

# **MAGARENGLOCALMUNICIPALITY**

**MAGARENG**



**MUNICIPALITY**

## **MONTHLY BUDGET STATEMENT REPORT**

**SEPTEMBER 2023**

## 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>

# PART1: IN-YEARREPORT

## 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.

## Mayor's 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 has a negative impact on the cash flow of the municipality.
- Outstanding creditors with large outstanding debt mainly owed to Eskom and Vaalhartswater
- Inability to service creditors within 30 days.
- Negative impact on the municipalities' ability to improve service delivery from its own revenue sources.

## 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 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	ORIGINAL BUDGET	2023/2024		
		ADJUSTED BUDGET	YEAR TO DATE ACTUAL	PERCENTAGE
OPERATING REVENUE	162 061 667,00	-	47 148 857,61	29%
OPERATING EXPENDITURE	177 673 719,00	-	39 507 066,96	22%
TRANSFERS CAPITAL	54 967 000,00	-	16 319 703,00	30%
SURPLUS/(DEFICIT) AFTER TRANS	39 354 948,00	-	23 961 493,65	61%
CAPITAL EXPENDITURE	54 967 000,00	-	10 379 409,16	19%

## TableC1–Budget Statement Summary

NC093 Magareng - Table C1 Monthly Budget Statement Summary - M03 September

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	12 263	13 926	13 926	1 064	3 228	3 481	(254)	-7%	13 926
Service charges	32 395	60 384	60 384	2 390	7 843	15 096	(7 253)	-48%	60 384
Investment revenue	10 912	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	10 912	-	-	-	-	-	-	-	-
Other own revenue	67 414	87 752	87 752	2 802	36 078	21 938	14 140	64%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>133 896</b>	<b>162 062</b>	<b>162 062</b>	<b>6 256</b>	<b>47 149</b>	<b>40 515</b>	<b>6 633</b>	<b>16%</b>	<b>162 062</b>
Employee costs	48 606	53 709	53 709	3 616	10 551	13 427	(2 877)	-21%	53 709
Remuneration of Councillors	4 673	4 807	4 807	390	1 170	1 202	(31)	-3%	4 807
Depreciation and amortisation	57 006	25 954	25 954	2 163	6 488	6 488	0	0%	25 954
Interest	7 530	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	36 957	37 920	37 920	2 761	3 934	9 480	(5 546)	-59%	37 920
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	49 112	55 284	55 284	4 569	17 364	13 821	3 543	26%	55 284
<b>Total Expenditure</b>	<b>203 884</b>	<b>177 674</b>	<b>177 674</b>	<b>13 500</b>	<b>39 507</b>	<b>44 418</b>	<b>(4 911)</b>	<b>-11%</b>	<b>177 674</b>
<b>Surplus/(Deficit)</b>	<b>(69 987)</b>	<b>(15 612)</b>	<b>(15 612)</b>	<b>(7 244)</b>	<b>7 642</b>	<b>(3 903)</b>	<b>11 545</b>	<b>-296%</b>	<b>(15 612)</b>
Transfers and subsidies - capital (monetary)	24 071	51 967	51 967	14 758	16 320	12 992	3 328	26%	51 967
Transfers and subsidies - capital (in-kind)	1 725	3 000	3 000	-	-	750	(750)	-100%	3 000
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(44 191)</b>	<b>39 355</b>	<b>39 355</b>	<b>7 514</b>	<b>23 961</b>	<b>9 839</b>	<b>14 123</b>	<b>144%</b>	<b>39 355</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>(44 191)</b>	<b>39 355</b>	<b>39 355</b>	<b>7 514</b>	<b>23 961</b>	<b>9 839</b>	<b>14 123</b>	<b>144%</b>	<b>39 355</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>25 368</b>	<b>55 257</b>	<b>55 257</b>	<b>5 377</b>	<b>10 379</b>	<b>13 814</b>	<b>(3 435)</b>	<b>-25%</b>	<b>55 257</b>
Capital transfers recognised	23 885	54 967	54 967	5 377	10 379	13 742	(3 362)	-24%	54 967
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	1 482	290	290	-	-	73	(73)	-100%	290
<b>Total sources of capital funds</b>	<b>25 368</b>	<b>55 257</b>	<b>55 257</b>	<b>5 377</b>	<b>10 379</b>	<b>13 814</b>	<b>(3 435)</b>	<b>-25%</b>	<b>55 257</b>
<b>Financial position</b>									
Total current assets	(17 520)	20 216	20 216		102 202				20 216
Total non current assets	412 247	306 151	306 151		416 138				306 151
Total current liabilities	441 600	356 086	356 086		330 016				356 086
Total non current liabilities	8 539	11 911	11 911		7 998				11 911
Community wealth/Equity	211 682	(41 630)	(41 630)		180 325				(41 630)
<b>Cash flows</b>									
Net cash from (used) operating	-	33 047	33 047	11 384	35 792	68 233	32 441	48%	272 930
Net cash from (used) investing	0	(54 967)	(54 967)	(5 377)	(10 379)	(13 742)	(3 362)	24%	(52 257)
Net cash from (used) financing	-	-	-	5	8	-	(8)	#DIV/0!	-
<b>Cash/cash equivalents at the month/year end</b>	<b>242</b>	<b>(21 678)</b>	<b>(21 678)</b>	<b>-</b>	<b>26 153</b>	<b>54 732</b>	<b>28 579</b>	<b>52%</b>	<b>221 407</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	5 387	5 018	5 010	4 314	4 101	4 022	26 920	331 450	386 223
<b>Creditors Age Analysis</b>									
Total Creditors	4 275	8 066	9 144	10 928	13 311	58 793	56 374	96 772	257 664

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

**Revenue:**

The actual year to date operational revenue as at end of September 47,1 million and the year to date budget of R40,5 million and this reflects a variance of R6,6 million. The following are the secondary revenue item categories reflecting a positive (favorable) and negative?(unfavorable) material variance:

- Property rates: 7% unfavorable variance
- Service Charges: 48% unfavorable variance
- Other Own Revenue: 64% favorable variance

**Operating Expenditure:**

The year-to-date actual operational expenditure as of the end of September amounts to R 39,5 million and the year-to-date budget is R44,4 million. This reflects an under spending variance of R 4, 9 million that translates to a negative 11% variance.

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

- Employee Related Cost: 21% Under Spending
- Inventory Consumed and Bulk Purchases: 59% Under Spending
- Other Expenditure: 26% Overspending

The above material variances are explained more in detail on Variance Explanation Table

## **Capital Expenditure**

The year-to-date actual capital expenditure as at end of September 2023 amounts to R 10,3 million and the year to date budget amounts to R13,7 million and this gives rise to variance of R 3,4 million which shows underperformance on capital expenditure.

## **Surplus/Deficit**

Taking the above into consideration, the net operating surplus for the month of September is R 7,5 million.

## **Debtors**

Outstanding debtors' is comprised of consumer and sundry debtors. The total outstanding debtors as at end of September amounts to R 386 223 million and this show an increase of R2 000 thousand as compared to R384 223 million as at end of 31 August 2023.

Consumer debtors is made up of service charges and property rates that amount to R 253 414 million and other debtors amounting to R 132 809 million.

## **Creditors**

As at 30 September 2023 the municipality had an outstanding creditors amounting to R257 664 million and the bulk of this amount is made up by Bulk water: R 125 872 million and bulk electricity: R108 390 million.

