statement Cash Flow.....	15
<b>PART 2: SUPPORTING TABLE</b> .....	<b>16</b>
Supporting Table: SC 1 Material Variance Explanations.....	16
Supporting Table: SC 3 - Debtors Age Analysis.....	18
Figure 3: Debtors age analysis.....	19
Figure 4: Monthly debtors Comparison.....	20
Figure 5: Top 20 Debtors.....	21
Supporting Table: SC 4 - Creditors Age Analysis.....	22
Supporting Table: SC 5 - Investment Portfolio.....	23
Supporting Table: SC 6 - Transfers and Grant Receipts.....	24
Supporting Table: SC 7 - Transfers and Grant Expenditure.....	25
Figure 6: Grants Performance.....	26
Supporting Table: SC8 - Councilor Allowances and Employee Related Costs.....	27
Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for.....	29
Supporting Table: SC 12 Capital Expenditure Trend.....	30
<b>QUALITY CERTIFICATE</b> .....	<b>31</b>

## 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.

### IN YEAR BUDGET STATEMENT TABLES

DESCRIPTION	2022/2023		YEAR TO DATE ACTUAL	PERCENTAGE
	ORIGINAL BUDGET	ADJUSTED BUDGET		
OPERATING REVENUE	R 130 915 663,00	R -	R 52 681 346,84	40%
OPERATING EXPENDITURE	R 182 313 394,00	R -	R 54 163 483,17	30%
TRANSFER CAPITAL	R 23 612 000,00	R -	R 12 000 000,00	51%
SURPLUS / (DEFICIT)	-R 27 785 731,00	R -	R 10 517 863,67	-38%
CAPITAL EXPENDITURE	R 23 612 000,00	R -	R 8 636 545,48	37%

## Table C1 – Budget Statement Summary

NC093 Magareng - Table C1 Monthly Budget Statement Summary - M05 November

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	1 034	5 130	5 133	(3)	-0%	12 319
Service charges	36 845	43 325	43 325	2 331	13 749	18 052	(4 303)	-24%	43 325
Investment revenue	6 296	3 122	3 122	903	4 408	1 301	3 107	239%	3 122
Transfers and subsidies	62 864	64 964	64 964	–	26 435	27 068	(633)	-2%	64 964
Other own revenue	8 204	7 186	7 186	589	2 960	2 994	(34)	-1%	7 186
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>125 943</b>	<b>130 916</b>	<b>130 916</b>	<b>4 856</b>	<b>52 681</b>	<b>54 548</b>	<b>(1 867)</b>	<b>-3%</b>	<b>130 916</b>
Employee costs	49 810	53 078	52 578	5 603	20 144	21 966	(1 822)	-8%	52 578
Remuneration of Councillors	4 263	4 675	4 655	388	1 940	1 942	(2)	-0%	4 655
Depreciation & asset impairment	27 108	30 431	30 431	10 832	10 832	12 680	(1 848)	-15%	30 431
Finance charges	5 447	–	–	–	–	–	–	–	–
Inventory consumed and bulk purchases	47 727	38 600	38 570	411	3 781	16 072	(12 292)	-76%	38 570
Transfers and subsidies	–	20	20	–	–	8	(8)	-100%	20
Other expenditure	50 844	55 509	56 059	15 315	17 467	23 296	(5 829)	-25%	56 059
<b>Total Expenditure</b>	<b>185 199</b>	<b>182 313</b>	<b>182 313</b>	<b>32 549</b>	<b>54 163</b>	<b>75 964</b>	<b>(21 800)</b>	<b>-29%</b>	<b>182 313</b>
<b>Surplus/(Deficit)</b>	<b>(59 256)</b>	<b>(51 398)</b>	<b>(51 398)</b>	<b>(27 692)</b>	<b>(1 482)</b>	<b>(21 416)</b>	<b>19 934</b>	<b>-93%</b>	<b>(51 398)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	30 851	23 612	23 612	4 000	12 000	9 838	2 162	22%	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>(23 692)</b>	<b>10 518</b>	<b>(11 577)</b>	<b>22 095</b>	<b>-191%</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>(23 692)</b>	<b>10 518</b>	<b>(11 577)</b>	<b>22 095</b>	<b>-191%</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>1 798</b>	<b>8 637</b>	<b>9 838</b>	<b>(1 202)</b>	<b>-12%</b>	<b>23 612</b>
Capital transfers recognised	22 097	23 612	23 612	1 798	8 637	9 838	(1 202)	-12%	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>1 798</b>	<b>8 637</b>	<b>9 838</b>	<b>(1 202)</b>	<b>-12%</b>	<b>23 612</b>
<b>Financial position</b>									
Total current assets	(32 032)	(111 496)	(111 496)	–	66 091	–	–	–	(111 496)
Total non current assets	310 859	324 339	324 339	–	308 664	–	–	–	324 339
Total current liabilities	366 150	238 246	238 246	–	243 054	–	–	–	238 246
Total non current liabilities	12 754	3 105	3 105	–	12 754	–	–	–	3 105
Community wealth/Equity	133 045	(27 786)	(27 786)	–	97 070	–	–	–	(27 786)
<b>Cash flows</b>									
Net cash from (used) operating	–	275 601	275 601	(2 663)	(955)	114 834	115 789	101%	275 601
Net cash from (used) investing	–	(23 611)	(23 612)	(1 798)	(8 637)	(9 838)	(1 201)	12%	(23 611)
Net cash from (used) financing	–	331	–	(10)	21	138	117	85%	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>(12 910)</b>	<b>105 711</b>	<b>118 621</b>	<b>112%</b>	<b>248 981</b>
<b>Debtors &amp; creditors analysis</b>									
	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>Debtors Age Analysis</b>									
Total By Income Source	5 227	5 030	5 032	4 905	4 835	3 543	26 357	306 561	361 490
<b>Creditors Age Analysis</b>									
Total Creditors	4 115	5 292	5 434	5 895	9 244	57 330	53 491	94 819	235 621

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

**Revenue:**

The actual year to date operational revenue as at end of November is R52,7 million and the year to date budget of R54,5 million and this reflects a negative variance of R 1,9 million . The following are the secondary revenue item categories reflecting a positive and negative material variance:

- Property Rates : 0% unfavorable variance
- Service Charges : 24% unfavorable variance
- Investment Revenue : 239% favorable variance
- Transfers and Subsidies : 2% unfavorable variance
- Other Own Revenue : 1% unfavorable variance

**Operating Expenditure**

The year to date actual operational expenditure as at end of November amounts to R54, 2 million and theyear to date budget is R75, 9 million. This reflects under spending variance of R 21, 8 million that translates to 29% variance. The variance is attributing to under spending variance on inventory consumed and bulk purchases, the municipality is still facing a challenge regarding the monthly payments 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:

- Debt impairment and Asset Impairment: 15% under performance
- Inventory consumed and Bulk Purchase: 76% under performance
- Transfer and subsidies: 100% under performance
- Other expenditure: 24% 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 November 2022 amounts to R 8,7 million and the year to date budget amounts to R 9,8 million and this gives rise to variance of R1,2 million which shows under performance on capital expenditure.