## TableC2–Financial Performance(Standard Classification)

NC093 Magareng - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September

Description	Ref	Budget Year 2023/24								
		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>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		<b>89 880</b>	<b>84 422</b>	<b>84 422</b>	<b>1 586</b>	<b>33 627</b>	<b>21 105</b>	12 522	59%	<b>84 422</b>
Executive and council		59 064	62 541	62 541	–	25 901	15 635	10 266	66%	62 541
Finance and administration		30 815	21 881	21 881	1 586	7 726	5 470	2 256	41%	21 881
Internal audit		–	–	–	–	–	–	–	–	–
<i><b>Community and public safety</b></i>		<b>1 638</b>	<b>1 393</b>	<b>1 393</b>	<b>627</b>	<b>739</b>	<b>348</b>	391	112%	<b>1 393</b>
Community and social services		855	1 264	1 264	582	602	316	286	91%	1 264
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		783	130	130	45	137	32	104	322%	130
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<i><b>Economic and environmental services</b></i>		<b>6 607</b>	<b>450</b>	<b>450</b>	<b>–</b>	<b>–</b>	<b>113</b>	(113)	-100%	<b>450</b>
Planning and development		–	–	–	–	–	–	–	–	–
Road transport		6 607	450	450	–	–	113	(113)	-100%	450
Environmental protection		–	–	–	–	–	–	–	–	–
<i><b>Trading services</b></i>		<b>61 567</b>	<b>130 764</b>	<b>130 764</b>	<b>18 801</b>	<b>29 103</b>	<b>32 691</b>	(3 588)	-11%	<b>130 764</b>
Energy sources		13 836	35 848	35 848	1 142	3 893	8 962	(5 069)	-57%	35 848
Water management		31 805	50 145	50 145	5 775	9 045	12 536	(3 491)	-28%	50 145
Waste water management		8 390	35 402	35 402	11 004	13 494	8 851	4 643	52%	35 402
Waste management		7 537	9 368	9 368	880	2 671	2 342	329	14%	9 368
<i><b>Other</b></i>	4	–	–	–	–	–	–	–	–	–
<b>Total Revenue - Functional</b>	2	<b>159 692</b>	<b>217 029</b>	<b>217 029</b>	<b>21 014</b>	<b>63 469</b>	<b>54 257</b>	<b>9 211</b>	<b>17%</b>	<b>217 029</b>
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		<b>59 008</b>	<b>57 910</b>	<b>57 910</b>	<b>4 395</b>	<b>16 769</b>	<b>14 478</b>	2 291	16%	<b>57 910</b>
Executive and council		15 645	13 006	13 006	952	2 971	3 251	(281)	-9%	13 006
Finance and administration		43 363	44 904	44 904	3 442	13 798	11 226	2 572	23%	44 904
Internal audit		–	–	–	–	–	–	–	–	–
<i><b>Community and public safety</b></i>		<b>25 412</b>	<b>12 754</b>	<b>12 754</b>	<b>1 380</b>	<b>3 057</b>	<b>3 189</b>	(132)	-4%	<b>12 754</b>
Community and social services		13 491	2 571	2 571	206	602	643	(41)	-6%	2 571
Sport and recreation		3 565	5 218	5 218	817	1 382	1 304	77	6%	5 218
Public safety		4 383	3 747	3 747	266	797	937	(140)	-15%	3 747
Housing		3 974	1 219	1 219	90	277	305	(28)	-9%	1 219
Health		–	–	–	–	–	–	–	–	–
<i><b>Economic and environmental services</b></i>		<b>7 800</b>	<b>24 739</b>	<b>24 389</b>	<b>2 232</b>	<b>5 844</b>	<b>6 185</b>	(340)	-6%	<b>24 389</b>
Planning and development		4 449	6 164	6 164	479	1 133	1 541	(408)	-26%	6 164
Road transport		3 350	18 575	18 225	1 753	4 711	4 644	68	1%	18 225
Environmental protection		–	–	–	–	–	–	–	–	–
<i><b>Trading services</b></i>		<b>111 664</b>	<b>82 271</b>	<b>82 621</b>	<b>5 494</b>	<b>13 837</b>	<b>20 568</b>	(6 731)	-33%	<b>82 621</b>
Energy sources		55 238	35 688	35 688	1 729	3 303	8 922	(5 619)	-63%	35 688
Water management		25 856	24 970	25 320	1 998	5 297	6 242	(945)	-15%	25 320
Waste water management		23 754	17 115	17 115	1 375	4 161	4 279	(118)	-3%	17 115
Waste management		6 815	4 498	4 498	392	1 076	1 125	(48)	-4%	4 498
<i><b>Other</b></i>		–	–	–	–	–	–	–	–	–
<b>Total Expenditure - Functional</b>	3	<b>203 884</b>	<b>177 674</b>	<b>177 674</b>	<b>13 500</b>	<b>39 507</b>	<b>44 418</b>	<b>(4 911)</b>	<b>-11%</b>	<b>177 674</b>
<b>Surplus/ (Deficit) for the year</b>		<b>(44 191)</b>	<b>39 355</b>	<b>39 355</b>	<b>7 514</b>	<b>23 961</b>	<b>9 839</b>	<b>14 123</b>	<b>144%</b>	<b>39 355</b>

## TableC3–Financial Performance(Revenue and Expenditure by vote)

NC093 Magareng - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September

Vote Description	Ref	2022/23			Budget Year 2023/24					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 01 - Executive & Council	1	59 064	62 541	62 541	–	25 901	15 635	10 266	65,7%	62 541
Vote 02 - Office Of The Municipal Manager		–	–	–	–	–	–	–	–	–
Vote 03 - Corporate Services		382	–	–	–	–	–	–	–	–
Vote 04 - Financial Services		30 433	21 881	21 881	1 586	7 726	5 470	2 256	41,2%	21 881
Vote 05 - Municipal Infrastructure		68 174	131 214	131 214	18 801	29 103	32 803	(3 701)	-11,3%	131 214
Vote 06 - Community Services		–	–	–	–	–	–	–	–	–
Vote 07 - Public Safety & Transport		1 638	1 393	1 393	627	739	348	391	112,1%	1 393
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>159 692</b>	<b>217 029</b>	<b>217 029</b>	<b>21 014</b>	<b>63 469</b>	<b>54 257</b>	<b>9 211</b>	<b>17,0%</b>	<b>217 029</b>
<b>Expenditure by Vote</b>										
Vote 01 - Executive & Council	1	12 418	10 836	10 836	900	2 802	2 709	92	3,4%	10 836
Vote 02 - Office Of The Municipal Manager		658	2 169	2 169	53	169	542	(373)	-68,8%	2 169
Vote 03 - Corporate Services		15 140	15 806	15 806	1 246	3 328	3 952	(624)	-15,8%	15 806
Vote 04 - Financial Services		28 291	29 098	29 098	2 196	10 470	7 275	3 196	43,9%	29 098
Vote 05 - Municipal Infrastructure		119 086	104 180	104 180	7 589	19 267	26 045	(6 778)	-26,0%	104 180
Vote 06 - Community Services		–	–	–	–	–	–	–	–	–
Vote 07 - Public Safety & Transport		21 312	11 535	11 535	1 290	2 780	2 884	(104)	-3,6%	11 535
Vote 08 - Sports, Arts, Parks, Culture		–	–	–	–	–	–	–	–	–
Vote 09 - Planning & Development		6 978	4 048	4 048	227	691	1 012	(321)	-31,7%	4 048
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>203 884</b>	<b>177 674</b>	<b>177 674</b>	<b>13 500</b>	<b>39 507</b>	<b>44 418</b>	<b>(4 911)</b>	<b>-11,1%</b>	<b>177 674</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>(44 191)</b>	<b>39 355</b>	<b>39 355</b>	<b>7 514</b>	<b>23 961</b>	<b>9 839</b>	<b>14 123</b>	<b>143,5%</b>	<b>39 355</b>

Table C2 and C3 measure the monthly actual and year to date actual against the year to date budget. The above mentioned 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).



**TableC4: Financial Performance by Revenue Source and Expenditure Type**

NC093 Magareng - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		13 836	33 713	33 713	1 006	3 442	8 428	(4 987)	-59%	33 713
Service charges - Water		6 009	9 156	9 156	177	693	2 289	(1 596)	-70%	9 156
Service charges - Waste Water Management		8 041	10 832	10 832	692	2 122	2 708	(586)	-22%	10 832
Service charges - Waste management		4 509	6 683	6 683	514	1 586	1 671	(85)	-5%	6 683
Sale of Goods and Rendering of Services		517	624	624	42	143	156	(13)	-8%	624
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 048	13 632	13 632	1 635	4 815	3 408	1 407	41%	13 632
Interest from Current and Non Current Assets		10 912	-	-	-	-	-	-	-	-
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		2	3	3	-	-	1	(1)	-	3
Rental from Fixed Assets		1	3	3	-	1	1	0	11%	3
Licence and permits		-	-	-	-	-	-	-	-	-
Operational Revenue		3 618	71	71	10	54	18	37	207%	71
<b>Non-Exchange Revenue</b>										
Property rates		12 263	13 926	13 926	1 064	3 228	3 481	(254)	-7%	13 926
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		679	135	135	35	83	34	49	146%	135
Licence and permits		(2 359)	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		69 438	68 488	68 488	574	29 475	17 122	12 353	72%	68 488
Interest		-	4 798	4 798	506	1 509	1 199	309	26%	4 798
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		382	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>133 896</b>	<b>162 062</b>	<b>162 062</b>	<b>6 256</b>	<b>47 149</b>	<b>40 515</b>	<b>6 633</b>	<b>16%</b>	<b>162 062</b>
<b>Expenditure By Type</b>										
Employee related costs		48 606	53 709	53 709	3 616	10 551	13 427	(2 877)	-21%	53 709
Remuneration of councillors		4 673	4 807	4 807	390	1 170	1 202	(31)	-3%	4 807
Bulk purchases - electricity		23 257	25 000	25 000	870	870	6 250	(5 380)	-86%	25 000
Inventory consumed		13 699	12 920	12 920	1 892	3 064	3 230	(166)	-5%	12 920
Debt impairment		-	35 391	35 391	2 949	8 848	8 848	(0)	0%	35 391
Depreciation and amortisation		57 006	25 954	25 954	2 163	6 488	6 488	0	0%	25 954
Interest		7 530	-	-	-	-	-	-	-	-
Contracted services		5 700	9 594	9 594	939	1 373	2 398	(1 026)	-43%	9 594
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		17 508	-	-	-	5 172	-	5 172	-	-
Operational costs		12 826	10 299	10 299	681	1 972	2 575	(603)	-23%	10 299
Losses on Disposal of Assets		13 079	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>203 884</b>	<b>177 674</b>	<b>177 674</b>	<b>13 500</b>	<b>39 507</b>	<b>44 418</b>	<b>(4 911)</b>	<b>-11%</b>	<b>177 674</b>
<b>Surplus/(Deficit)</b>		<b>(69 987)</b>	<b>(15 612)</b>	<b>(15 612)</b>	<b>(7 244)</b>	<b>7 642</b>	<b>(3 903)</b>	<b>11 545</b>	<b>(0)</b>	<b>(15 612)</b>
Transfers and subsidies - capital (monetary allocations)		-	-	-	-	-	-	-	-	-
		24 071	51 967	51 967	14 758	16 320	12 992	3 328	0	51 967
Transfers and subsidies - capital (in-kind)		1 725	3 000	3 000	-	-	750	(750)	(0)	3 000
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(44 191)</b>	<b>39 355</b>	<b>39 355</b>	<b>7 514</b>	<b>23 961</b>	<b>9 839</b>			<b>39 355</b>
Income Tax		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>(44 191)</b>	<b>39 355</b>	<b>39 355</b>	<b>7 514</b>	<b>23 961</b>	<b>9 839</b>			<b>39 355</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(44 191)</b>	<b>39 355</b>	<b>39 355</b>	<b>7 514</b>	<b>23 961</b>	<b>9 839</b>			<b>39 355</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>(44 191)</b>	<b>39 355</b>	<b>39 355</b>	<b>7 514</b>	<b>23 961</b>	<b>9 839</b>			<b>39 355</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) - M03 September

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
<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		-	290	290	-	-	73	(73)	-100%	290
Vote 04 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 05 - Municipal Infrastructure		25 368	54 967	54 967	5 377	10 379	13 742	(3 362)	-24%	54 967
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	25 368	55 257	55 257	5 377	10 379	13 814	(3 435)	-25%	55 257
<b>Total Capital Expenditure</b>		<b>25 368</b>	<b>55 257</b>	<b>55 257</b>	<b>5 377</b>	<b>10 379</b>	<b>13 814</b>	<b>(3 435)</b>	<b>-25%</b>	<b>55 257</b>
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	290	290	-	-	73	(73)	-100%	290
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	290	290	-	-	73	(73)	-100%	290
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>		25 368	54 967	54 967	5 377	10 379	13 742	(3 362)	-24%	54 967
Energy sources		-	-	-	-	-	-	-	-	-
Water management		23 885	35 452	35 452	4 675	9 677	8 863	814	9%	35 452
Waste water management		1 482	19 515	19 515	703	703	4 879	(4 176)	-86%	19 515
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	25 368	55 257	55 257	5 377	10 379	13 814	(3 435)	-25%	55 257
<b>Funded by:</b>										
National Government		23 885	31 967	31 967	4 360	8 004	7 992	13	0%	31 967
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	3 000	3 000	-	-	750	(750)	-100%	3 000
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	20 000	20 000	1 017	2 375	5 000	(2 625)	-52%	20 000
<b>Transfers recognised - capital</b>		23 885	54 967	54 967	5 377	10 379	13 742	(3 362)	-24%	54 967
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		1 482	290	290	-	-	73	(73)	-100%	290
<b>Total Capital Funding</b>		<b>25 368</b>	<b>55 257</b>	<b>55 257</b>	<b>5 377</b>	<b>10 379</b>	<b>13 814</b>	<b>(3 435)</b>	<b>-25%</b>	<b>55 257</b>

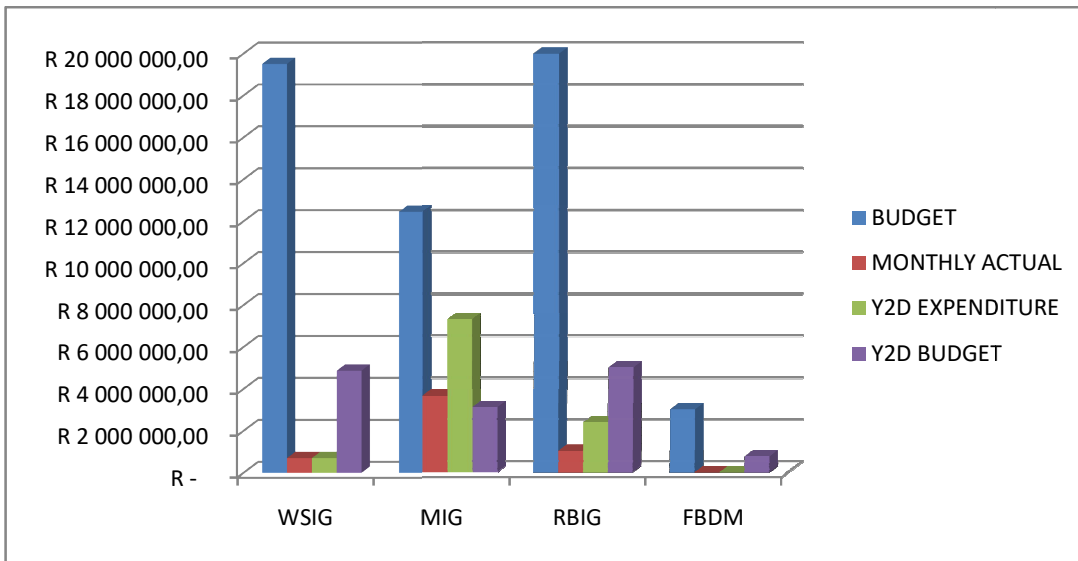
### Table C5C: Monthly Capital Expenditure by Vote

NC093 Magareng - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - A - M03 September

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<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>		-	290	290	-	-	73	(73)	-100%	290
03.1 - Administration And Legal		-	-	-	-	-	-	-	-	-
03.2 - Corporate Admin		-	290	290	-	-	73	(73)	-100%	290
03.3 - Human Resources		-	-	-	-	-	-	-	-	-
<b>Vote 04 - Financial Services</b>		-	-	-	-	-	-	-	-	-
04.1 - Finance Admin		-	-	-	-	-	-	-	-	-
<b>Vote 05 - Municipal Infrastructure</b>		25 368	54 967	54 967	5 377	10 379	13 742	(3 362)	-24%	54 967
05.1 - Technical Admin		-	-	-	-	-	-	-	-	-
05.2 - Roads And Stormwater		-	-	-	-	-	-	-	-	-
05.3 - Solid Waste Management		-	-	-	-	-	-	-	-	-
05.4 - Sanitation		1 482	19 515	19 515	703	703	4 879	(4 176)	-86%	19 515
05.5 - Water		23 885	35 452	35 452	4 675	9 677	8 863	814	9%	35 452
05.6 - Electricity		-	-	-	-	-	-	-	-	-
<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 Aff</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>		25 368	55 257	55 257	5 377	10 379	13 814	(3 435)	(0)	55 257
<b>Total Capital Expenditure</b>		25 368	55 257	55 257	5 377	10 379	13 814	(3 435)	(0)	55 257

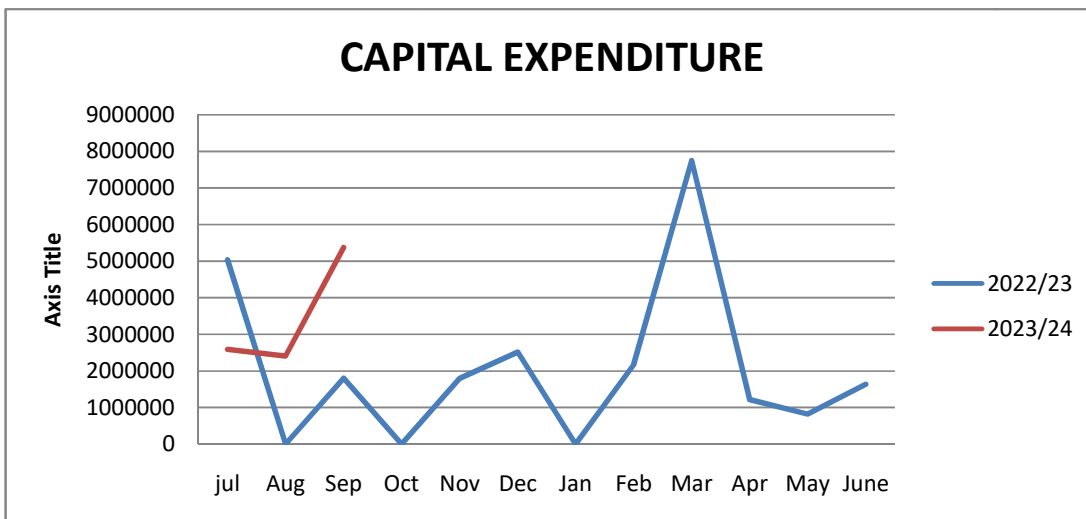
The above two tables (TableC5 Capex and C5C) present capital expenditure performance by Municipal vote, standard classification and the funding thereof. For the month of September 2023, capital expenditure amounts to R5,4 million.