## **Surplus/Deficit**

Taking the above into consideration, the net operating deficit for the month of November is R 23, 7 million.

## **Debtors**

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of November amounts to R361 490 million and this show an increase of R 18 539 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 R244 011 million and other debtors amounting to R117 479 million.

## **Creditors**

As at 30 November 2022 the municipality had an outstanding creditors amounting to R235 621 million and the bulk of this amount is made up by Bulk water :R 122 490 million and bulk electricity: R91 500 million.

## Table C2 – Financial Performance (Standard Classification)

NC093 Magareng - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M05 November

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>	<b>1</b>									
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		<b>81 333</b>	<b>80 404</b>	<b>80 404</b>	<b>2 263</b>	<b>36 927</b>	<b>33 502</b>	<b>3 425</b>	<b>10%</b>	<b>80 404</b>
Executive and council		54 507	59 064	59 064	–	22 885	24 610	(1 725)	-7%	59 064
Finance and administration		26 826	21 340	21 340	2 263	14 042	8 892	5 150	58%	21 340
Internal audit		–	–	–	–	–	–	–	–	–
<i><b>Community and public safety</b></i>		<b>1 533</b>	<b>1 329</b>	<b>1 329</b>	<b>12</b>	<b>627</b>	<b>554</b>	<b>73</b>	<b>13%</b>	<b>1 329</b>
Community and social services		1 216	1 189	1 189	7	588	495	93	19%	1 189
Sport and recreation		58	–	–	–	–	–	–	–	–
Public safety		258	140	140	5	38	58	(20)	-35%	140
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<i><b>Economic and environmental services</b></i>		<b>(3 731)</b>	<b>450</b>	<b>450</b>	<b>–</b>	<b>–</b>	<b>188</b>	<b>(188)</b>	<b>-100%</b>	<b>450</b>
Planning and development		–	–	–	–	–	–	–	–	–
Road transport		(3 731)	450	450	–	–	188	(188)	-100%	450
Environmental protection		–	–	–	–	–	–	–	–	–
<i><b>Trading services</b></i>		<b>81 355</b>	<b>72 344</b>	<b>72 344</b>	<b>6 581</b>	<b>27 128</b>	<b>30 143</b>	<b>(3 015)</b>	<b>-10%</b>	<b>72 344</b>
Energy sources		15 546	21 361	21 361	545	4 580	8 900	(4 320)	-49%	21 361
Water management		49 876	33 037	33 037	4 606	15 245	13 765	1 480	11%	33 037
Waste water management		8 985	9 101	9 101	676	3 542	3 792	(251)	-7%	9 101
Waste management		6 948	8 845	8 845	756	3 761	3 685	76	2%	8 845
<i><b>Other</b></i>	<b>4</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total Revenue - Functional</b>	<b>2</b>	<b>160 490</b>	<b>154 528</b>	<b>154 528</b>	<b>8 856</b>	<b>64 681</b>	<b>64 387</b>	<b>295</b>	<b>0%</b>	<b>154 528</b>
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		<b>103 010</b>	<b>48 038</b>	<b>48 038</b>	<b>3 813</b>	<b>15 392</b>	<b>20 016</b>	<b>(4 624)</b>	<b>-23%</b>	<b>48 038</b>
Executive and council		14 133	13 024	13 024	961	4 851	5 426	(575)	-11%	13 024
Finance and administration		88 877	35 015	35 015	2 852	10 540	14 589	(4 049)	-28%	35 015
Internal audit		–	–	–	–	–	–	–	–	–
<i><b>Community and public safety</b></i>		<b>12 773</b>	<b>12 438</b>	<b>12 438</b>	<b>1 294</b>	<b>4 883</b>	<b>5 182</b>	<b>(299)</b>	<b>-6%</b>	<b>12 438</b>
Community and social services		2 526	2 850	2 850	288	1 026	1 187	(162)	-14%	2 850
Sport and recreation		3 390	4 212	4 212	440	1 582	1 755	(173)	-10%	4 212
Public safety		4 001	4 230	4 230	414	1 763	1 763	1	0%	4 230
Housing		2 856	1 146	1 146	152	512	477	35	7%	1 146
Health		–	–	–	–	–	–	–	–	–
<i><b>Economic and environmental services</b></i>		<b>6 198</b>	<b>7 222</b>	<b>6 857</b>	<b>542</b>	<b>1 858</b>	<b>3 009</b>	<b>(1 151)</b>	<b>-38%</b>	<b>6 857</b>
Planning and development		3 787	5 832	5 832	355	1 320	2 430	(1 110)	-46%	5 832
Road transport		2 411	1 390	1 025	188	539	579	(41)	-7%	1 025
Environmental protection		–	–	–	–	–	–	–	–	–
<i><b>Trading services</b></i>		<b>63 219</b>	<b>114 616</b>	<b>114 981</b>	<b>26 899</b>	<b>32 030</b>	<b>47 757</b>	<b>(15 726)</b>	<b>-33%</b>	<b>114 981</b>
Energy sources		28 825	44 824	44 804	6 894	9 578	18 674	(9 096)	-49%	44 804
Water management		24 595	28 868	29 433	6 993	8 493	12 083	(3 590)	-30%	29 433
Waste water management		8 649	21 149	20 969	6 555	7 259	8 760	(1 501)	-17%	20 969
Waste management		1 150	19 774	19 774	6 457	6 700	8 239	(1 539)	-19%	19 774
<i><b>Other</b></i>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>185 199</b>	<b>182 313</b>	<b>182 313</b>	<b>32 549</b>	<b>54 163</b>	<b>75 964</b>	<b>(21 800)</b>	<b>-29%</b>	<b>182 313</b>
<b>Surplus/ (Deficit) for the year</b>		<b>(24 709)</b>	<b>(27 786)</b>	<b>(27 786)</b>	<b>(23 692)</b>	<b>10 518</b>	<b>(11 577)</b>	<b>22 095</b>	<b>-191%</b>	<b>(27 786)</b>

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

NC093 Magareng - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M05 November