**Figure1: Capital expenditure by source.**



The above graph shows the components of sources of finance for capital budget. Of the total capital budget of R 54,9 million, R12,5 million is funded by Municipal Infrastructure Grant, R 19, 5 million is from Water Services Infrastructure Grant, R 20 million funded by Regional Bulk Infrastructure Grant, R 3 million is funded by Frances Baard District

**Figure2: Monthly capital expenditure**



The above graph compares the 2022/23 and 2023/24 monthly capital expenditure performance.

**TableC6:Monthly Budget Statement Financial Position**

**NC093 Magareng - Table C6 Monthly Budget Statement - Financial Position - M03 September**

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		(108 668)	(138 558)	(138 558)	12 842	(138 558)
Trade and other receivables from exchange transactions		24 219	90 110	90 110	21 123	90 110
Receivables from non-exchange transactions		8 952	15 690	15 690	10 075	15 690
Current portion of non-current receivables						
Inventory		116	(136)	(136)	116	(136)
VAT		58 909	54 920	54 920	59 098	54 920
Other current assets		(1 048)	(1 810)	(1 810)	(1 052)	(1 810)
<b>Total current assets</b>		<b>(17 520)</b>	<b>20 216</b>	<b>20 216</b>	<b>102 202</b>	<b>20 216</b>
<b>Non current assets</b>						
Investments						
Investment property		23 468	23 831	23 831	23 468	23 831
Property, plant and equipment		388 398	281 929	281 929	392 289	281 929
Biological assets						
Living and non-living resources						
Heritage assets		371	371	371	371	371
Intangible assets		10	20	20	10	20
Trade and other receivables from exchange transactions		0	-	-	0	-
Non-current receivables from non-exchange transactions						
Other non-current assets						
<b>Total non current assets</b>		<b>412 247</b>	<b>306 151</b>	<b>306 151</b>	<b>416 138</b>	<b>306 151</b>
<b>TOTAL ASSETS</b>		<b>394 728</b>	<b>326 367</b>	<b>326 367</b>	<b>518 340</b>	<b>326 367</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Financial liabilities		(319)	165	165	-	165
Consumer deposits		1 309	611	611	1 316	611
Trade and other payables from exchange transactions		395 270	320 290	320 290	269 299	320 290
Trade and other payables from non-exchange transactions		14 222	(264)	(264)	26 436	(264)
Provision		7 219	9 051	9 051	8 676	9 051
VAT		23 900	24 009	24 009	24 290	24 009
Other current liabilities		-	2 224	2 224	-	2 224
<b>Total current liabilities</b>		<b>441 600</b>	<b>356 086</b>	<b>356 086</b>	<b>330 016</b>	<b>356 086</b>
<b>Non current liabilities</b>						
Financial liabilities		794	-	-	794	-
Provision		7 745	11 911	11 911	7 204	11 911
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		-	-	-	-	-
<b>Total non current liabilities</b>		<b>8 539</b>	<b>11 911</b>	<b>11 911</b>	<b>7 998</b>	<b>11 911</b>
<b>TOTAL LIABILITIES</b>		<b>450 139</b>	<b>367 997</b>	<b>367 997</b>	<b>338 015</b>	<b>367 997</b>
<b>NET ASSETS</b>	2	<b>(55 411)</b>	<b>(41 630)</b>	<b>(41 630)</b>	<b>180 325</b>	<b>(41 630)</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		211 682	(41 630)	(41 630)	180 325	(41 630)
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>211 682</b>	<b>(41 630)</b>	<b>(41 630)</b>	<b>180 325</b>	<b>(41 630)</b>

Taking the current assets and current liabilities together, the municipality has a current ratio of 0.31 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 - M03 September

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		–	4 874	4 874	572	1 771	1 218	552	45%	4 874
Service charges		–	20 261	20 261	1 613	4 726	5 065	(340)	-7%	20 261
Other revenue		–	786	786	2 256	2 500	197	2 303	1172%	786
Transfers and Subsidies - Operational		–	68 488	68 488	574	29 475	17 122	12 353	72%	68 488
Transfers and Subsidies - Capital		–	54 967	54 967	14 758	16 320	13 742	2 578	19%	54 967
Interest		–	–	–	–	–	–	–	–	–
Dividends		–	–	–	–	–	–	–	–	–
<b>Payments</b>										
Suppliers and employees		–	(116 329)	(116 329)	(8 388)	(18 999)	30 888	49 887	162%	123 554
Interest		–	–	–	–	–	–	–	–	–
Transfers and Subsidies		–	–	–	–	–	–	–	–	–
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		–	33 047	33 047	11 384	35 792	68 233	32 441	48%	272 930
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		0	–	–	–	0	–	0	#DIV/0!	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–
<b>Payments</b>										
Capital assets		–	(54 967)	(54 967)	(5 377)	(10 379)	(13 742)	(3 362)	24%	(52 257)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		0	(54 967)	(54 967)	(5 377)	(10 379)	(13 742)	(3 362)	24%	(52 257)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	5	8	–	8	#DIV/0!	–
<b>Payments</b>										
Repayment of borrowing		–	–	–	–	–	–	–	–	–
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		–	–	–	5	8	–	(8)	#DIV/0!	–
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		0	(21 920)	(21 920)	6 012	25 420	54 491			220 673
Cash/cash equivalents at beginning:		242	242	242	5 737	734	242			734
Cash/cash equivalents at month/year end:		242	(21 678)	(21 678)		26 153	54 732			221 407

Table C7 presents details pertaining to cash flow performance. As at end of September 2023, the net cash inflow from operating activities is R11,4 million whilst the net cash outflow from investing activities amounts to –R5,4 million that is mainly comprised of capital expenditure movement, and cash outflow from financing activities is R 5 thousand. The cash and cash equivalent held at end of September 2023 amounted to R 26,2 million and the net effect of the above cash flows is cash outflow movement of R 25,4 million.

## PART2: SUPPORTING TABLES

### Supporting Table: Material Variance Explanations

DESCRIPTION	VARIANCE	REASON FOR MATERIAL VARIANCE	REMEDIAL OR CORRECTIVE STEPS/REMARKS
<b>REVENUE BY SOURCE</b>			
Property rates	-7%	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	-59%	The actual revenue is less than the projected monthly revenue	The municipality needs to look at the revenue generated at the electricity services and it will be monitored as it is first quarter in the new financial year.
Service charges - water revenue	-70%	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 and Warrenville community as there are limited metering systems . 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	-22%	The projected monthly revenue appear to be high as compared to actual revenue performance	The municipality will monitor this line item as it is the first quarter of the new financial year.
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%
Sale of Goods and Rendering of Services	-8%	The actual revenue is less than the projected monthly revenue	The variance is immaterial and no remedial action is needed
Interest earned from Receivables	41%	The actual revenue is more than the projected monthly revenue	The variance is immaterial and no remedial action is needed
Fines, penalties and forfeits	146%	The actual revenue is more than the projected monthly revenue.	The municipality has to increase fines, penalties and forfeits revenue budget as it was under budgeted due to last year's financial performance.
Transfers and subsidies	72%	The monthly actual revenue is less than the actual budgeted revenue	The municipality receives grants as per DoRA schedule
Operational Revenue	207%	The actual revenue is less than the projected monthly revenue	The municipality will monitor this line item as it is the first quarter of the new financial year.
<b>EXPENDITURE BY TYPE</b>			
Employee related costs	-21%	the actual expenditure incurred is less than the projected monthly actual	There are still vacant posts that needs to be filled
Remuneration of councillors	-3%	the actual expenditure is less than the monthly budgeted actual expenditure	The variance is immaterial and no remedial action is needed
Debt impairment	0%	Debt impairment is calculated monthly based on 2122 AFS	The variance is immaterial and no remedial action is needed
Depreciation & asset impairment	0%	Depreciation is calculated annually based on 2122 AFS	The variance is immaterial and no remedial action is needed
Bulk purchases - electricity	-86%	The Municipality cannot afford to pay the current account of eskom to due low revenue collection	The Municipality has entered into a new payment arrangement with Eskom
Inventory consumed	-5%	the actual expenditure incurred is less than the projected monthly actual	The Municipality cannot afford to pay the monthly charges and will negotiate a new payment arrangement with Vaalharts water.
Contracted services	-43%	the actual expenditure incurred is less than the projected monthly actual	Line item will be monitored before an adjustment is made, as some projects are still on bid processes Valuation roll.
Operational costs	-23%	the actual expenditure incurred is less than the projected monthly actual	Line item will be monitored before an adjustment is made.