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	–	22 885	24 610	(1 725)	-7,0%	59 064
Vote 02 - Office Of The Municipal Manager		–	–	–	–	–	–	–	–	–
Vote 03 - Corporate Services		–	–	–	–	–	–	–	–	–
Vote 04 - Financial Services		26 826	21 340	21 340	2 263	14 042	8 892	5 150	57,9%	21 340
Vote 05 - Municipal Infrastructure		77 624	72 794	72 794	6 581	27 128	30 331	(3 203)	-10,6%	72 794
Vote 06 - Community Services		–	–	–	–	–	–	–	–	–
Vote 07 - Public Safety & Transport		1 533	1 329	1 329	12	627	554	73	13,1%	1 329
Vote 08 - Sports, Arts, Parks, Culture		–	–	–	–	–	–	–	–	–
Vote 09 - Planning & Development		–	–	–	–	–	–	–	–	–
Vote 10 - Hunan Settlements		–	–	–	–	–	–	–	–	–
Vote 11 - ldp, Pms Department		–	–	–	–	–	–	–	–	–
Vote 12 - Spatial Development, Planning & Traditional Affairs		–	–	–	–	–	–	–	–	–
Vote 13 - Electricity Department		–	–	–	–	–	–	–	–	–
Vote 14 - Maluti Water		–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–
<b>Total Revenue by Vote</b>	<b>2</b>	<b>160 490</b>	<b>154 528</b>	<b>154 528</b>	<b>8 856</b>	<b>64 681</b>	<b>64 387</b>	<b>295</b>	<b>0,5%</b>	<b>154 528</b>
<b>Expenditure by Vote</b>										
Vote 01 - Executive & Council	1	11 268	10 987	10 987	873	3 606	4 578	(972)	-21,2%	10 987
Vote 02 - Office Of The Municipal Manager		1 839	2 037	2 037	88	290	849	(558)	-65,8%	2 037
Vote 03 - Corporate Services		12 235	14 279	14 279	1 445	5 446	5 950	(504)	-8,5%	14 279
Vote 04 - Financial Services		76 706	20 736	20 736	1 407	5 122	8 640	(3 517)	-40,7%	20 736
Vote 05 - Municipal Infrastructure		68 120	119 589	119 589	27 199	33 887	49 829	(15 942)	-32,0%	119 589
Vote 06 - Community Services		–	–	–	–	–	–	–	–	–
Vote 07 - Public Safety & Transport		9 717	11 292	11 292	1 142	4 310	4 705	(395)	-8,4%	11 292
Vote 08 - Sports, Arts, Parks, Culture		–	–	–	–	–	–	–	–	–
Vote 09 - Planning & Development		5 315	3 394	3 394	395	1 502	1 414	88	6,2%	3 394
Vote 10 - Hunan Settlements		–	–	–	–	–	–	–	–	–
Vote 11 - ldp, Pms Department		–	–	–	–	–	–	–	–	–
Vote 12 - Spatial Development, Planning & Traditional Affairs		–	–	–	–	–	–	–	–	–
Vote 13 - Electricity Department		–	–	–	–	–	–	–	–	–
Vote 14 - Maluti Water		–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>185 199</b>	<b>182 313</b>	<b>182 313</b>	<b>32 549</b>	<b>54 163</b>	<b>75 964</b>	<b>(21 800)</b>	<b>-28,7%</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>(23 692)</b>	<b>10 518</b>	<b>(11 577)</b>	<b>22 095</b>	<b>-190,8%</b>	<b>(27 786)</b>

Table C2 and C3 measure the monthly actual and year to date actual 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) - M05 November

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>										
<b>Revenue By Source</b>										
Property rates		11 733	12 319	12 319	1 034	5 130	5 133	(3)	0%	12 319
Service charges - electricity revenue		15 185	20 897	20 897	545	4 580	8 707	(4 127)	-47%	20 897
Service charges - water revenue		8 426	8 975	8 975	606	3 245	3 740	(494)	-13%	8 975
Service charges - sanitation revenue		7 569	7 016	7 016	676	3 384	2 923	461	16%	7 016
Service charges - refuse revenue		5 666	6 437	6 437	505	2 540	2 682	(142)	-5%	6 437
Rental of facilities and equipment		4	3	3	-	-	1	(1)	-100%	3
Interest earned - external investments		6 296	3 122	3 122	903	4 408	1 301	3 107	239%	3 122
Interest earned - outstanding debtors		2 749	5 223	5 223	574	2 656	2 176	480	22%	5 223
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		127	46	46	5	20	19	1	4%	46
Licences and permits		(2 187)	-	-	-	-	-	-	-	-
Agency services		76	-	-	-	-	-	-	-	-
Transfers and subsidies		62 864	64 964	64 964	-	26 435	27 068	(633)	-2%	64 964
Other revenue		7 240	1 914	1 914	9	284	798	(514)	-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>4 856</b>	<b>52 681</b>	<b>54 548</b>	<b>(1 867)</b>	<b>-3%</b>	<b>130 916</b>
<b>Expenditure By Type</b>										
Employee related costs		49 810	53 078	52 578	5 603	20 144	21 966	(1 822)	-8%	52 578
Remuneration of councillors		4 263	4 675	4 655	388	1 940	1 942	(2)	0%	4 655
Debt impairment		35 611	37 815	37 815	14 746	14 746	15 756	(1 010)	-6%	37 815
Depreciation & asset impairment		27 108	30 431	30 431	10 832	10 832	12 680	(1 848)	-15%	30 431
Finance charges		5 447	-	-	-	-	-	-	-	-
Bulk purchases - electricity		24 641	24 750	24 750	17	2 551	10 313	(7 762)	-75%	24 750
Inventory consumed		23 086	13 850	13 820	394	1 230	5 760	(4 530)	-79%	13 820
Contracted services		6 187	6 720	7 220	170	729	2 950	(2 221)	-75%	7 220
Transfers and subsidies		-	20	20	-	-	8	(8)	-100%	20
Other expenditure		9 046	10 974	11 024	399	1 991	4 589	(2 598)	-57%	11 024
Losses		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>185 199</b>	<b>182 313</b>	<b>182 313</b>	<b>32 549</b>	<b>54 163</b>	<b>75 964</b>	<b>(21 800)</b>	<b>-29%</b>	<b>182 313</b>
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(59 256)	(51 398)	(51 398)	(27 692)	(1 482)	(21 416)	19 934	(0)	(51 398)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		30 851	23 612	23 612	4 000	12 000	9 838	2 162	0	23 612
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>(23 692)</b>	<b>10 518</b>	<b>(11 577)</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>(23 692)</b>	<b>10 518</b>	<b>(11 577)</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>(23 692)</b>	<b>10 518</b>	<b>(11 577)</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>(23 692)</b>	<b>10 518</b>	<b>(11 577)</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) - M05 November

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>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	1 798	8 637	9 838	(1 202)	-12%	23 612
Vote 06 - Community Services		-	-	-	-	-	-	-	-	-
Vote 07 - Public Safety & Transport		-	-	-	-	-	-	-	-	-
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 Capital single-year expenditure</b>	4	24 630	23 612	23 612	1 798	8 637	9 838	(1 202)	-12%	23 612
<b>Total Capital Expenditure</b>		24 630	23 612	23 612	1 798	8 637	9 838	(1 202)	-12%	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	1 798	8 637	9 838	(1 202)	-12%	23 612
Energy sources		207	-	-	-	-	-	-	-	-
Water management		22 358	23 612	23 612	1 798	8 637	9 838	(1 202)	-12%	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	1 798	8 637	9 838	(1 202)	-12%	23 612
<b>Funded by:</b>										
National Government		14 358	23 612	23 612	1 798	8 637	9 838	(1 202)	-12%	23 612
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		1 180	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		6 559	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		22 097	23 612	23 612	1 798	8 637	9 838	(1 202)	-12%	23 612
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		2 533	-	-	-	-	-	-	-	-
<b>Total Capital Funding</b>		24 630	23 612	23 612	1 798	8 637	9 838	(1 202)	-12%	23 612