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

<b>Capital expenditure</b>			
National government	0%	the actual expenditure incurred is more than the projected monthly actual	No remedies needed
<b>CASH FLOW</b>			
<b>Receipts</b>			
Property rates	45%	The projected monthly revenue appear to be high in light of the actual revenue performance	The municipality will have to monitor this line item, might have to be rectified through an adjustment budget in January
Service charges	-7%	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	1172%	The actual revenue is more than the projected monthly revenue	The municipality traffic testing station needs to be renovated and fixed for the municipality to generate other revenue and appoint a qualified building plan assessor for sales of building plans.
Transfers and Subsidies - Operational	72%	The actual revenue is less than the projected monthly revenue	The municipality receives grants as per DoRA schedule
Transfers and Subsidies - Capital	19%	The actual revenue is less than the projected monthly revenue	The municipality receives grants as per DoRA schedule

## Supporting Table: SC3-Debtors Age Analysis

NC093 Magareng - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

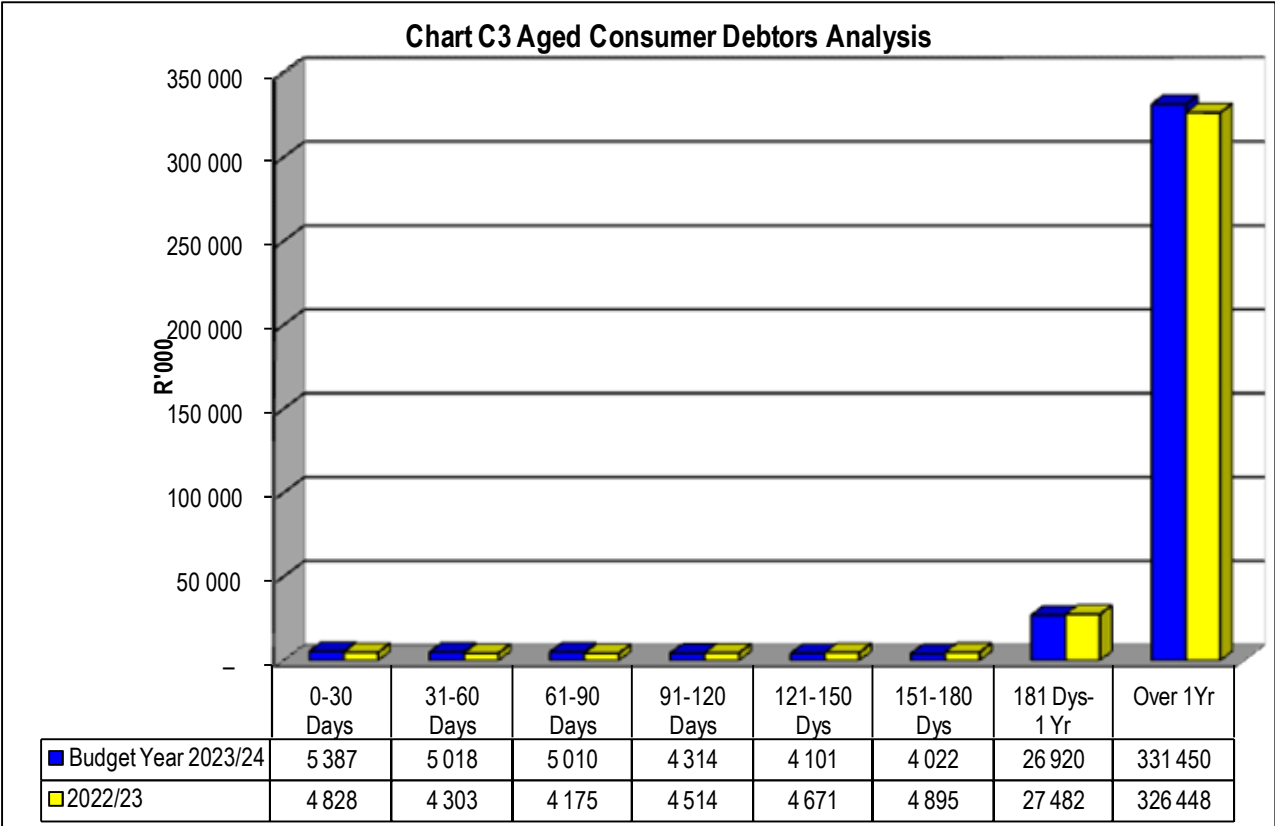
Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	350	292	293	311	287	305	4 683	62 962	69 484	68 549		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	471	265	264	208	153	121	778	25 968	28 227	27 227		
Receivables from Non-exchange Transactions - Property Rates	1400	1 020	937	873	907	840	757	4 640	42 805	52 779	49 949		
Receivables from Exchange Transactions - Waste Water Management	1500	792	794	804	763	740	751	4 543	51 410	60 598	58 207		
Receivables from Exchange Transactions - Waste Management	1600	583	572	576	535	519	526	3 190	35 825	42 327	40 595		
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-		
Interest on Arrear Debtor Accounts	1810	2 136	2 151	2 125	1 568	1 556	1 554	9 006	110 791	130 886	124 475		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	34	7	76	22	7	9	80	1 688	1 923	1 806		
<b>Total By Income Source</b>	<b>2000</b>	<b>5 387</b>	<b>5 018</b>	<b>5 010</b>	<b>4 314</b>	<b>4 101</b>	<b>4 022</b>	<b>26 920</b>	<b>331 450</b>	<b>386 223</b>	<b>370 808</b>	-	-
<b>2022/23 - totals only</b>		<b>4 828</b>	<b>4 303</b>	<b>4 175</b>	<b>4 514</b>	<b>4 671</b>	<b>4 895</b>	<b>27 482</b>	<b>326 448</b>	<b>381 318</b>	<b>368 011</b>		
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	341	312	270	213	200	168	778	4 111	6 394	5 471		
Commercial	2300	549	395	405	359	286	294	2 049	19 285	23 623	22 274		
Households	2400	4 497	4 310	4 335	3 742	3 615	3 559	24 093	308 054	356 206	343 064		
Other	2500	-	-	-	-	-	-	-	-	-	-		
<b>Total By Customer Group</b>	<b>2600</b>	<b>5 387</b>	<b>5 018</b>	<b>5 010</b>	<b>4 314</b>	<b>4 101</b>	<b>4 022</b>	<b>26 920</b>	<b>331 450</b>	<b>386 223</b>	<b>370 808</b>	-	-

Supporting table SC3 provides a breakdown of the debtors. The outstanding debtors as at end of September amount to R 386 223 million. The debtors' book is made up as follows:

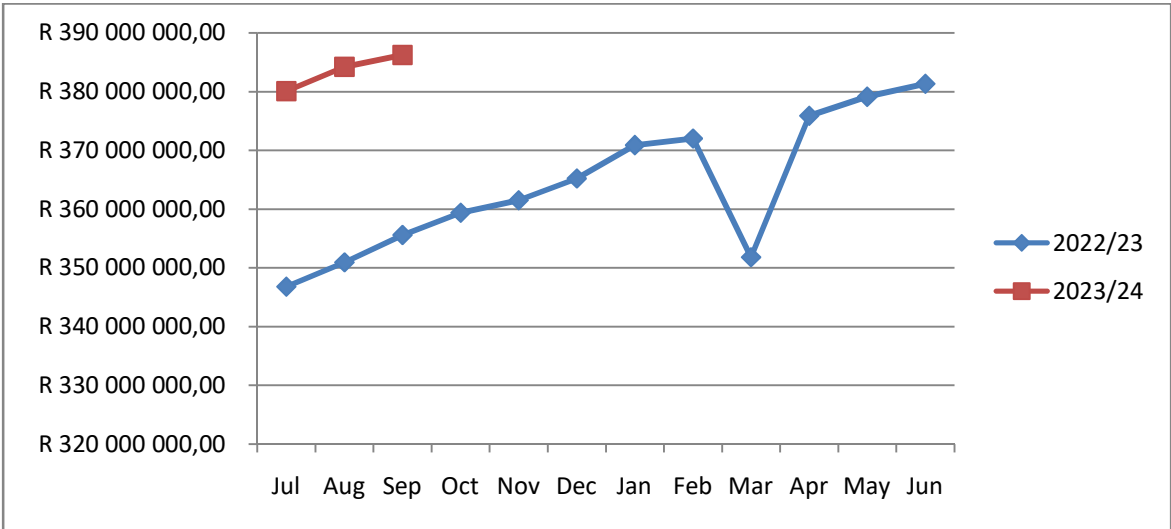
- Rates 14%
- Electricity 7%
- Water 18%
- Waste water management 16%
- Waste management 11%
- Interest on Debtors 34%
- Other 1%

The debtor's age analysis is graphically presented below.

**Figure3: Debtors age analysis**



**Figure 4: Monthly debtors' book**



The initial graph compares debtors' age analysis for 31 August and 30 September 2023, whilst the latter shows monthly movement of debtors for both the current month and the previous month. The debtors' book is materially less than the monthly figure of August 2023.

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

**FIGURE 5: TOP TWENTY DEBTORS**

	ACCOUNT NO	NAME	GROUP	60DAYS BAL	90 DAYS BAL	120 DAYS BAL	150 DAYS BAL	180 DAYS BAL	210 DAYS BAL	240 DAYS BAL	270 DAYS PLUS-BAL	CONSOLIDATED BALANCE
1	1200263	WARRENTON SUPER CHICKEN PTY LTD	BU	-	-	-	-	-	-	-	9 929 899,94	10 008 525,61
	1011982	WARRENTON SUPER CHICKEN PTY LTD	BU	-	-	-	-	-	-	-	10 098,61	
2	1014691	NATIONAL GOVERNMENT OF RSA	GO	80 683,54	70 697,85	70 287,50	70 697,85	69 877,14	69 466,79	68 646,09	2 368 809,32	3 030 618,49
3	1015015	S SANRAL	BU	17 455,58	12 663,85	12 663,85	12 663,85	12 663,85	12 663,85	12 705,45	2 553 216,66	2 681 607,82
4	1200112	MAGELEVENDZE INV CC	RE	-	-	-	-	-	-	-	930 565,09	1 278 784,17
	1002654	MAGELEVENDZE INV CC	RE	5 821,08	4 844,16	4 842,52	4 844,16	4 826,24	4 816,21	4 985,76	301 686,49	
5	1002224	IMPERIAL SUPERMARKET	BU	7 698,37	5 877,03	5 877,07	5 877,03	5 872,39	5 875,28	5 869,94	949 525,94	1 007 872,99
6	1015018	LM ERASMUS BOEDERY GRASBULT	BU	6 554,23	4 845,44	4 841,61	4 845,44	4 837,78	4 833,95	4 826,29	778 907,05	827 601,57
7	1014741	LAERSKOOL HARTSVALLEI	GO	20 619,13	18 067,23	17 962,36	18 067,23	17 857,49	17 752,62	17 542,89	605 362,41	774 491,42
8	1006041	SS KOTE	RE	4 656,51	3 495,66	3 491,04	3 495,66	3 486,43	3 484,19	3 474,96	692 390,15	727 291,49
9	1000719	MM MOLOI	RE	4 627,89	3 300,79	3 298,37	3 300,79	3 298,26	3 295,97	3 291,04	617 460,09	653 786,45
10	1200206	GM WESI	BU	-	-	-	-	-	-	-	560 968,56	578 831,39
	1001073	GM WESI	BU	2 102,15	1 983,03	-	1 983,03	-	-	-	9 452,60	
11	1015021	W J HEWITT	RE	3 815,88	2 640,44	2 644,49	2 640,44	2 644,49	2 644,49	2 649,98	549 432,30	576 746,43
12	1200313	CM AVENANT	BU	-	-	-	-	-	-	3 277,00	292 396,72	456 646,55
	1015849	CM AVENANT	BU	2 092,57	1 904,35	1 883,52	1 904,35	1 300,16	-	-	54 603,24	
13	1002657	TERWIN	BU	7 494,40	6 353,40	6 321,93	6 353,40	6 290,52	6 259,09	6 196,25	381 290,28	441 555,10
14	1001684	MOTSHELE	RE	2 810,94	2 113,46	2 110,83	2 113,46	2 108,20	2 107,74	2 102,49	416 536,12	437 659,44
15	1004435	OK THETHE	RE	3 543,19	2 731,49	2 725,99	2 731,49	2 720,43	2 717,27	2 706,16	404 940,58	431 906,76
16	1003573	D,C DYKER	RE	3 380,74	2 526,85	2 524,22	2 526,85	2 521,59	2 521,37	2 516,13	403 296,39	429 087,80
17	1004132	D GEORGE	RE	3 429,60	2 174,95	2 171,75	2 174,95	2 168,56	2 165,51	2 161,15	400 607,21	426 432,81
18	1005708	AAP VAN WYK	RE	3 805,38	2 834,93	2 723,57	2 834,93	18 943,98	2 885,12	2 877,70	367 999,25	425 638,69
19	1002463	A SPOORNET	BU	1 730,54	1 255,49	1 255,49	1 255,49	1 255,49	1 255,49	1 255,49	398 352,56	411 077,12
20	1006176	A TSWELELOPELE COMMUNITY CR VER	RE	2 407,53	1 830,65	1 828,20	1 830,65	1 824,65	2 000,57	2 007,39	379 771,38	398 453,09

## Supporting Table: SC4-Creditors Age Analysis

NC093 Magareng - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	Budget Year 2023/24									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	Total		
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100	2 724	4 950	6 101	5 081	6 800	43 350	39 385	-	108 390		
Bulk Water	0200	1 102	1 151	1 456	1 406	1 818	12 406	14 231	92 302	125 872		
PAYE deductions	0300	-	-	-	-	-	-	-	-	-		
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-		
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-		
Loan repayments	0600	-	-	-	-	-	-	-	-	-		
Trade Creditors	0700	-	1 070	1 056	4 006	4 186	2 721	2 717	4 147	19 904		
Auditor General	0800	449	895	530	436	508	317	41	323	3 498		
Other	0900	-	-	-	-	-	-	-	-	-		
<b>Total By Customer Type</b>	<b>1000</b>	<b>4 275</b>	<b>8 066</b>	<b>9 144</b>	<b>10 928</b>	<b>13 311</b>	<b>58 793</b>	<b>56 374</b>	<b>96 772</b>	<b>257 664</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 30 September 2023 amounted to R257 664 million. This amount is made up of various creditors which include amongst others the Eskom of R108 390 million, and Vaalharts water of R125 872 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 - M03 September

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>														
MAGARENG LOCAL MUNICIPALITY														-
Municipality sub-total										-		-	-	-
<b>Entities</b>														
ABSA (9351945669)		3 MONTHS	7 DAYS	YES					2023/07/24	163	1	(164)	-	(0)
ABSA (9380541602)		3 MONTHS	7 DAYS	YES					2023/09/23	10 000	91	(7 400)	8 664	11 355
ABSA (9355871747)		3 MONTHS	7 DAYS	YES					2023/08/20	19	0	-	-	20
														-
														-
														-
Entities sub-total										10 182		(7 564)	8 664	11 375
TOTAL INVESTMENTS AND INTEREST	2									10 182		(7 564)	8 664	11 375

The municipality's current investment amounts to 11, 4 million for September 2023.

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

NC093 Magareng - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		65 086	65 541	65 541	-	28 901	16 385	12 516	76,4%	65 541
Equitable Share		57 991	61 591	61 591	-	25 663	15 398	10 265	66,7%	61 591
Expanded Public Works Programme Integrated Grant		1 073	950	950	-	238	238	0	0,2%	950
Local Government Financial Management Grant		3 000	3 000	3 000	-	3 000	750	2 250	300,0%	3 000
Municipal Disaster Relief Grant		3 021	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]										
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]										
<b>District Municipality:</b>		3 586	1 800	1 800	-	-	450	(450)	-100,0%	1 800
FBDM (Operational)		3 586	1 800	1 800	-	-	450	(450)	-100,0%	1 800
<b>Other grant providers:</b>		767	1 147	1 147	574	574	287	287	100,0%	1 147
Education Training and Development Practices SETA		-	-	-	-	-	-	-	-	-
National Library South Africa		767	1 147	1 147	574	574	287	287	100,0%	1 147
Post Retirement Benefit		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	69 438	68 488	68 488	574	29 475	17 122	12 353	72,1%	68 488
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		24 071	51 967	51 967	14 758	16 320	12 992	3 328	25,6%	51 967
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		16 962	12 452	12 452	5 000	5 000	3 113	1 887	60,6%	12 452
Regional Bulk Infrastructure Grant		-	20 000	20 000	-	1 562	5 000	(3 438)	-68,8%	20 000
Water Services Infrastructure Grant		7 109	19 515	19 515	9 758	9 758	4 879	4 879	100,0%	19 515
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>District Municipality:</b>		1 725	3 000	3 000	-	-	750	(750)	-100,0%	3 000
FBDM (Capital)		1 725	3 000	3 000	-	-	750	(750)	-100,0%	3 000
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total Capital Transfers and Grants</b>	5	25 796	54 967	54 967	14 758	16 320	13 742	2 578	18,8%	54 967
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	95 234	123 455	123 455	15 332	45 794	30 864	14 930	48,4%	123 455

Supporting tables SC6 provides details of grants received. The year to date actual receipts amounts to R 45, 8 million of which the major portion is attributed to equitable share. For the reporting period equitable shares amounting to R0 million; Financial Management Grant amounting to R0 million; Municipal Infrastructure Grant amounting to R5 million; Water Service Infrastructure Grant R9, 8 million, Expanded Public Works Programme R 0 thousands, Library Grant R 574 thousand, Frances Baard District O & M R 0 million, Regional Bulk Infrastructure Grant amounting to R 0 million and Frances Baard District Grant (capital grant) amounting to R0 were received. Most of the first trenches of the grants allocated for the current financial year, so far have been received in line with National Treasury payment schedule.