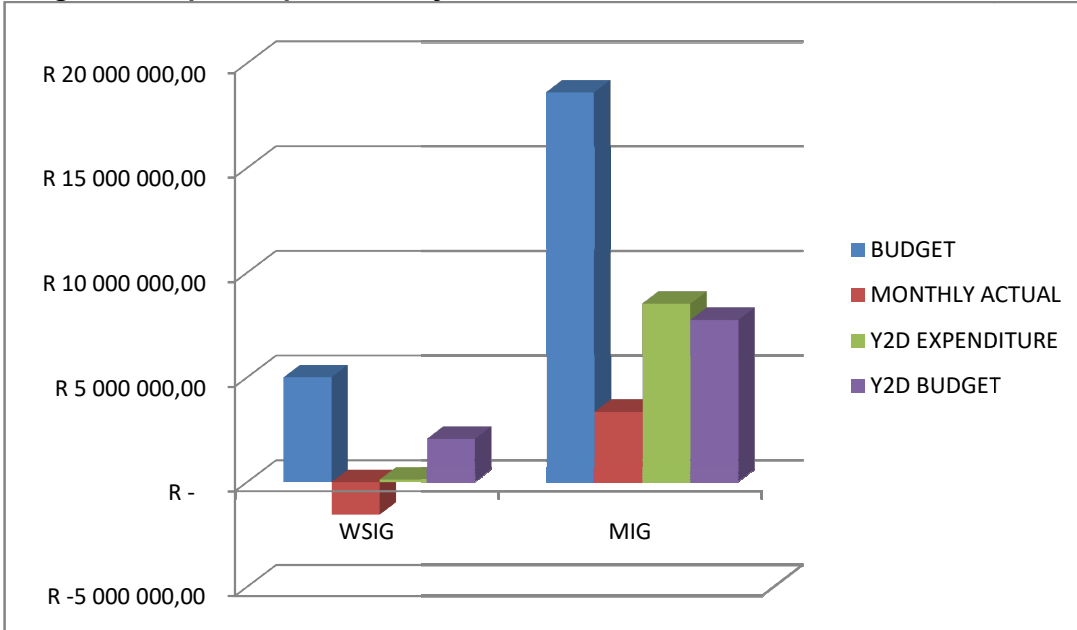
**Table C5C: Monthly Capital Expenditure by Vote**

NC093 Magareng - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - A - M05 November

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 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	1 798	8 637	9 838	(1 202)	-12%	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	1 798	8 637	9 838	(1 202)	-12%	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 - Library		-	-	-	-	-	-	-	-	-
07.4 - Traffic		-	-	-	-	-	-	-	-	-
07.5 - Traffic		-	-	-	-	-	-	-	-	-
07.6 - Parks And Recreation		-	-	-	-	-	-	-	-	-
07.7 - 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; Traditional Affa</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	1 798	8 637	9 838	(1 202)	(0)	23 612
<b>Total Capital Expenditure</b>		24 630	23 612	23 612	1 798	8 637	9 838	(1 202)	(0)	23 612

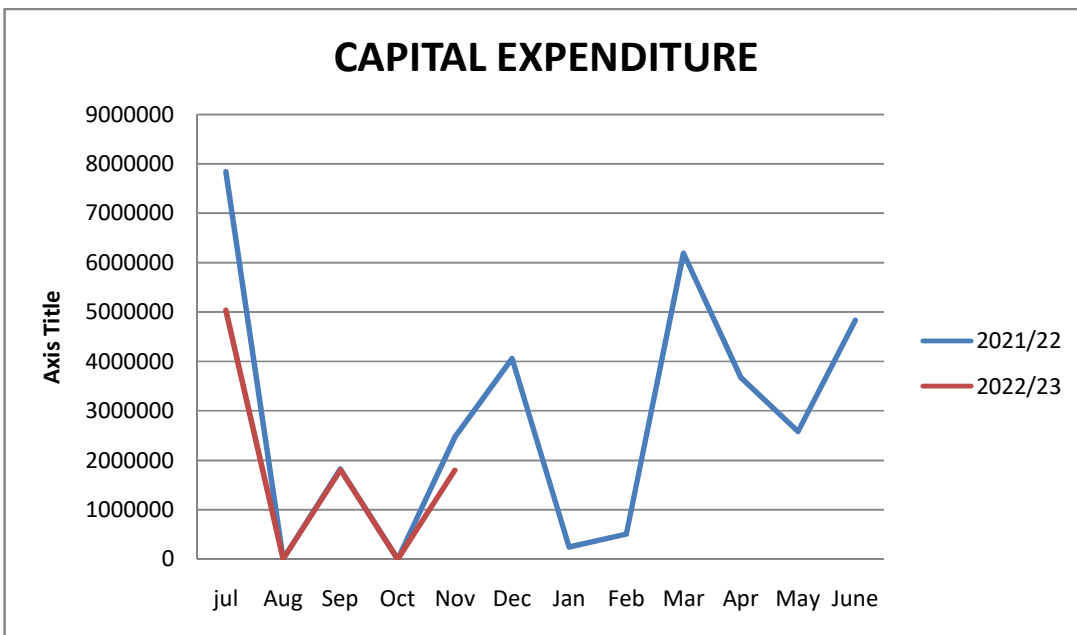
The above two tables (Table C5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of November 2022, capital expenditure amounts to R1,8 million.

**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 - M05 November

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)	(7 017)	(253 960)
Call investment deposits		3 826	62 108	62 108	172	62 108
Consumer debtors		12 647	28 402	28 402	18 280	28 402
Other debtors		52 655	51 486	51 486	54 492	51 486
Current portion of long-term receivables						
Inventory		164	467	467	164	467
<b>Total current assets</b>		<b>(32 032)</b>	<b>(111 496)</b>	<b>(111 496)</b>	<b>66 091</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	284 442	300 056
Biological						
Intangible		20	79	79	20	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>308 664</b>	<b>324 339</b>
<b>TOTAL ASSETS</b>		<b>278 827</b>	<b>212 842</b>	<b>212 842</b>	<b>374 755</b>	<b>212 842</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Borrowing		191	-	-	165	-
Consumer deposits		1 303	1 254	1 254	1 324	1 254
Trade and other payables		356 914	230 550	230 550	233 824	230 550
Provisions		7 741	6 442	6 442	7 741	6 442
<b>Total current liabilities</b>		<b>366 150</b>	<b>238 246</b>	<b>238 246</b>	<b>243 054</b>	<b>238 246</b>
<b>Non current liabilities</b>						
Borrowing		-	-	-	-	-
Provisions		12 754	3 105	3 105	12 754	3 105
<b>Total non current liabilities</b>		<b>12 754</b>	<b>3 105</b>	<b>3 105</b>	<b>12 754</b>	<b>3 105</b>
<b>TOTAL LIABILITIES</b>		<b>378 905</b>	<b>241 351</b>	<b>241 351</b>	<b>255 808</b>	<b>241 351</b>
<b>NET ASSETS</b>	2	<b>(100 077)</b>	<b>(28 509)</b>	<b>(28 509)</b>	<b>118 947</b>	<b>(28 509)</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		133 045	(27 786)	(27 786)	97 070	(27 786)
Reserves		-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>133 045</b>	<b>(27 786)</b>	<b>(27 786)</b>	<b>97 070</b>	<b>(27 786)</b>

Taking the current liabilities and current assets together, the municipality has current ratio of 0.27 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 - M05 November

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	559	2 574	1 797	778	43%	4 312
Service charges		-	15 509	15 509	1 077	6 819	6 462	357	6%	15 509
Other revenue		-	238 520	238 520	(624)	(645)	99 383	(100 028)	-101%	238 520
Transfers and Subsidies - Operational		-	64 964	64 964	-	26 435	27 068	(633)	-2%	64 964
Transfers and Subsidies - Capital		-	23 612	23 612	4 000	12 000	9 838	2 162	22%	23 612
Interest		-	3 122	3 122	-	-	1 301	(1 301)	-100%	3 122
Dividends								-		
<b>Payments</b>										
Suppliers and employees		-	(74 437)	(74 437)	(7 673)	(48 138)	(31 015)	17 123	-55%	(74 437)
Finance charges								-		
Transfers and Grants								-		
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		-	<b>275 601</b>	<b>275 601</b>	<b>(2 663)</b>	<b>(955)</b>	<b>114 834</b>	<b>115 789</b>	<b>101%</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)	(1 798)	(8 637)	(9 838)	(1 202)	12%	(23 612)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		-	<b>(23 611)</b>	<b>(23 612)</b>	<b>(1 798)</b>	<b>(8 637)</b>	<b>(9 838)</b>	<b>(1 201)</b>	<b>12%</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	-	(10)	21	138	(117)	-85%	331
<b>Payments</b>										
Repayment of borrowing								-		
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		-	<b>331</b>	<b>-</b>	<b>(10)</b>	<b>21</b>	<b>138</b>	<b>117</b>	<b>85%</b>	<b>331</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>										
Cash/cash equivalents at beginning:		6 674	577	577	(3 505)	(3 339)	577			(3 339)
Cash/cash equivalents at month/year end:		6 674	252 898	252 566		(12 910)	105 711			248 981

Table C7 presents details pertaining to cash flow performance. As at end of November 2022, the net cash inflow from operating activities is -R 2,6 million whilst net cash outflow from investing activities is -R1,8 that is mainly comprised of capital expenditure movement, and cashoutflow from financing activities is -R 10 thousand. The cash and cash equivalent held at end of November 2022 amounted to -R12, 9 million and the net effect of the above cash flows is cash outflow movement of - R 4, 5 million.

## PART 2: SUPPORTING TABLES

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

DESCRIPTION	VARIANCE	REASON FOR MATERIAL VARIANCE	REMEDIAL OR CORRECTIVE STEPS/REMARKS
<b>REVENUE BY SOURCE</b>			
Property rates	0%	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	-47%	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	-13%	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	16%	The projected monthly revenue appear to be high in light of the actual revenue performance	the municipality will increase revenue budget during the adjustment budget
Service charges - refuse revenue	-5%	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	22%	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	4%	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	-2%	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	-9%	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	-6%	Debt impairment is calculated at bi-annual	the municipality is currently busy with monthly journals
Depreciation & asset impairment	-15%	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	-75%	the actual expenditure is on par with the monthly actual projection	the municipality has an payment agreement with Eskom
Inventory consumed	-79%	the actual expenditure incurred is less than the projected monthly actual	the municipality has an agreement with Vaalharts water board
Contracted services	-74%	the actual expenditure incurred is less than the projected monthly actual	the municipality will decrease budget during the adjustment budget
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	-56%	the actual expenditure incurred is less than the projected monthly actual	the municipality will decrease budget during the adjustment budget



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

<b>Capital expenditure</b>			
National government	-12%	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	43%	The projected monthly revenue appear to be high in light of the actual revenue performance	the municipality will increase budget during the adjustment budget
Service charges	6%	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	-101%	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	-2%	The actual revenue is less than the projected monthly revenue	The municipality receives grants as per DoRA schedule
Transfers and Subsidies - Capital	22%	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 - M05 November

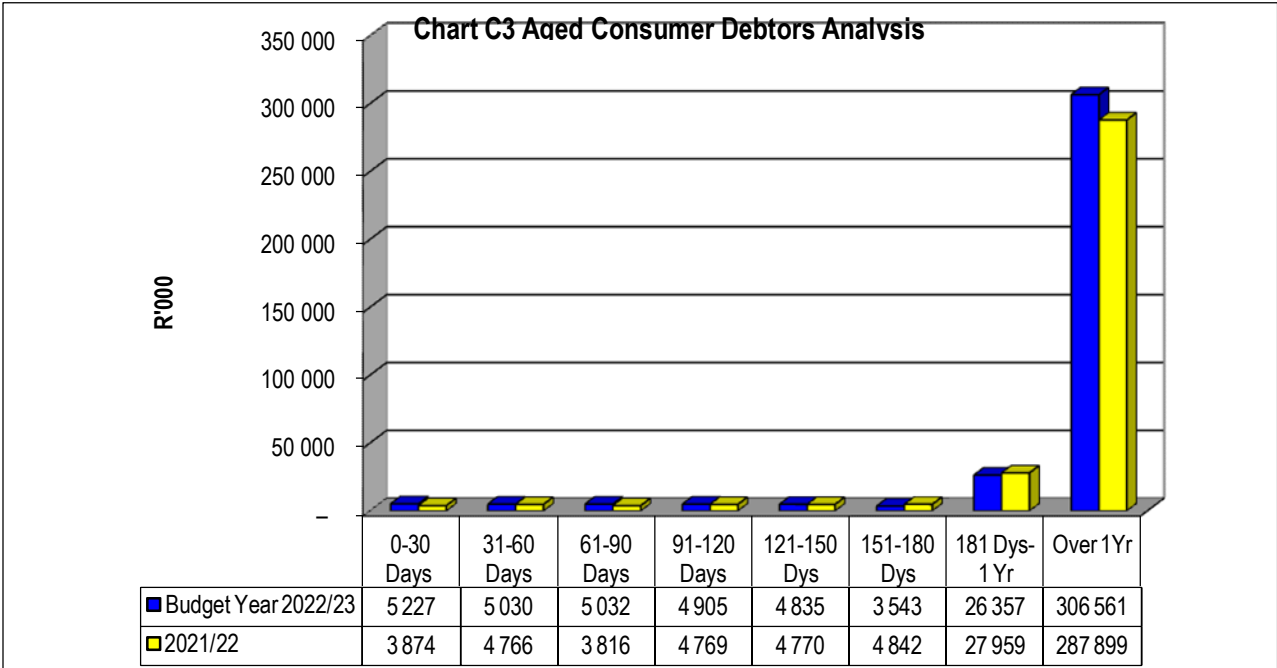
Description	NT Code	Budget Year 2022/23									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.to Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	841	822	1 004	769	729	659	5 212	56 770	66 807	64 139		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	497	516	400	415	446	215	1 548	30 751	34 788	33 375		
Receivables from Non-exchange Transactions - Property Rates	1400	963	805	778	837	848	697	4 126	40 745	49 799	47 253		
Receivables from Exchange Transactions - Waste Water Management	1500	792	778	773	770	767	696	4 224	44 634	53 434	51 091		
Receivables from Exchange Transactions - Waste Management	1600	586	563	557	570	551	497	3 016	32 845	39 184	37 478		
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-		
Interest on Arrear Debtor Accounts	1810	1 514	1 495	1 477	1 504	1 428	767	8 152	99 063	115 400	110 915		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	34	52	44	40	65	12	79	1 752	2 079	1 949		
<b>Total By Income Source</b>	<b>2000</b>	<b>5 227</b>	<b>5 030</b>	<b>5 032</b>	<b>4 905</b>	<b>4 835</b>	<b>3 543</b>	<b>26 357</b>	<b>306 561</b>	<b>361 490</b>	<b>346 200</b>	-	-
<b>2021/22 - totals only</b>		<b>3 874</b>	<b>4 766</b>	<b>3 816</b>	<b>4 769</b>	<b>4 770</b>	<b>4 842</b>	<b>27 959</b>	<b>287 899</b>	<b>342 695</b>	<b>330 238</b>		
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	213	239	234	249	226	146	842	7 947	10 096	9 410		
Commercial	2300	579	578	469	540	431	249	1 785	19 330	23 961	22 335		
Households	2400	4 436	4 213	4 329	4 115	4 178	3 148	23 730	279 283	327 433	314 455		
Other	2500	-	-	-	-	-	-	-	-	-	-		
<b>Total By Customer Group</b>	<b>2600</b>	<b>5 227</b>	<b>5 030</b>	<b>5 032</b>	<b>4 905</b>	<b>4 835</b>	<b>3 543</b>	<b>26 357</b>	<b>306 561</b>	<b>361 490</b>	<b>346 200</b>	-	-