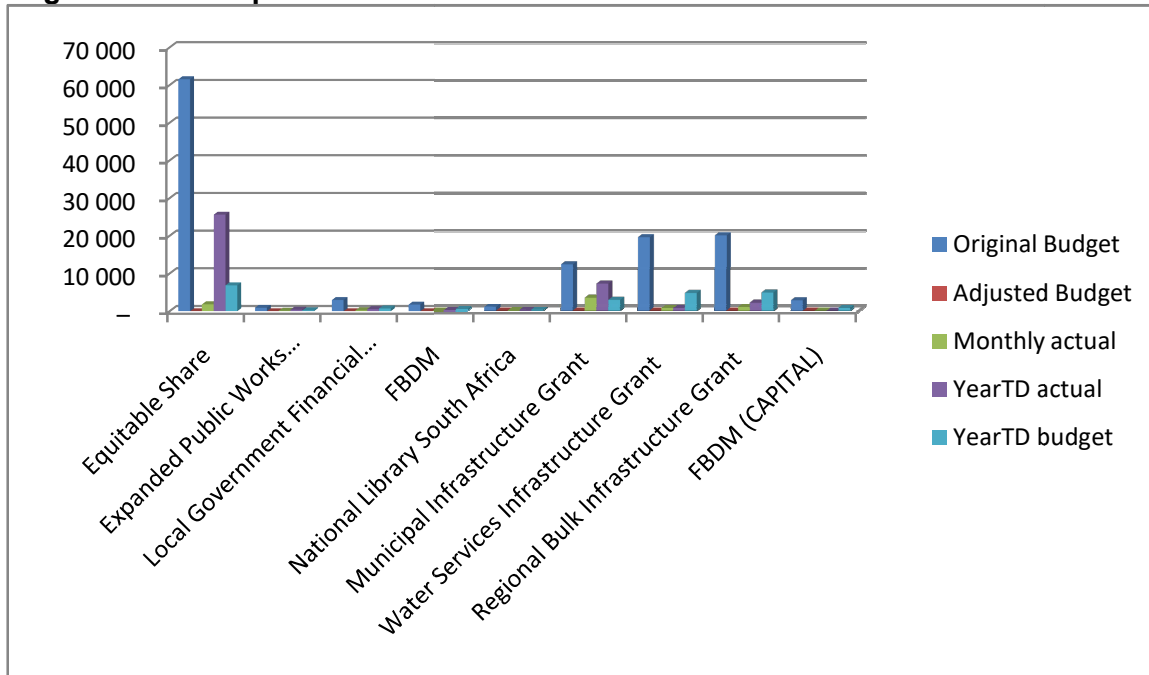
## Supporting Table: SC7 Transfers and Grants –Expenditure

NC093 Magareng - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		38 692	65 541	65 541	2 236	26 666	7 882	18 784	238,3%	31 527
Equitable Share		30 958	61 591	61 591	1 862	25 663	6 894	18 769	272,2%	27 577
Expanded Public Works Programme Integrated Grant		1 261	950	950	134	422	238	185	77,7%	950
Local Government Financial Management Grant		6 473	3 000	3 000	239	581	750	(169)	-22,5%	3 000
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		1 210	1 800	1 800	-	133	450	(317)	-70,5%	1 800
FBDM (Operational)		1 210	1 800	1 800	-	133	450	(317)	-70,5%	1 800
Other grant providers:		858	1 147	1 147	92	273	287	(14)	-4,7%	1 147
Education Training and Development Practices SETA		-	-	-	-	-	-	-	-	-
National Library South Africa		858	1 147	1 147	92	273	287	(14)	-4,7%	1 147
<b>Total operating expenditure of Transfers and Grants:</b>		<b>40 760</b>	<b>68 488</b>	<b>68 488</b>	<b>2 327</b>	<b>27 072</b>	<b>8 619</b>	<b>18 454</b>	<b>214,1%</b>	<b>34 474</b>
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		23 885	31 967	31 967	4 360	8 004	7 992	13	0,2%	31 967
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		12 531	12 452	12 452	3 658	7 302	3 113	4 189	134,6%	12 452
Water Services Infrastructure Grant		11 354	19 515	19 515	703	703	4 879	(4 176)	-85,6%	19 515
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	3 000	3 000	-	-	750	(750)	-100,0%	3 000
FBDM (Capital)		-	3 000	3 000	-	-	750	(750)	-100,0%	3 000
Other grant providers:		-	20 000	20 000	1 017	2 375	5 000	(2 625)	-52,5%	20 000
Regional Bulk Infrastructure Grant		-	20 000	20 000	1 017	2 375	5 000	(2 625)	-52,5%	20 000
<b>Total capital expenditure of Transfers and Grants</b>		<b>23 885</b>	<b>54 967</b>	<b>54 967</b>	<b>5 377</b>	<b>10 379</b>	<b>13 742</b>	<b>(3 362)</b>	<b>-24,5%</b>	<b>54 967</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>64 645</b>	<b>123 455</b>	<b>123 455</b>	<b>7 705</b>	<b>37 452</b>	<b>22 360</b>	<b>15 091</b>	<b>67,5%</b>	<b>89 441</b>

An amount of R 7,7 million has been spent on grants during the month of September 2023 and the year to date actual is R 37,5 million whilst the year to date budget amounts to R 22,4 million and this results in an over spending variance of R 15,1 million that translates to positive 67%. Of the total spending amounting to R 7,7million, which R 2,3 million was spent on operational grants and R 5,4 million was spent on capital grants.

**Figure 5: Grants performance**



The above graph depicts the gazette and budgeted amounts for all the grants and the expenditure there of as at end of September 2023. The grants expenditure is shown below in percentages when compared to the original budget:

- Financial Management Grant 8%
- Expanded Public Work Programme 14%
- Equitable Share 3%
- Frances Baard District Municipality Grant 0%
- Library Grant 8%
- Municipal Infrastructure Grant 29%
- Water Services Infrastructure Grant 4%
- Regional Bulk Infrastructure Grant 5%
- Frances Baard District Municipality Grant (Capital) 0%

## SupportingTable: SC8- Councilor Allowances and Employee Related Costs

NC093 Magareng - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

Summary of Employee and Councilor remuneration	Ref	Budget Year 2023/24								
		2022/23 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		3 173	3 222	3 222	270	803	805	(3)	0%	3 222
Pension and UIF Contributions		448	452	452	30	91	113	(22)	-19%	452
Medical Aid Contributions		115	123	123	10	31	31	(0)	0%	123
Motor Vehicle Allowance		456	529	529	43	129	132	(3)	-2%	
Cellphone Allowance		481	481	481	37	117	120	(3)	-3%	481
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	529
<b>Sub Total - Councillors</b>		<b>4 673</b>	<b>4 807</b>	<b>4 807</b>	<b>390</b>	<b>1 170</b>	<b>1 202</b>	<b>(31)</b>	<b>-3%</b>	<b>4 807</b>
<b>% increase</b>	4		<b>2,9%</b>	<b>2,9%</b>						<b>2,9%</b>
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		1 040	2 829	2 829	123	252	707	(456)	-64%	2 829
Pension and UIF Contributions		125	314	314	10	28	79	(51)	-65%	314
Medical Aid Contributions		69	122	122	4	12	31	(18)	-60%	122
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		67	231	231	-	-	58	(58)	-100%	231
Motor Vehicle Allowance		820	1 500	1 500	13	13	375	(362)	-97%	1 500
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	154	154	-	-	39	(39)	-100%	154
Other benefits and allowances		0	1	1	0	0	0	(0)	-74%	1
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		63	166	166	-	-	42	-	-	166
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>2 185</b>	<b>5 317</b>	<b>5 317</b>	<b>150</b>	<b>305</b>	<b>1 329</b>	<b>(1 024)</b>	<b>-77%</b>	<b>5 317</b>
<b>% increase</b>	4		<b>143,4%</b>	<b>143,4%</b>						<b>143,4%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		31 350	34 670	34 670	2 648	7 962	8 667	(705)	-8%	34 670
Pension and UIF Contributions		6 067	6 428	6 428	471	1 418	1 607	(190)	-12%	6 428
Medical Aid Contributions		2 305	2 569	2 569	147	441	642	(201)	-31%	2 569
Overtime		2 327	1 000	1 000	65	106	250	(144)	-57%	1 000
Performance Bonus		2 948	2 829	2 829	88	160	707	(548)	-77%	2 829
Motor Vehicle Allowance		62	53	53	4	13	13	(1)	-5%	53
Cellphone Allowance		74	66	66	4	11	17	(6)	-36%	66
Housing Allowances		70	77	77	4	13	19	(6)	-33%	77
Other benefits and allowances		456	491	491	29	86	123	(37)	-30%	491
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	110	110	-	-	28	(28)	-100%	110
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		248	100	100	6	37	25	12	47%	100
In kind benefits		514	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>46 422</b>	<b>48 392</b>	<b>48 392</b>	<b>3 466</b>	<b>10 246</b>	<b>12 098</b>	<b>(1 852)</b>	<b>-15%</b>	<b>48 392</b>
<b>% increase</b>	4		<b>4,2%</b>	<b>4,2%</b>						<b>4,2%</b>
<b>Total Parent Municipality</b>		<b>53 279</b>	<b>58 516</b>	<b>58 516</b>	<b>4 006</b>	<b>11 721</b>	<b>14 629</b>	<b>(2 908)</b>	<b>-20%</b>	<b>58 516</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>53 279</b>	<b>58 516</b>	<b>58 516</b>	<b>4 006</b>	<b>11 721</b>	<b>14 629</b>	<b>(2 908)</b>	<b>-20%</b>	<b>58 516</b>
<b>% increase</b>	4		<b>9,8%</b>	<b>9,8%</b>						<b>9,8%</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>48 606</b>	<b>53 709</b>	<b>53 709</b>	<b>3 616</b>	<b>10 551</b>	<b>13 427</b>	<b>(2 877)</b>	<b>-21%</b>	<b>53 709</b>