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of November amount to R361 490 million. The debtors' book is made up as follows:

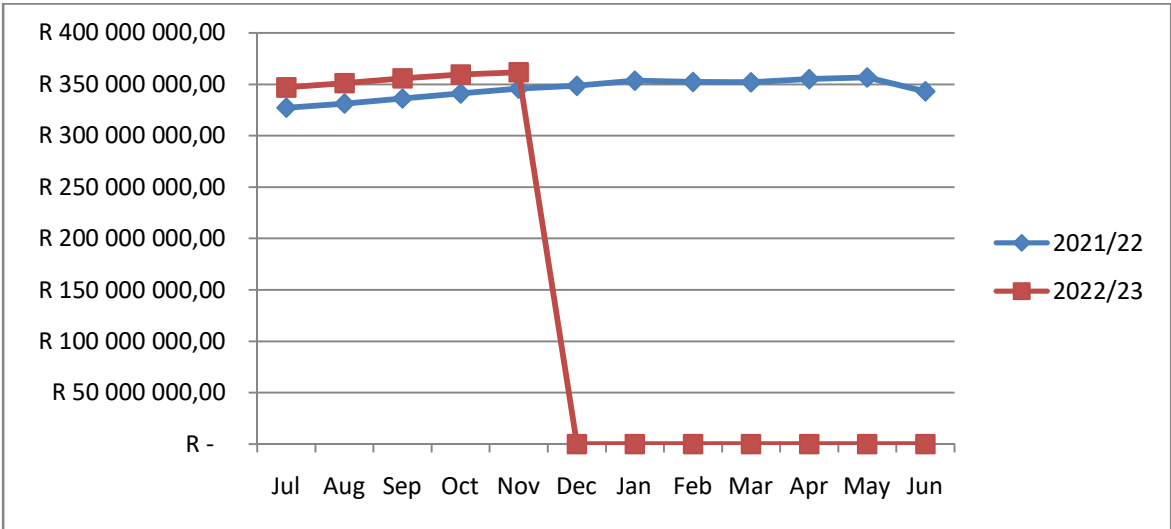
- Rates 15%
- Electricity 10%
- Water 18%
- Waste water management 15%
- Waste management 11%
- Interest on Debtors 32%
- Other 1%

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 November 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.

**FIGURE 5: TOP TWENTY DEBTORS**

Clipboard		Font		Alignment		Number	
D1		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	SANRALS	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 - M05 November

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	3 279	3 397	2 373	3 722	41 252	35 434	-	91 500		
Bulk Water	0200	1 068	1 117	1 150	487	1 608	12 196	13 957	90 906	122 490		
PAYE deductions	0300	-	-	-	-	-	-	-	-	-		
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-		
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-		
Loan repayments	0600	-	-	-	-	-	-	-	-	-		
Trade Creditors	0700	-	213	201	1 683	3 770	3 688	3 892	3 892	17 339		
Auditor General	0800	1 004	682	685	1 351	145	194	208	21	4 291		
Other	0900	0	0	0	0	0	0	0	0	-		
<b>Total By Customer Type</b>	<b>1000</b>	<b>4 115</b>	<b>5 292</b>	<b>5 434</b>	<b>5 895</b>	<b>9 244</b>	<b>57 330</b>	<b>53 491</b>	<b>94 819</b>	<b>235 621</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 30 November 2022 amounted to R235621 million. This amount is made up of various creditors which include amongst others the Eskom of R91 500 million, and Vaalharts water of R122 490 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 - M04 October

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												
R thousands														
Municipality														
Municipality sub-total										-		-	-	-
Entities														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									-		-	-	-

The Municipality's current investment portfolio during the month of November 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 - M05 November

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>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		57 161	62 064	62 064	-	25 885	25 860	25	0,1%	62 064
Equitable Share		51 086	57 991	57 991	-	22 616	24 163	(1 547)	-6,4%	57 991
Expanded Public Works Programme Integrated Grant		1 121	1 073	1 073	-	269	447	(178)	-39,8%	1 073
Local Government Financial Management Grant		2 850	3 000	3 000	-	3 000	1 250	1 750	140,0%	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	-	-	750	(750)	-100,0%	1 800
Specify (Add grant description)		4 603	1 800	1 800	-	-	750	(750)	-100,0%	1 800
<b>Other grant providers:</b>		1 100	1 100	1 100	-	550	458	92	20,0%	1 100
Education Training and Development Practices SETA		-	-	-	-	-	-	-	-	-
National Library South Africa		1 100	1 100	1 100	-	550	458	92	20,0%	1 100
Post Retirement Benefit		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	62 864	64 964	64 964	-	26 435	27 068	(633)	-2,3%	64 964
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		30 851	23 612	23 612	4 000	12 000	9 838	2 162	22,0%	23 612
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		8 175	18 612	18 612	4 000	8 000	7 755	245	3,2%	18 612
Regional Bulk Infrastructure Grant		18 677	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant		4 000	5 000	5 000	-	4 000	2 083	1 917	92,0%	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	4 000	12 000	9 838	2 162	22,0%	23 612
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	97 411	88 576	88 576	4 000	38 435	36 907	1 528	4,1%	88 576

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R38, 4 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R 0 million; Financial Management Grant amounting to R 0 million; Municipal Infrastructure Grant amounting to R 4 million; Water Service Infrastructure Grant R 0 million, Expanded Public Works Programme R 0 million, Library Grant R 0 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.



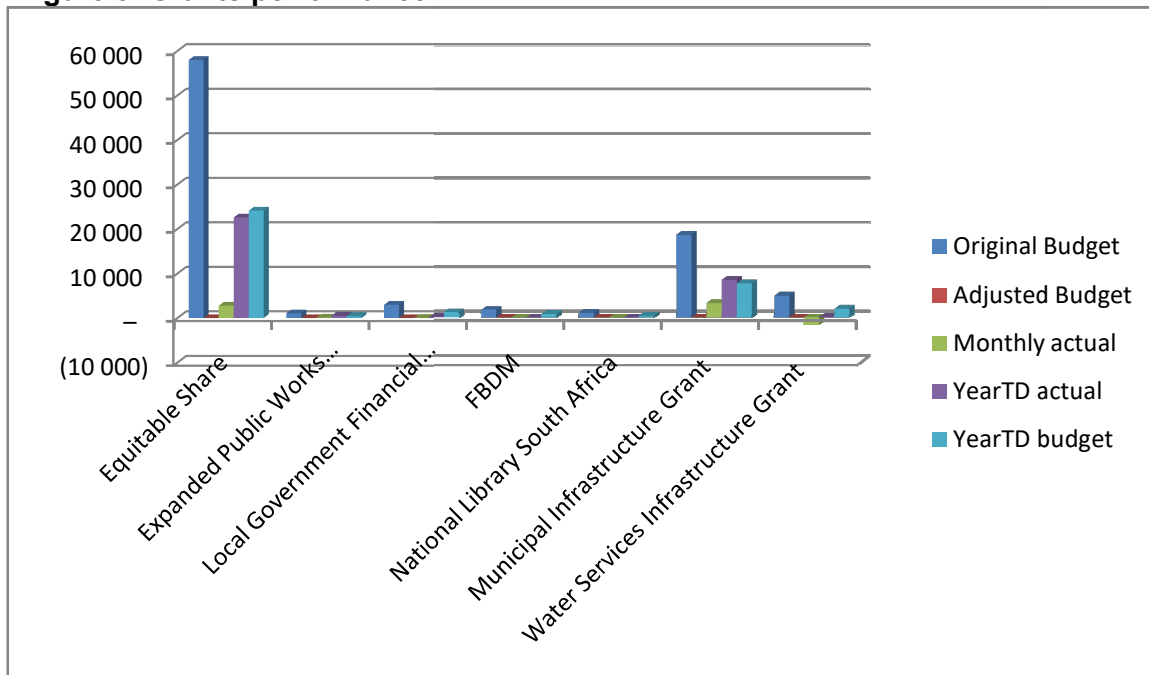
## Supporting Table: SC 7 Transfers and grants – Expenditure

NC093 Magareng - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M05 November

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>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		90 704	62 064	62 064	2 948	23 355	25 860	(2 505)	-9,7%	30 976
Equitable Share		84 427	57 991	57 991	2 800	22 616	24 163	(1 547)	-6,4%	26 916
Expanded Public Works Programme Integrated Grant		1 102	1 073	1 073	107	537	447	90	20,1%	1 073
Local Government Financial Management Grant		3 763	3 000	3 000	40	202	1 250	(1 048)	-83,8%	2 987
Municipal Disaster Relief Grant		1 412	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<i>FBDM</i>		4 078	1 800	1 800	30	30	750	(720)	-96,0%	1 800
<b>Other grant providers:</b>		1 942	1 100	1 100	-	-	458	(458)	-100,0%	1 100
<i>Education Training and Development Practices SETA</i>		-	-	-	-	-	-	-	-	-
<i>National Library South Africa</i>		1 942	1 100	1 100	-	-	458	(458)	-100,0%	1 100
<b>Total operating expenditure of Transfers and Grants:</b>		<b>92 646</b>	<b>63 164</b>	<b>63 164</b>	<b>2 948</b>	<b>23 355</b>	<b>26 318</b>	<b>(2 963)</b>	<b>-11,3%</b>	<b>32 076</b>
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		14 358	23 612	23 612	1 798	8 637	9 838	(1 202)	-12,2%	23 612
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		7 935	18 612	18 612	3 363	8 521	7 755	766	9,9%	18 612
Water Services Infrastructure Grant		6 423	5 000	5 000	(1 565)	115	2 083	(1 968)	-94,5%	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>1 798</b>	<b>8 637</b>	<b>9 838</b>	<b>(1 202)</b>	<b>-12,2%</b>	<b>23 612</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>114 743</b>	<b>86 776</b>	<b>86 776</b>	<b>4 746</b>	<b>31 992</b>	<b>36 157</b>	<b>(4 165)</b>	<b>-11,5%</b>	<b>55 688</b>

An amount of R 4,7 million has been spent on grants during the month of November 2022 and the year to date actual is R 31,9 million whilst the year to date budget amounts to R 36,2 million and this results in an under spending variance of R 4,2 million that translates to 11,5 %. Of the total spending amounting to R 2, 9 million was spent on operational grants and R 1,8 million was spent on capital grants.

**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 November 2022. The grants expenditure is shown below in percentages when compared to the original budget:

- Financial Management Grant 1.3%
- Expanded Public Work Programme 10%
- Equitable Share 10,4 %
- Francis Baard District Municipality Grant 0%
- Library Grant 0%
- Municipal Infrastructure Grant 18,1%
- Water Services Infrastructure Grant -31%

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

NC093 Magareng - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M05 November

Summary of Employee and Councilor remuneration	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
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		3 004	3 654	3 634	270	1 357	1 517	(159)	-11%	3 634
Pension and UIF Contributions		278	44	44	31	155	18	137	747%	44
Medical Aid Contributions		124	84	84	10	46	35	11	31%	84
Motor Vehicle Allowance								-		
Cellphone Allowance		410	526	526	40	201	219	(19)	-8%	526
Housing Allowances								-		
Other benefits and allowances		447	368	368	38	181	153	28	18%	368
<b>Sub Total - Councillors</b>		<b>4 263</b>	<b>4 675</b>	<b>4 655</b>	<b>388</b>	<b>1 940</b>	<b>1 942</b>	<b>(2)</b>	<b>0%</b>	<b>4 655</b>
<b>% increase</b>	4		<b>9,7%</b>	<b>9,2%</b>						<b>9,2%</b>
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		1 401	2 212	2 212	105	519	922	(403)	-44%	2 212
Pension and UIF Contributions		202	202	202	9	64	84	(20)	-24%	202
Medical Aid Contributions		87	85	85	8	38	36	2	5%	85
Overtime								-		
Performance Bonus		85	184	184	89	89	77	12	16%	184
Motor Vehicle Allowance		828	1 084	1 084	30	148	452	(304)	-67%	1 084
Cellphone Allowance		165	14	14	-	-	6	(6)	-100%	14
Housing Allowances		124	154	154	-	-	64	(64)	-100%	154
Other benefits and allowances		41	121	121	0	0	50	(50)	-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>240</b>	<b>857</b>	<b>1 691</b>	<b>(833)</b>	<b>-49%</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	33 053	2 580	13 307	13 830	(523)	-4%	33 053
Pension and UIF Contributions		5 631	5 708	5 708	423	2 142	2 378	(236)	-10%	5 708
Medical Aid Contributions		2 194	2 874	2 874	143	733	1 198	(465)	-39%	2 874
Overtime		2 585	3 773	3 773	162	791	1 572	(781)	-50%	3 773
Performance Bonus		2 769	2 688	2 688	2 009	2 094	1 120	974	87%	2 688
Motor Vehicle Allowance		65	88	88	4	33	37	(4)	-11%	88
Cellphone Allowance		130	72	72	4	20	30	(10)	-33%	72
Housing Allowances		389	257	257	5	27	107	(80)	-74%	257
Other benefits and allowances		732	7	7	33	139	3	136	4866%	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>48 520</b>	<b>5 363</b>	<b>19 287</b>	<b>20 275</b>	<b>(988)</b>	<b>-5%</b>	<b>48 520</b>
<b>% increase</b>	4		<b>4,6%</b>	<b>3,5%</b>						<b>3,5%</b>
<b>Total Parent Municipality</b>		<b>54 073</b>	<b>57 753</b>	<b>57 233</b>	<b>5 991</b>	<b>22 084</b>	<b>23 908</b>	<b>(1 824)</b>	<b>-8%</b>	<b>57 233</b>
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>										
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>54 073</b>	<b>57 753</b>	<b>57 233</b>	<b>5 991</b>	<b>22 084</b>	<b>23 908</b>	<b>(1 824)</b>	<b>-8%</b>	<b>57 233</b>
<b>% increase</b>	4		<b>6,8%</b>	<b>5,8%</b>						<b>5,8%</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>49 810</b>	<b>53 078</b>	<b>52 578</b>	<b>5 603</b>	<b>20 144</b>	<b>21 966</b>	<b>(1 822)</b>	<b>-8%</b>	<b>52 578</b>