Table SC8 provides details for Remuneration of Councilors and Employee related cost. **The total salaries, allowances and benefits** paid as at end of September 2023 amounts to **R 4 million** and the year to date budget is R 14,6 million and the expenditure for remuneration of councilors amounts to R 390 thousand while the year to date budget is R1,2 million. The year to date actual expenditure for senior managers is R 305 thousands and the year to date budget thereof is R 1,3 million. The year to date actual of other municipal staff amounts to R 10,2 million and the year to date budget is R 12,1 million.

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

NC093 Magareng - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M03 September

Description	Ref	Budget Year 2023/24												2023/24 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
<b>R thousands</b>	1															
<b>Cash Receipts By Source</b>																
Property rates		636	563	572	406	406	406	406	406	406	406	406	(146)	4 874	5 090	5 329
Service charges - Electricity revenue		1 100	1 273	1 156	911	911	911	911	911	911	911	911	113	10 926	11 163	11 687
Service charges - Water revenue		139	223	188	267	267	267	267	267	267	267	267	518	3 204	3 361	3 519
Service charges - Waste Water Management		72	75	130	316	316	316	316	316	316	316	316	987	3 791	3 977	4 164
Service charges - Waste Mangement		113	118	138	195	195	195	195	195	195	195	195	411	2 339	2 454	2 569
Rental of facilities and equipment		-	0	0	2	2	2	2	2	2	2	2	9	27	23	24
Interest earned - external investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	5	5	5	5	5	5	5	5	22	65	68	71
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational		25 663	3 238	574	5 707	5 707	5 707	5 707	5 707	5 707	5 707	5 707	(6 645)	68 488	69 487	69 431
Other revenue		12 504	158	2 256	58	58	58	58	58	58	58	58	(14 687)	694	728	763
<b>Cash Receipts by Source</b>		<b>40 227</b>	<b>5 648</b>	<b>5 014</b>	<b>7 865</b>	<b>7 865</b>	<b>7 865</b>	<b>7 865</b>	<b>7 865</b>	<b>7 865</b>	<b>7 865</b>	<b>7 865</b>	<b>(19 428)</b>	<b>94 382</b>	<b>96 328</b>	<b>97 535</b>
<b>Other Cash Flows by Source</b>																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	1 562	14 758	4 581	4 581	4 581	4 581	4 581	4 581	4 581	4 581	2 003	54 967	14 913	14 690
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		4	(1)	5	-	-	-	-	-	-	-	-	(8)	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>		<b>40 231</b>	<b>7 209</b>	<b>19 777</b>	<b>12 446</b>	<b>12 446</b>	<b>12 446</b>	<b>12 446</b>	<b>12 446</b>	<b>12 446</b>	<b>12 446</b>	<b>12 446</b>	<b>(17 433)</b>	<b>149 349</b>	<b>111 241</b>	<b>112 225</b>
<b>Cash Payments by Type</b>																
Employee related costs		3 518	3 416	3 616	(4 476)	(4 476)	(4 476)	(4 476)	(4 476)	(4 476)	(4 476)	(4 476)	(28 453)	(53 709)	(56 091)	(58 178)
Remuneration of councillors		390	390	390	401	401	401	401	401	401	401	401	432	4 807	5 109	5 429
Interest		-	-	870	(2 083)	(2 083)	(2 083)	(2 083)	(2 083)	(2 083)	(2 083)	(2 083)	(9 203)	(25 000)	(26 225)	(27 458)
Bulk purchases - Electricity		-	-	870	(2 083)	(2 083)	(2 083)	(2 083)	(2 083)	(2 083)	(2 083)	(2 083)	(9 203)	(25 000)	(26 225)	(27 458)
Acquisitions - water & other inventory		483	689	1 892	(1 077)	(1 077)	(1 077)	(1 077)	(1 077)	(1 077)	(1 077)	(1 077)	(7 371)	(12 920)	(12 134)	(12 670)
Contracted services		66	368	939	(3 555)	(3 555)	(3 555)	(3 555)	(3 555)	(3 555)	(3 555)	(3 555)	(15 594)	(42 663)	(4 843)	(4 304)
Transfers and subsidies - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		456	835	681	494	494	494	494	494	494	494	494	5	5 931	5 706	6 005
<b>Cash Payments by Type</b>		<b>4 913</b>	<b>5 698</b>	<b>8 388</b>	<b>(10 296)</b>	<b>(10 296)</b>	<b>(10 296)</b>	<b>(10 296)</b>	<b>(10 296)</b>	<b>(10 296)</b>	<b>(10 296)</b>	<b>(10 296)</b>	<b>(60 184)</b>	<b>(123 554)</b>	<b>(88 479)</b>	<b>(91 175)</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets		2 591	2 411	5 377	4 355	4 355	4 355	4 355	4 355	4 355	4 355	4 355	7 040	52 257	15 217	15 009
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>		<b>7 504</b>	<b>8 109</b>	<b>13 765</b>	<b>(5 941)</b>	<b>(5 941)</b>	<b>(5 941)</b>	<b>(5 941)</b>	<b>(5 941)</b>	<b>(5 941)</b>	<b>(5 941)</b>	<b>(5 941)</b>	<b>(53 144)</b>	<b>(71 297)</b>	<b>(73 262)</b>	<b>(76 166)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>32 726</b>	<b>(901)</b>	<b>6 012</b>	<b>18 387</b>	<b>18 387</b>	<b>18 387</b>	<b>18 387</b>	<b>18 387</b>	<b>18 387</b>	<b>18 387</b>	<b>18 387</b>	<b>35 711</b>	<b>220 646</b>	<b>184 504</b>	<b>188 391</b>
Cash/cash equivalents at the month/year beginning:		734	33 460	32 559	38 571	56 958	75 345	93 733	112 120	130 507	148 894	167 281	185 668	734	221 380	405 883
Cash/cash equivalents at the month/year end:		33 460	32 559	38 571	56 958	75 345	93 733	112 120	130 507	148 894	167 281	185 668	221 380	221 380	405 883	594 274

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 19,8 million and cash payment for the month amounts to R 13,8 million and this resulted in net increase in cash held amounting to R6 million. With cash and cash equivalent of R32, 6 million at the beginning of the reporting period, the municipality closed off the month with cash and cash equivalent amounting of R 38,6 million. This is a supporting table for table C7 – Cash Flow Statement.

### Supporting Table: SC12 Capital Expenditure Trend

NC093 Magareng - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 September

Month	2022/23	Budget Year 2023/24							
	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	5 035	4 605	4 605	2 591	2 591	4 605	2 014	43,7%	5%
August	–	4 605	4 605	2 411	2 411	9 210	6 798	73,8%	4%
September	1 803	4 605	4 605	5 377	5 377	13 814	8 437	61,1%	10%
October	–	4 605	4 605	–	–	18 419	18 419	100,0%	0%
November	1 798	4 605	4 605	–	–	23 024	23 024	100,0%	0%
December	2 517	4 605	4 605	–	–	27 629	27 629	100,0%	0%
January	–	4 605	4 605	–	–	32 233	32 233	100,0%	0%
February	2 170	4 605	4 605	–	–	36 838	36 838	100,0%	0%
March	7 748	4 605	4 605	–	–	41 443	41 443	100,0%	0%
April	1 214	4 605	4 605	–	–	46 048	46 048	100,0%	–
May	826	4 605	4 605	–	–	50 652	50 652	100,0%	–
June	2 257	4 605	4 605	–	–	55 257	55 257	100,0%	–
<b>Total Capital expenditure</b>	<b>25 368</b>	<b>55 257</b>	<b>55 257</b>	<b>10 379</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 September 2023 amounts to R5,4 million.



## Quality Certificate

I, Tumelo Thage..... **The Municipal Manager of Magareng Local Municipality (NC093)**, hereby certify that-

- The monthly budget statements.
- Quarterly report on the implementation of the budget and financial state affairs of the municipality
- Mid-year budget and performance assessment

The report for **September 2023** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

A handwritten signature in black ink, appearing to be 'T Thage', written over a horizontal line.

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

14 October 2023  
**Date**