Table SC8 provides details for Remuneration of Councilors and Employee related cost. The total salaries, allowances and benefits paid as at end of November 2022 amounts to R 5,6 million and the year to date budget is R 21,9 million and the expenditure for remuneration of councilors amounts to R 388 thousand while the year to date budget is R 1,9 million. The year to date actual expenditure for senior managers is R 857 thousand and the year to date budget thereof is R 1, 7 million. The year to date actual for other municipal staff is R19, 3 million and the year to date budget is R 20,3 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 - M05 November

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
<b>R thousands</b>	1	<b>Outcome</b>	<b>Outcome</b>	<b>Outcome</b>	<b>Outcome</b>	<b>Outcome</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>			
<b>Cash Receipts By Source</b>																
Property rates		396	341	325	954	559	359	359	359	359	359	359	(419)	4 312	5 776	7 378
Service charges - electricity revenue		1 832	1 665	464	491	621	610	610	610	610	610	610	(1 413)	7 319	21 517	22 486
Service charges - water revenue		210	207	199	183	300	290	290	290	290	290	290	642	3 481	4 555	5 375
Service charges - sanitation revenue		80	47	22	39	41	205	205	205	205	205	205	999	2 456	3 290	4 202
Service charges - refuse		104	66	59	76	114	188	188	188	188	188	188	708	2 253	3 018	3 855
Rental of facilities and equipment		-	-	-	-	-	0	0	0	0	0	0	0	1	1	2
Interest earned - external investments		-	-	-	-	-	260	260	260	260	260	260	1 561	3 122	3 253	3 399
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	1	1	1	1	1	1	7	14	20	31
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational		22 616	3 269	-	-	-	5 414	5 414	5 414	5 414	5 414	5 414	6 597	64 964	67 423	71 244
Other revenue		(318)	(402)	326	374	(624)	19 875	19 875	19 875	19 875	19 875	19 875	119 898	238 506	226 899	738 251
<b>Cash Receipts by Source</b>		<b>24 919</b>	<b>5 193</b>	<b>1 395</b>	<b>2 116</b>	<b>1 011</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>128 580</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	-	-	1 500	4 000	1 968	1 968	1 968	1 968	1 968	1 968	(194)	23 612	14 454	14 902
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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>5 193</b>	<b>1 395</b>	<b>3 616</b>	<b>5 011</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>128 055</b>	<b>349 707</b>	<b>350 243</b>	<b>871 123</b>
<b>Cash Payments by Type</b>																
Employee related costs		6 535	4 084	(213)	5 204	4 881	4 813	4 813	4 813	4 813	4 813	4 813	8 385	57 753	60 599	62 979
Remuneration of councillors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Electricity		8 065	-	660	-	19	2 063	2 063	2 063	2 063	2 063	2 063	3 631	24 750	25 790	27 053
Acquisitions - water & other inventory		1 000	-	-	-	-	225	225	225	225	225	225	350	2 700	2 700	2 700
Contracted services		-	-	-	-	-	(1 408)	(1 408)	(1 408)	(1 408)	(1 408)	(1 408)	(8 446)	(16 892)	(7 515)	(7 711)
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General expenses		12 703	513	2 510	389	2 772	510	510	510	510	510	510	(15 825)	6 126	6 566	7 168
<b>Cash Payments by Type</b>		<b>28 303</b>	<b>4 597</b>	<b>2 957</b>	<b>5 593</b>	<b>7 673</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>(11 905)</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	-	1 803	-	1 798	1 968	1 968	1 968	1 968	1 968	1 968	3 169	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>4 597</b>	<b>4 760</b>	<b>5 593</b>	<b>9 471</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>(8 736)</b>	<b>98 049</b>	<b>102 594</b>	<b>107 091</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>(1 919)</b>	<b>595</b>	<b>(3 365)</b>	<b>(1 977)</b>	<b>(4 461)</b>	<b>20 999</b>	<b>20 999</b>	<b>20 999</b>	<b>20 999</b>	<b>20 999</b>	<b>20 999</b>	<b>136 790</b>	<b>251 658</b>	<b>247 649</b>	<b>764 032</b>
Cash/cash equivalents at the month/year beginning:		242	(1 677)	(1 082)	(4 447)	(6 425)	(10 885)	10 114	31 113	52 112	73 111	94 110	115 109	242	251 899	499 548
Cash/cash equivalents at the month/year end:		(1 677)	(1 082)	(4 447)	(6 425)	(10 885)	10 114	31 113	52 112	73 111	94 110	115 109	251 899	251 899	499 548	1 263 581

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 R 5, 01 million and cash payment for the month amounts to R9,5 million and this resulted in net decrease in cash held amounting to R 4,5 million. With cash and cash equivalent of –R6,4 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting of –R10,8 thousands. 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 - M05 November

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
<b>R thousands</b>									
<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	3 935	100,0%	0%
September	2 053	1 968	1 968	1 803	1 803	5 903	4 100	69,5%	8%
October	2 053	1 968	1 968	–	–	7 871	7 871	100,0%	0%
November	2 053	1 968	1 968	1 798	1 798	9 838	8 040	81,7%	8%
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>8 637</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 November 2022 amounts to R 1, 8 million.

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


I M.M. MOTSWALEDI The Chief Financial Officer Of Magareng Local Municipality (NC093), hereby certify that section 71 for November 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 DEC 2022

I \_\_\_\_\_ The Acting Municipal Manager Of Magareng Local Municipality (NC093), hereby certify that section 71 for November 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 DEC 2022